FORM 8-K (2012)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

December 27, 2012
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b) On December 27, 2012, Charles K. Vaughan notified the company's board of directors of his retirement from the board, effective immediately. A copy of the news release issued on January 3, 2013, announcing the retirement of Mr. Vaughan from the board, is filed herewith as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 News Release issued by Atmos Energy Corporation dated January 3, 2013

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: January 3, 2013

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President, General Counsel
and Corporate Secretary

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INDEX TO EXHIBITS

Exhibit Number	Description
99.1	News Release issued by Atmos Energy Corporation dated January 3, 2013

Exhibit 99.1

News Release

Analysts and Media Contact:
Susan Giles (972) 855-3729

Atmos Energy Announces Retirement of Charles K. Vaughan from Board of Directors

DALLAS (January 3, 2013)—Atmos Energy Corporation (NYSE:ATO) today announced that Charles K. Vaughan has retired from the company's board of directors, effective December 27, 2012. Subsequent to his retirement, in recognition of his more than 55 years of service to Atmos Energy and the role he had in building and leading the company, the board appointed Vaughan as an honorary director, effective January 1, 2013.

Vaughan first joined the company in 1957, when it was a part of Pioneer Corporation, and served in numerous leadership capacities until 1983, when Atmos Energy became an independent public company. At that time, Vaughan was named the company's first chairman, president and chief executive officer. Over the next several years, Vaughan led the company through a series of successful acquisitions, relocation of its headquarters from Amarillo to Dallas and the listing of the company's common stock on the New York Stock Exchange. Subsequent to retiring as chairman of the board in 1997, Vaughan continued to serve as a director of the company until his retirement, along with serving as lead director since October 2003.

"Atmos Energy has benefited from Charlie's leadership and vision for more than 55 years and we are pleased that the company will continue to benefit from his counsel through his new role as an honorary director," said Kim Cocklin, president and chief executive officer of Atmos Energy. "His vision for strategic development and his leadership in the implementation of multiple acquisitions have greatly contributed to the company's success. He embodies the values, principles and spirit that have made Atmos Energy what it is today."

About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is one of the country's largest natural-gas-only distributors, serving about three million natural gas distribution customers in over 1,400 communities in nine states from the Blue Ridge Mountains in the East to the Rocky Mountains in the West. Atmos Energy also provides natural gas marketing and procurement services to industrial, commercial and municipal customers primarily in the Midwest and Southeast and manages company-owned natural gas pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas. For more information, visit www.atmosenergy.com . Information about Atmos Energy may also be accessed through social media platforms, Facebook , Twitter and YouTube .

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
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☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Explanatory Note

This Form 8-K/A is being filed to amend and restate the Current Report on Form 8-K previously filed on December 11, 2012, solely to correct an inadvertent error in an Item Number referred to therein. The reference to **"Item 2.01 . Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant"** was incorrect. The correct reference is to **"Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant,"** as indicated below.

Item 1.01 Entry into a Material Definitive Agreement.

On December 7, 2012, Atmos Energy Corporation (the "Company") entered into the Second Amendment to Revolving Credit Agreement (the "Second Amendment") which amends the Company's existing $750 million Revolving Credit Agreement dated May 2, 2011, which was amended on May 31, 2011 pursuant to the First Amendment to Revolving Credit with The Royal Bank of Scotland plc, as Administrative Agent, and an original syndicate of 14 lenders identified therein (the "RBS Credit Facility"). The primary changes to the RBS Credit Facility, as reflected in the Second Amendment, were made to: (i) increase the lenders' commitment from $750 million to $950 million, while retaining the accordion feature which would allow an increase in commitments up to $1.2 billion, and (ii) allow the Company to obtain same-day funding on base rate loans. The RBS Credit Facility, as amended (the "Credit Facility"), will continue to be used for working capital, capital expenditures and other general corporate purposes. There were no other material changes to the Credit Facility as a result of the execution of the Second Amendment. With respect to the other parties to the Credit Facility, the Company has or may have had customary banking relationships based on the provision of a variety of financial services, including without limitation, cash management, investment banking, and equipment financing and leasing services, none of which are material individually or in the aggregate with respect to any individual party. A copy of the Second Amendment is filed as Exhibit 10.1 and is incorporated herein by reference. The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the Second Amendment.

Item 1.02. Termination of a Material Definitive Agreement.

On December 5, 2012, Atmos Energy Marketing, LLC ("AEM"), a Delaware limited liability company, which is wholly owned by Atmos Energy Holdings, Inc., a Delaware corporation, which is in turn a wholly-owned subsidiary of the Company, terminated the $200 million committed and secured Fifth Amended and Restated Credit Agreement dated December 8, 2010 with BNP Paribas, as administrative agent and lender (the "BNP Paribas Facility") and seven other lenders, which was due to expire on December 8, 2014. This termination was consistent with AEM's plans to reduce its external credit expense. AEM incurred no early termination penalties as a result of the termination of the BNP Paribas Facility. AEM has had material customary banking relationships with BNP Paribas based on the provision of a variety of financial services, including the purchase and sale of financial instruments traded on various commodity exchanges. These financial instruments include, but are not limited to, NYMEX futures and over-the-counter natural gas hedges. In addition, AEM or its affiliates have or may have purchased natural gas on an arm's-length basis based upon market prices from one or more affiliates of BNP Paribas. With respect to BNP Paribas and the other parties to such terminated credit facility, the Company has or may have had customary banking relationships based on the provision of a variety of financial services, including without limitation, credit extended under credit facility agreements, cash management, investment

banking, and equipment financing and leasing services, none of which are material individually or in the aggregate with respect to any individual party.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information described in Item 1.01 above is hereby incorporated by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

10.1 Second Amendment to Revolving Credit Agreement, made and entered into as of December 7, 2012, by and among Atmos Energy Corporation, a Texas and Virginia corporation, the several banks and other financial institutions from time to time party thereto (the "Lenders") and The Royal Bank of Scotland plc, in its capacity as Administrative Agent for the Lenders

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: December 12, 2012

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President, General Counsel
and Corporate Secretary

INDEX TO EXHIBITS

Exhibit Number	Description
10.1	Second Amendment to Revolving Credit Agreement, made and entered into as of December 7, 2012, by and among Atmos Energy Corporation, a Texas and Virginia corporation, the several banks and other financial institutions from time to time party thereto (the "Lenders") and The Royal Bank of Scotland plc, in its capacity as Administrative Agent for the Lenders

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Exhibit 10.1

Execution Version

SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT

THIS SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT (this " ***Amendment*** "), is made and entered into as of December 7, 2012, by and among ATMOS ENERGY CORPORATION, a Texas and Virginia corporation (the " ***Borrower*** "), the several banks and other financial institutions from time to time party hereto (collectively, the " ***Lenders*** ") and THE ROYAL BANK OF SCOTLAND PLC, in its capacity as Administrative Agent for the Lenders (the " ***Administrative Agent*** ").

W I T N E S S E T H :

WHEREAS, the Borrower, the Lenders and the Administrative Agent are parties to a certain Revolving Credit Agreement, dated as of May 2, 2011 (as amended, restated, supplemented or otherwise modified from time to time, the " ***Credit Agreement*** "; capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Credit Agreement), pursuant to which the Lenders have made certain financial accommodations available to the Borrower;

WHEREAS, the Borrower has notified the Administrative Agent and each of the Lenders that the Borrower proposes to increase the Aggregate Commitment Amount under the Credit Agreement by the amount of $200,000,000 which increase shall be made without using the existing $250,000,000 uncommitted incremental facility set forth in Section 2.21 of the Credit Agreement;

WHEREAS, certain Lenders have agreed to increase their Commitments, and certain other banks, financial institutions and lenders (the " ***New Lenders*** ") have agreed to join the Credit Agreement and to provide additional Commitments, all as requested by the Borrower and the Credit Agreement will continue to contemplate an up to $250,000,000 uncommitted incremental facility set forth in Section 2.21 of the Revolving Credit Agreement that may be used in addition to the incremental Commitments provided below;

WHEREAS, the Borrower has also requested that the Lenders and the Administrative Agent amend certain provisions of the Credit Agreement, and subject to the terms and conditions hereof, the Lenders are willing to do so;

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of all of which are acknowledged, the Borrower, the Lenders and the Administrative Agent agree as follows:

1. **Increase in Commitments** . Each of the parties hereto consents to the increase in the aggregate principal amount of the Commitments to $950,000,000. Each Lender executing this Amendment and each New Lender agrees that, effective as of the Second Amendment Date (defined below), its Commitment is in the amount set forth on Schedule II . Each of the parties acknowledges and agrees that the Commitments of each of the Lenders and the New Lenders are several and not joint commitments and obligations of such Lender. Immediately after giving effect to this Amendment, the outstanding Borrowings shall be reallocated ratably based upon the Commitments as set forth on Schedule II. Each of the parties hereto acknowledges and agrees that the foregoing increase in the Commitments is independent of Section 2.21 of the Credit Agreement, and the Borrower retains the right to further increase the Commitments by up to $250,000,000 after the Second Amendment Date on the terms set forth in Section 2.21 of the Credit Agreement.

2. **Amendments**.

(a) Section 1.1 of the Credit Agreement is hereby amended by replacing the definitions of "Aggregate Commitment Amount", "Co-Documentation Agents" and "Joint Lead Arrangers" in their entirety with the following definitions:

" Aggregate Commitment Amount " shall mean the aggregate principal amount of the Aggregate Commitments from time to time. On the Second Amendment Date, the Aggregate Commitment Amount equals $950,000,000.

" Co-Documentation Agents " shall mean, collectively, Bank of America, N.A., U.S. Bank National Association, Wells Fargo Bank, N.A. and JPMorgan Chase Bank, N.A.

" Joint Lead Arrangers " shall mean, collectively, RBS Securities, Inc., Crédit Agricole Corporate and Investment Bank, Merrill Lynch, Pierce, Fenner & Smith Incorporated, U.S. Bank National Association, Wells Fargo Securities, LLC and J.P. Morgan Securities LLC.

(b) Section 1.1 of the Credit Agreement is hereby amended by adding the following definition of "Second Amendment Date" in the appropriate alphabetical order:

" Second Amendment Date " shall mean the date that all conditions to the effectiveness of the Second Amendment to Revolving Credit Agreement between Borrower and the Lender relating to this Credit Agreement are satisfied.

(c) Section 2.3 of the Credit Agreement is hereby amended by replacing the first sentence of such Section in its entirety with the following:

The Borrower shall give the Administrative Agent written notice (or telephonic notice promptly confirmed in writing) of each Borrowing substantially in the form of Exhibit 2.3 (a " Notice of Borrowing ") (x) prior to 9:30 A.M. (New York time) on the requested date of each Base Rate Borrowing and (y) prior to 11:00 a.m. (New York time) three (3) Business Days prior to the requested date of each Eurodollar Borrowing.

(d) Section 2.4 of the Credit Agreement is hereby amended by replacing the first sentence of subsection (a) of such Section in its entirety with the following:

Each Lender will make available each Loan to be made by it hereunder on the proposed date thereof by wire transfer in immediately available funds by 12:00 noon (New York time) to the Administrative Agent at the Payment Office.

(e) Section 5.8 of the Credit Agreement is hereby amended by replacing such Section in its entirety with the following:

Section 5.8. Use of Proceeds. The proceeds of the Loans may be used solely (a) to refinance the indebtedness under each of the Existing Five-Year Credit Agreement on the Closing Date and to pay related fees and expenses, (b) to fund future acquisitions permitted by Section 4.14 and (c) for working capital, capital expenditures and other lawful corporate purposes of the Borrower.

(f) Schedule II of the Credit Agreement is hereby amended by replacing such schedule in its entirety with the Schedule II attached hereto.

3. **Conditions to Effectiveness of this Amendment .** Notwithstanding any other provision of this Amendment and without affecting in any manner the rights of the Lenders hereunder, it is understood and agreed that this Amendment, the increase in the Commitments and the other terms contemplated hereby shall not become effective, and the Borrower shall have no rights under this Amendment, until:

(a) the Administrative Agent shall have received (i) the fees set forth in that Fee Letter dated as of November 12, 2012 among the Borrower, the Administrative Agent and RBS Securities Inc., (ii) such fees as the Borrower has previously agreed to pay the Administrative Agent or any of its affiliates in connection with this Amendment, (iii) reimbursement or payment of its costs and expenses incurred in connection with this Amendment or the Credit Agreement (including reasonable fees, charges and disbursements of King & Spalding LLP, counsel to the Administrative Agent);

(b) the following credit arrangements shall have been finalized and closed by Atmos Energy Marketing, LLC (" AEM "):

(i) the termination of the Fifth Amended and Restated Credit Agreement between AEM, BNP Paribas, and the other lenders party thereto; and

(ii) the execution and delivery of the Continuing Letter of Credit Agreement between AEM and BNP Paribas;

(c) the Administrative Agent shall have received each of the following documents:

(i) executed counterparts to this Amendment from the Borrower and the Required Lenders;

(ii) a certificate of the Secretary or Assistant Secretary of the Borrower in the form of Exhibit 3.1(b)(iii) , attaching and certifying copies of its bylaws and of the resolutions of its boards of directors, authorizing the execution, delivery and performance of the Amendment and certifying the name, title and true signature of each officer of the Borrower executing the Amendment;

(iii) certified copies of the articles or certificate of incorporation of the Borrower, together with certificates of good standing or existence, as may be available from the Secretary of State of the jurisdictions of organization of the Borrower and each other jurisdiction in which the failure to so qualify and be in good standing would have or would reasonably be expected to have a Material Adverse Effect; and

(iv) a favorable written opinion of inside or outside counsel to the Borrower, addressed to the Administrative Agent and each of the Lenders, and covering such matters relating to the Borrower, the Amendment and the transactions contemplated herein as the Administrative Agent or the Required Lenders shall reasonably request.

4. **Representations and Warranties .** To induce the Lenders and the Administrative Agent to enter into this Amendment, the Borrower hereby represents and warrants to the Lenders and the Administrative Agent:

(a) The Borrower (a) is a corporation duly organized, validly existing and in good standing under the laws of the jurisdictions of its incorporation, (b) is duly qualified and in good standing as a foreign corporation authorized to do business in every jurisdiction where the failure to so qualify would have or would reasonably be expected to have a Material Adverse Effect and (c) has the requisite corporate power and authority to own its properties and to carry on its business as now conducted and as proposed to be conducted;

(b) The execution, delivery and performance by the Borrower of the Amendment is within the Borrower's organizational powers and has been duly authorized by all necessary organizational, and if required, shareholder, partner or member, action;

(c) The execution, delivery and performance by the Borrower of this Amendment do not (i) require any consent or approval of, registration or filing with, or any action by, any Governmental Authority, court or third party, except those as have been obtained or made and are in full force and effect, (ii) violate or conflict with, in any material respect, any provision of its articles of incorporation or bylaws, (iii) violate, contravene or conflict with, in any material respect, any law, regulation (including without limitation, Regulation U, Regulation X or any regulation promulgated by the Federal Energy Regulatory Commission), order, writ, judgment, injunction, decree or permit applicable to it, (iv) except as would not reasonably be expected to result in a Material Adverse Effect, violate, contravene or conflict with contractual provisions of, or cause an event of default under, any indenture, loan agreement, mortgage, deed of trust, contract or other agreement or instrument to which it is a party or by which it or its properties may be bound, or (v) in any material respect, result in or require the creation of any Lien upon or with respect to its properties, other than a Permitted Lien;

(d) This Amendment has been duly executed and delivered for the benefit of or on behalf of the Borrower and constitutes a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms except as the enforceability hereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights and remedies in general; and

(e) After giving effect to this Amendment, the representations and warranties contained in the Credit Agreement and the other Credit Documents are true and correct in all material respects, and no Default or Event of Default has occurred and is continuing as of the date hereof.

5. **Joinder** .

(a) By executing and delivering this Amendment, each New Lender hereby becomes a party to the Credit Agreement as a Lender thereunder with the same force and effect as if originally named therein as a Lender, and without limiting the generality of the foregoing, hereby expressly assumes all obligations and liabilities of a Lender thereunder and agrees to provide a Commitment to the Borrower under the Credit Agreement in the amount shown on Schedule II hereto as of the Second Amendment Date.

(b) Each New Lender (i) represents and warrants that (A) it has full power and authority, and has taken all action necessary, to execute and deliver this Amendment and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (B) it meets all requirements of an eligible assignee under Section 9.4 of the Credit Agreement (subject to receipt of such consents as may be required under Section 9.4(b)(iii) of the Credit Agreement), (C) from and after the Second Amendment Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of its Commitment, as set forth on Schedule II, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent

financial statements delivered pursuant to Section 5.1 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Amendment and to make its Commitment as set forth on Schedule II on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (v) if it is a Foreign Lender, it has delivered to the Administrative Agent, any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by such New Lender; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender.

6. **Effect of Amendment**. Except as set forth expressly herein, all terms of the Credit Agreement, as amended hereby, and the other Credit Documents shall be and remain in full force and effect and shall constitute the legal, valid, binding and enforceable obligations of the Borrower to the Lenders and the Administrative Agent. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Lenders under the Credit Agreement, nor constitute a waiver of any provision of the Credit Agreement. This Amendment shall constitute a Credit Document for all purposes of the Credit Agreement.

7. **Governing Law**. This Amendment shall be governed by, and construed in accordance with, the internal laws of the State of New York and all applicable federal laws of the United States of America.

8. **No Novation**. This Amendment is not intended by the parties to be, and shall not be construed to be, a novation of the Credit Agreement or an accord and satisfaction in regard thereto.

9. **Costs and Expenses**. The Borrower agrees to pay on demand all costs and expenses of the Administrative Agent in connection with the preparation, execution and delivery of this Amendment, including, without limitation, the reasonable fees and out-of-pocket expenses of outside counsel for the Administrative Agent with respect thereto.

10. **Counterparts**. This Amendment may be executed by one or more of the parties hereto in any number of separate counterparts, each of which shall be deemed an original and all of which, taken together, shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of this Amendment by facsimile transmission or by electronic mail in pdf form shall be as effective as delivery of a manually executed counterpart hereof.

11. **Binding Nature**. This Amendment shall be binding upon and inure to the benefit of the parties hereto, their respective successors, successors-in-titles, and assigns.

12. **Entire Understanding**. This Amendment sets forth the entire understanding of the parties with respect to the matters set forth herein, and shall supersede any prior negotiations or agreements, whether written or oral, with respect thereto.

[*Signature Pages To Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed, under seal in the case of the Borrower, by their respective authorized officers as of the day and year first above written.

BORROWER:

ATMOS ENERGY CORPORATION,
as Borrower

By: /s/ BRET J. ECKERT
Name: Bret J. Eckert
Title: Senior Vice President and CFO

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

THE ROYAL BANK OF SCOTLAND PLC,
as Administrative Agent and as a Lender

By: /s/ MATTHEW MAIN
Name: Matthew Main
Title: Authorised Signatory

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK,
as a Lender

By: /s/ DARRELL STANLEY
Name: Darrell Stanley
Title: Managing Director

By: /s/SHARADA MANNE
Name: Sharada Manne
Title: Managing Director

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ JOHN EYERMAN
Name: John Eyerman
Title: Vice President

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

BANK OF AMERICA, N.A.,
as a Lender

By: /s/ WILLIAM A. MERRITT, III
Name: William A. Merritt, III
Title: Vice President

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ SARA OLESEN
Name: Sara Olesen
Title: Assistant Vice President

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., as a Lender

By: /s/ ANDREW ORAM
Name: Andrew Oram
Title: Managing Director

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

BNP PARIBAS, as a Lender

By: /s/ DENIS O'MEARA
Name: Denis O'Meara
Title: Managing Director

By: /s/ PASQUALE PERRAGLIA
Name: Pasquale Perraglia
Title: Vice President

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

UBS AG, STAMFORD BRANCH, as a Lender

By: /s/ LANA GIFAS
Name: Lana Gifas
Title: Director

By: /s/ IRJA R. OTSA
Name: Irja R. Otsa
Title: Associate Director

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

BRANCH BANKING AND TRUST COMPANY, as a Lender

By: /s/ ALLEN R. KING
Name: Allen R. King
Title: SVP

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

GOLDMAN SACHS BANK USA, as a Lender

By: /s/ MARK WALTON
Name: Mark Walton
Title: Authorized Signatory

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

JPMORGAN CHASE BANK, N.A., as a Lender

By: /s/ JOHN E. ZUR III
Name: John E. Zur III
Title: Authorized Officer

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

MORGAN STANLEY BANK, N.A., as a Lender

By: /s/ KELLY CHIN
Name: Kelly Chin
Title: Authorized Signatory

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

BOKF, N.A. DBA BANK OF TEXAS, as a Lender

By: /s/ DAVID K. FELAN
Name: David K. Felan
Title: Senior Vice President

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

THE NORTHERN TRUST COMPANY, as a Lender

By: /s/ THOMAS LEE
Name: Thomas Lee
Title: Second Vice President

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

Schedule II

COMMITMENT AMOUNTS

Lender	Commitment Amount
The Royal Bank of Scotland plc	$ 76,000,000
Crédit Agricole Corporate and Investment Bank	$ 76,000,000
JPMorgan Chase Bank, N.A.	$ 76,000,000
U.S. Bank National Association	$ 76,000,000
Wells Fargo Bank, National Association	$ 76,000,000
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	$ 71,250,000
BNP Paribas	$ 71,250,000
UBS AG, Stamford Branch	$ 71,250,000
Bank of America, N.A.	$ 60,000,000
Branch Banking and Trust Company	$ 60,000,000
Goldman Sachs Bank USA	$ 60,000,000
Morgan Stanley Bank, N.A.	$ 60,000,000
Deutsche Bank AG New York Branch	$ 56,250,000
Bokf, N.A. dba Bank of Texas	$ 35,000,000
The Northern Trust Company	$ 25,000,000
TOTAL	**$ 950,000,000**

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

December 5, 2012
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

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Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

On December 7, 2012, Atmos Energy Corporation (the "Company") entered into the Second Amendment to Revolving Credit Agreement (the "Second Amendment") which amends the Company's existing $750 million Revolving Credit Agreement dated May 2, 2011, which was amended on May 31, 2011 pursuant to the First Amendment to Revolving Credit with The Royal Bank of Scotland plc, as Administrative Agent, and an original syndicate of 14 lenders identified therein (the "RBS Credit Facility"). The primary changes to the RBS Credit Facility, as reflected in the Second Amendment, were made to: (i) increase the lenders' commitment from $750 million to $950 million, while retaining the accordion feature which would allow an increase in commitments up to $1.2 billion, and (ii) allow the Company to obtain same-day funding on base rate loans. The RBS Credit Facility, as amended (the "Credit Facility"), will continue to be used for working capital, capital expenditures and other general corporate purposes. There were no other material changes to the Credit Facility as a result of the execution of the Second Amendment. With respect to the other parties to the Credit Facility, the Company has or may have had customary banking relationships based on the provision of a variety of financial services, including without limitation, cash management, investment banking, and equipment financing and leasing services, none of which are material individually or in the aggregate with respect to any individual party. A copy of the Second Amendment is filed as Exhibit 10.1 and is incorporated herein by reference. The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the Second Amendment.

Item 1.02. Termination of a Material Definitive Agreement.

On December 5, 2012, Atmos Energy Marketing, LLC ("AEM"), a Delaware limited liability company, which is wholly owned by Atmos Energy Holdings, Inc., a Delaware corporation, which is in turn a wholly-owned subsidiary of the Company, terminated the $200 million committed and secured Fifth Amended and Restated Credit Agreement dated December 8, 2010 with BNP Paribas, as administrative agent and lender (the "BNP Paribas Facility") and seven other lenders, which was due to expire on December 8, 2014. This termination was consistent with AEM's plans to reduce its external credit expense. AEM incurred no early termination penalties as a result of the termination of the BNP Paribas Facility. AEM has had material customary banking relationships with BNP Paribas based on the provision of a variety of financial services, including the purchase and sale of financial instruments traded on various commodity exchanges. These financial instruments include, but are not limited to, NYMEX futures and over-the-counter natural gas hedges. In addition, AEM or its affiliates have or may have purchased natural gas on an arm's-length basis based upon market prices from one or more affiliates of BNP Paribas. With respect to BNP Paribas and the other parties to such terminated credit facility, the Company has or may have had customary banking relationships based on the provision of a variety of financial services, including without limitation, credit extended under credit facility agreements, cash management, investment

banking, and equipment financing and leasing services, none of which are material individually or in the aggregate with respect to any individual party.

Item 2.01. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information described in Item 1.01 above is hereby incorporated by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

10.1 Second Amendment to Revolving Credit Agreement, made and entered into as of December 7, 2012, by and among Atmos Energy Corporation, a Texas and Virginia corporation, the several banks and other financial institutions from time to time party thereto (the "Lenders") and The Royal Bank of Scotland plc, in its capacity as Administrative Agent for the Lenders

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: December 11, 2012

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President, General Counsel
and Corporate Secretary

INDEX TO EXHIBITS

Exhibit Number	Description
10.1	Second Amendment to Revolving Credit Agreement, made and entered into as of December 7, 2012, by and among Atmos Energy Corporation, a Texas and Virginia corporation, the several banks and other financial institutions from time to time party thereto (the "Lenders") and The Royal Bank of Scotland plc, in its capacity as Administrative Agent for the Lenders

5

Exhibit 10.1

Execution Version

SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT

THIS SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT (this "***Amendment***"), is made and entered into as of December 7, 2012, by and among ATMOS ENERGY CORPORATION, a Texas and Virginia corporation (the "***Borrower***"), the several banks and other financial institutions from time to time party hereto (collectively, the "***Lenders***") and THE ROYAL BANK OF SCOTLAND PLC, in its capacity as Administrative Agent for the Lenders (the "***Administrative Agent***").

W I T N E S S E T H :

WHEREAS, the Borrower, the Lenders and the Administrative Agent are parties to a certain Revolving Credit Agreement, dated as of May 2, 2011 (as amended, restated, supplemented or otherwise modified from time to time, the "***Credit Agreement***"; capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Credit Agreement), pursuant to which the Lenders have made certain financial accommodations available to the Borrower;

WHEREAS, the Borrower has notified the Administrative Agent and each of the Lenders that the Borrower proposes to increase the Aggregate Commitment Amount under the Credit Agreement by the amount of $200,000,000 which increase shall be made without using the existing $250,000,000 uncommitted incremental facility set forth in Section 2.21 of the Credit Agreement;

WHEREAS, certain Lenders have agreed to increase their Commitments, and certain other banks, financial institutions and lenders (the "***New Lenders***") have agreed to join the Credit Agreement and to provide additional Commitments, all as requested by the Borrower and the Credit Agreement will continue to contemplate an up to $250,000,000 uncommitted incremental facility set forth in Section 2.21 of the Revolving Credit Agreement that may be used in addition to the incremental Commitments provided below;

WHEREAS, the Borrower has also requested that the Lenders and the Administrative Agent amend certain provisions of the Credit Agreement, and subject to the terms and conditions hereof, the Lenders are willing to do so;

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of all of which are acknowledged, the Borrower, the Lenders and the Administrative Agent agree as follows:

1. **Increase in Commitments**. Each of the parties hereto consents to the increase in the aggregate principal amount of the Commitments to $950,000,000. Each Lender executing this Amendment and each New Lender agrees that, effective as of the Second Amendment Date (defined below), its Commitment is in the amount set forth on Schedule II. Each of the parties acknowledges and agrees that the Commitments of each of the Lenders and the New Lenders are several and not joint commitments and obligations of such Lender. Immediately after giving effect to this Amendment, the outstanding Borrowings shall be reallocated ratably based upon the Commitments as set forth on Schedule II. Each of the parties hereto acknowledges and agrees that the foregoing increase in the Commitments is independent of Section 2.21 of the Credit Agreement, and the Borrower retains the right to further increase the Commitments by up to $250,000,000 after the Second Amendment Date on the terms set forth in Section 2.21 of the Credit Agreement.

2. **Amendments**.

(a) Section 1.1 of the Credit Agreement is hereby amended by replacing the definitions of "Aggregate Commitment Amount", "Co-Documentation Agents" and "Joint Lead Arrangers" in their entirety with the following definitions:

> " Aggregate Commitment Amount " shall mean the aggregate principal amount of the Aggregate Commitments from time to time. On the Second Amendment Date, the Aggregate Commitment Amount equals $950,000,000.
>
> " Co-Documentation Agents " shall mean, collectively, Bank of America, N.A., U.S. Bank National Association, Wells Fargo Bank, N.A. and JPMorgan Chase Bank, N.A.
>
> " Joint Lead Arrangers " shall mean, collectively, RBS Securities, Inc., Crédit Agricole Corporate and Investment Bank, Merrill Lynch, Pierce, Fenner & Smith Incorporated, U.S. Bank National Association, Wells Fargo Securities, LLC and J.P. Morgan Securities LLC.

(b) Section 1.1 of the Credit Agreement is hereby amended by adding the following definition of "Second Amendment Date" in the appropriate alphabetical order:

> " Second Amendment Date " shall mean the date that all conditions to the effectiveness of the Second Amendment to Revolving Credit Agreement between Borrower and the Lender relating to this Credit Agreement are satisfied.

(c) Section 2.3 of the Credit Agreement is hereby amended by replacing the first sentence of such Section in its entirety with the following:

> The Borrower shall give the Administrative Agent written notice (or telephonic notice promptly confirmed in writing) of each Borrowing substantially in the form of Exhibit 2.3 (a " Notice of Borrowing ") (x) prior to 9:30 A.M. (New York time) on the requested date of each Base Rate Borrowing and (y) prior to 11:00 a.m. (New York time) three (3) Business Days prior to the requested date of each Eurodollar Borrowing.

(d) Section 2.4 of the Credit Agreement is hereby amended by replacing the first sentence of subsection (a) of such Section in its entirety with the following:

> Each Lender will make available each Loan to be made by it hereunder on the proposed date thereof by wire transfer in immediately available funds by 12:00 noon (New York time) to the Administrative Agent at the Payment Office.

(e) Section 5.8 of the Credit Agreement is hereby amended by replacing such Section in its entirety with the following:

Section 5.8. Use of Proceeds. The proceeds of the Loans may be used solely (a) to refinance the indebtedness under each of the Existing Five-Year Credit Agreement on the Closing Date and to pay related fees and expenses, (b) to fund future acquisitions permitted by Section 4.14 and (c) for working capital, capital expenditures and other lawful corporate purposes of the Borrower.

(f) Schedule II of the Credit Agreement is hereby amended by replacing such schedule in its entirety with the Schedule II attached hereto.

3. **Conditions to Effectiveness of this Amendment.** Notwithstanding any other provision of this Amendment and without affecting in any manner the rights of the Lenders hereunder, it is understood and agreed that this Amendment, the increase in the Commitments and the other terms contemplated hereby shall not become effective, and the Borrower shall have no rights under this Amendment, until:

(a) the Administrative Agent shall have received (i) the fees set forth in that Fee Letter dated as of November 12, 2012 among the Borrower, the Administrative Agent and RBS Securities Inc., (ii) such fees as the Borrower has previously agreed to pay the Administrative Agent or any of its affiliates in connection with this Amendment, (iii) reimbursement or payment of its costs and expenses incurred in connection with this Amendment or the Credit Agreement (including reasonable fees, charges and disbursements of King & Spalding LLP, counsel to the Administrative Agent);

(b) the following credit arrangements shall have been finalized and closed by Atmos Energy Marketing, LLC (" AEM "):

(i) the termination of the Fifth Amended and Restated Credit Agreement between AEM, BNP Paribas, and the other lenders party thereto; and

(ii) the execution and delivery of the Continuing Letter of Credit Agreement between AEM and BNP Paribas;

(c) the Administrative Agent shall have received each of the following documents:

(i) executed counterparts to this Amendment from the Borrower and the Required Lenders;

(ii) a certificate of the Secretary or Assistant Secretary of the Borrower in the form of Exhibit 3.1(b)(iii), attaching and certifying copies of its bylaws and of the resolutions of its boards of directors, authorizing the execution, delivery and performance of the Amendment and certifying the name, title and true signature of each officer of the Borrower executing the Amendment;

(iii) certified copies of the articles or certificate of incorporation of the Borrower, together with certificates of good standing or existence, as may be available from the Secretary of State of the jurisdictions of organization of the Borrower and each other jurisdiction in which the failure to so qualify and be in good standing would have or would reasonably be expected to have a Material Adverse Effect; and

(iv) a favorable written opinion of inside or outside counsel to the Borrower, addressed to the Administrative Agent and each of the Lenders, and covering such matters relating to the Borrower, the Amendment and the transactions contemplated herein as the Administrative Agent or the Required Lenders shall reasonably request.

4. **Representations and Warranties.** To induce the Lenders and the Administrative Agent to enter into this Amendment, the Borrower hereby represents and warrants to the Lenders and the Administrative Agent:

(a) The Borrower (a) is a corporation duly organized, validly existing and in good standing under the laws of the jurisdictions of its incorporation, (b) is duly qualified and in good standing as a foreign corporation authorized to do business in every jurisdiction where the failure to so qualify would have or would reasonably be expected to have a Material Adverse Effect and (c) has the requisite corporate power and authority to own its properties and to carry on its business as now conducted and as proposed to be conducted;

(b) The execution, delivery and performance by the Borrower of the Amendment is within the Borrower's organizational powers and has been duly authorized by all necessary organizational, and if required, shareholder, partner or member, action;

(c) The execution, delivery and performance by the Borrower of this Amendment do not (i) require any consent or approval of, registration or filing with, or any action by, any Governmental Authority, court or third party, except those as have been obtained or made and are in full force and effect, (ii) violate or conflict with, in any material respect, any provision of its articles of incorporation or bylaws, (iii) violate, contravene or conflict with, in any material respect, any law, regulation (including without limitation, Regulation U, Regulation X or any regulation promulgated by the Federal Energy Regulatory Commission), order, writ, judgment, injunction, decree or permit applicable to it, (iv) except as would not reasonably be expected to result in a Material Adverse Effect, violate, contravene or conflict with contractual provisions of, or cause an event of default under, any indenture, loan agreement, mortgage, deed of trust, contract or other agreement or instrument to which it is a party or by which it or its properties may be bound, or (v) in any material respect, result in or require the creation of any Lien upon or with respect to its properties, other than a Permitted Lien;

(d) This Amendment has been duly executed and delivered for the benefit of or on behalf of the Borrower and constitutes a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms except as the enforceability hereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights and remedies in general; and

(e) After giving effect to this Amendment, the representations and warranties contained in the Credit Agreement and the other Credit Documents are true and correct in all material respects, and no Default or Event of Default has occurred and is continuing as of the date hereof.

5. **Joinder** .

(a) By executing and delivering this Amendment, each New Lender hereby becomes a party to the Credit Agreement as a Lender thereunder with the same force and effect as if originally named therein as a Lender, and without limiting the generality of the foregoing, hereby expressly assumes all obligations and liabilities of a Lender thereunder and agrees to provide a Commitment to the Borrower under the Credit Agreement in the amount shown on Schedule II hereto as of the Second Amendment Date.

(b) Each New Lender (i) represents and warrants that (A) it has full power and authority, and has taken all action necessary, to execute and deliver this Amendment and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (B) it meets all requirements of an eligible assignee under Section 9.4 of the Credit Agreement (subject to receipt of such consents as may be required under Section 9.4(b)(iii) of the Credit Agreement), (C) from and after the Second Amendment Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of its Commitment, as set forth on Schedule II, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent

financial statements delivered pursuant to Section 5.1 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Amendment and to make its Commitment as set forth on Schedule II on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (v) if it is a Foreign Lender, it has delivered to the Administrative Agent, any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by such New Lender; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender.

6. **Effect of Amendment**. Except as set forth expressly herein, all terms of the Credit Agreement, as amended hereby, and the other Credit Documents shall be and remain in full force and effect and shall constitute the legal, valid, binding and enforceable obligations of the Borrower to the Lenders and the Administrative Agent. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Lenders under the Credit Agreement, nor constitute a waiver of any provision of the Credit Agreement. This Amendment shall constitute a Credit Document for all purposes of the Credit Agreement.

7. **Governing Law**. This Amendment shall be governed by, and construed in accordance with, the internal laws of the State of New York and all applicable federal laws of the United States of America.

8. **No Novation**. This Amendment is not intended by the parties to be, and shall not be construed to be, a novation of the Credit Agreement or an accord and satisfaction in regard thereto.

9. **Costs and Expenses**. The Borrower agrees to pay on demand all costs and expenses of the Administrative Agent in connection with the preparation, execution and delivery of this Amendment, including, without limitation, the reasonable fees and out-of-pocket expenses of outside counsel for the Administrative Agent with respect thereto.

10. **Counterparts**. This Amendment may be executed by one or more of the parties hereto in any number of separate counterparts, each of which shall be deemed an original and all of which, taken together, shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of this Amendment by facsimile transmission or by electronic mail in pdf form shall be as effective as delivery of a manually executed counterpart hereof.

11. **Binding Nature**. This Amendment shall be binding upon and inure to the benefit of the parties hereto, their respective successors, successors-in-titles, and assigns.

12. **Entire Understanding**. This Amendment sets forth the entire understanding of the parties with respect to the matters set forth herein, and shall supersede any prior negotiations or agreements, whether written or oral, with respect thereto.

[*Signature Pages To Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed, under seal in the case of the Borrower, by their respective authorized officers as of the day and year first above written.

BORROWER:

ATMOS ENERGY CORPORATION,
as Borrower

By: /s/ BRET J. ECKERT
Name: Bret J. Eckert
Title: Senior Vice President and CFO

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

THE ROYAL BANK OF SCOTLAND PLC,
as Administrative Agent and as a Lender

By: /s/ MATTHEW MAIN
Name: Matthew Main
Title: Authorised Signatory

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK,
as a Lender

By: /s/ DARRELL STANLEY
Name: Darrell Stanley
Title: Managing Director

By: /s/SHARADA MANNE
Name: Sharada Manne
Title: Managing Director

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ JOHN EYERMAN
Name: John Eyerman
Title: Vice President

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

BANK OF AMERICA, N.A.,
as a Lender

By: /s/ WILLIAM A. MERRITT, III
Name: William A. Merritt, III
Title: Vice President

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ SARA OLESEN
Name: Sara Olesen
Title: Assistant Vice President

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., as a Lender

By: /s/ ANDREW ORAM
Name: Andrew Oram
Title: Managing Director

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

BNP PARIBAS, as a Lender

By: /s/ DENIS O'MEARA
Name: Denis O'Meara
Title: Managing Director

By: /s/ PASQUALE PERRAGLIA
Name: Pasquale Perraglia
Title: Vice President

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

UBS AG, STAMFORD BRANCH, as a Lender

By: /s/ LANA GIFAS
Name: Lana Gifas
Title: Director

By: /s/ IRJA R. OTSA
Name: Irja R. Otsa
Title: Associate Director

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

BRANCH BANKING AND TRUST COMPANY, as a Lender

By: /s/ ALLEN R. KING
Name: Allen R. King
Title: SVP

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

GOLDMAN SACHS BANK USA, as a Lender

By: /s/ MARK WALTON
Name: Mark Walton
Title: Authorized Signatory

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

JPMORGAN CHASE BANK, N.A., as a Lender

By: /s/ JOHN E. ZUR III
Name: John E. Zur III
Title: Authorized Officer

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

MORGAN STANLEY BANK, N.A., as a Lender

By: /s/ KELLY CHIN
Name: Kelly Chin
Title: Authorized Signatory

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

BOKF, N.A. DBA BANK OF TEXAS, as a Lender

By: /s/ DAVID K. FELAN
Name: David K. Felan
Title: Senior Vice President

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

THE NORTHERN TRUST COMPANY, as a Lender

By: /s/ THOMAS LEE
Name: Thomas Lee
Title: Second Vice President

[SIGNATURE PAGE TO SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT]

Schedule II

COMMITMENT AMOUNTS

Lender	Commitment Amount
The Royal Bank of Scotland plc	$ 76,000,000
Crédit Agricole Corporate and Investment Bank	$ 76,000,000
JPMorgan Chase Bank, N.A.	$ 76,000,000
U.S. Bank National Association	$ 76,000,000
Wells Fargo Bank, National Association	$ 76,000,000
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	$ 71,250,000
BNP Paribas	$ 71,250,000
UBS AG, Stamford Branch	$ 71,250,000
Bank of America, N.A.	$ 60,000,000
Branch Banking and Trust Company	$ 60,000,000
Goldman Sachs Bank USA	$ 60,000,000
Morgan Stanley Bank, N.A.	$ 60,000,000
Deutsche Bank AG New York Branch	$ 56,250,000
Bokf, N.A. dba Bank of Texas	$ 35,000,000
The Northern Trust Company	$ 25,000,000
TOTAL	**$ 950,000,000**

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) December 4, 2012

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.

On December 4, 2012, the Railroad Commission of Texas ("RRC") issued a final order in the rate case for the Mid-Tex Division (the "Division") of Atmos Energy Corporation (the "Company"), which was originally filed with 441 cities in the Division (all cities except the City of Dallas) on January 31, 2012 and subsequently appealed to the RRC on May 31, 2012. The RRC approved an increase in margin of about $29.6 million and a net decrease in depreciation rates of approximately $13.0 million, generating a net increase in the Division's annual operating income of approximately $42.6 million. Below is a summary of additional major provisions of the order that will go into effect with bills rendered on and after January 1, 2013 by the Division, which serves about 1.3 million residential customers:

- Authorized return on equity of 10.5 percent
- Authorized capital structure of 48.3 percent debt /51.7 percent equity
- Authorized rate base value of $1.513 billion
- Monthly residential customer charge increased to $17.70 from $7.50

This description of the RRC's final order is qualified in its entirety by reference to the order, a copy of which is posted on the Company's website at www.atmosenergy.com . A copy of the order may be found under the "Investors" tab of the website by clicking on the "Publications and Filings" link and then the "Other Investor Information" link.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: December 7, 2012

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President, General Counsel
and Corporate Secretary

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

November 7, 2012
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

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☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On Wednesday, November 7, 2012, Atmos Energy Corporation (the "Company") issued a news release in which it reported the Company's financial results for the fourth quarter and full 2012 fiscal year, which ended September 30, 2012, and that certain of its officers would discuss such financial results in a conference call on Thursday, November 8, 2012 at 10:00 a.m. Eastern Time. In the release, the Company also announced that the call would be webcast live and that slides for the webcast would be available on its website for all interested parties.

A copy of the news release is furnished as Exhibit 99.1. The information furnished in this Item 2.02 and in Exhibit 99.1 shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall such information be deemed to be incorporated by reference into any of the Company's filings under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 News Release dated November 7, 2012 (furnished under Item 2.02)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: November 7, 2012

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President, General Counsel
and Corporate Secretary

INDEX TO EXHIBITS

Exhibit Number	Description
99.1	News Release dated November 7, 2012 (furnished under Item 2.02)

Exhibit 99.1

News Release

Analysts and Media Contact:
Susan Giles (972) 855-3729

Atmos Energy Corporation Reports Earnings for Fiscal 2012;
Initiates Fiscal 2013 Guidance

DALLAS (November 7, 2012)—Atmos Energy Corporation (NYSE: ATO) today reported consolidated results for its 2012 fiscal year and fourth quarter ended September 30, 2012.

- Fiscal 2012 consolidated results, excluding net unrealized margins were $221.7 million, or $2.42 per diluted share, compared with consolidated results of $214.2 million, or $2.34 per diluted share in the prior year.
- After including noncash, unrealized net losses of $5.0 million, or ($0.05) per diluted share, fiscal 2012 net income was $216.7 million, or $2.37 per diluted share. Net income was $207.6 million, or $2.27 per diluted share in the prior year, after including unrealized net losses of $6.6 million or ($0.07) per diluted share.
- Fiscal 2012 net income includes a net gain on the sale of the Missouri, Illinois and Iowa assets of $6.3 million, or $0.07 per diluted share. Additionally, included in current-year net income is the net positive impact of several one-time items totaling $4.0 million, or $0.04 per diluted share. Fiscal 2011 net income included the positive impact of several one-time items totaling $3.2 million, or $0.03 per diluted share.
- Excluding the gain on sale, net income from discontinued operations was $18.2 million, or $0.20 per diluted share in the current year, compared with $18.0 million, or $0.20 per diluted share in the prior year.
- Atmos Energy expects fiscal 2013 earnings to be in the range of $2.40 to $2.50 per diluted share, excluding unrealized margins and the gain on the sale of the company's Georgia operations.

For the quarter ended September 30, 2012, consolidated net income was $8.0 million, or $0.09 per diluted share, compared with net income of $2.0 million, or $0.02 per diluted share for the same quarter last year. Results from nonregulated operations include noncash, unrealized net losses of $12.4 million, or ($0.14) per diluted share for the three months ended September 30, 2012, compared with net losses of $4.9 million, or ($0.05) per diluted share for the prior-year quarter. Current-quarter net income includes the aforementioned gain on the sale of Missouri, Illinois and Iowa assets totaling $6.3 million, or $0.07 per diluted share and the net positive impact of several one-time items totaling $4.0 million or $0.04 per diluted share. Excluding the gain on sale, net income from discontinued operations for the quarter ended September 30, 2012 was $1.9 million, or $0.02 per diluted share, compared with $1.7 million, or $0.02 per diluted share in the prior-year quarter.

"Fiscal 2012 was an exceptional year. We reported our tenth consecutive year of increasing earnings per share, and deployed significant capital investment in the first year of our five-year capital program to fortify and improve the safety of our system," said Kim Cocklin, president and chief executive officer of Atmos Energy Corporation.

"Predictable and stable earnings from our regulated operations remain the primary source of our annual earnings platform, delivering 98 percent of consolidated net income, despite a benign heating season. And, our nonregulated business executed on their strategy and generated improved results in the second half of fiscal 2012, in spite of the anemic natural gas market," Cocklin concluded.

Results for the Year Ended September 30, 2012

Natural gas distribution gross profit, excluding discontinued operations, increased $4.8 million to $1,022.7 million for the year ended September 30, 2012, compared with $1,017.9 million in the prior-year period. This increase is due largely to a $17.7 million net increase in rate adjustments. Partially offsetting this increase was a $1.6 million decrease associated with an eight percent decrease in consolidated distribution throughput, primarily from lower consumption and warmer weather, coupled with an $11.1 million decrease in revenue-related taxes from lower revenues on which the tax is calculated.

Regulated transmission and storage gross profit increased $28.0 million to $247.4 million for the year ended September 30, 2012, compared with $219.4 million in the prior fiscal year. This increase is primarily a result of rate design changes approved in the Atmos Pipeline – Texas rate case that became effective in May 2011, coupled with Gas Reliability Infrastructure Program (GRIP) filings that became effective in July 2011 and April 2012.

Nonregulated gross profit decreased $9.9 million to $55.1 million for the year ended September 30, 2012, compared with $65.0 million for the prior-year period. The decrease reflects a $15.1 million decrease in the realized margins of Atmos Energy Holdings, Inc. (AEH) from gas delivery and other services, primarily due to a nine percent decrease in consolidated sales volumes as a result of warmer weather combined with a $0.02/Mcf decrease in per-unit margins. Partially offsetting this decrease was a $2.9 million increase in realized asset optimization margins due to realizing higher gains on the settlement of financial instruments used to hedge our natural gas purchases during fiscal 2012. Additionally, unrealized margins increased $2.4 million.

Consolidated operation and maintenance expense, excluding discontinued operations, for the year ended September 30, 2012, was $453.6 million, compared with $443.0 million for the prior year. The $10.6 million increase resulted primarily from higher legal costs of $7.4 million and a $3.5 million increase in employee-related costs.

Depreciation and amortization increased $13.7 million to $237.5 million during the year ended September 30, 2012, compared with $223.8 million for the prior year primarily due to incremental capital investments made in fiscal 2011 and early fiscal 2012 that resulted in increased depreciation expense in the current year.

Results for fiscal 2012 and 2011 include noncash charges to impair assets. Fiscal 2012 results include a $5.3 million charge to impair the remaining investment in the Kentucky natural gas gathering assets. Fiscal 2011 results include an $11.0 million charge to partially impair these assets and a $19.3 million charge to impair the company's investment in the Ft. Necessity storage project.

Miscellaneous expense was $14.6 million for the year ended September 30, 2012, compared to miscellaneous income of $21.2 million for the prior year. The $35.8 million year-over-year change resulted primarily from a $10.0 million one-time cash donation made to a donor-advised fund in the current year, coupled with the absence in the current year of a $27.8 million pre-tax cash gain recognized last year as a result of unwinding two Treasury lock agreements in conjunction with the cancellation of a planned debt offering.

Interest charges for the year ended September 30, 2012 were $141.2 million, compared with $150.8 million in the prior year. The $9.6 million year-over-year decrease resulted primarily from maturing long-term debt being replaced at lower interest rates in fiscal 2011, coupled with reducing commitment fees in fiscal 2011, as well as, the early redemption of the company's 5.125% $250 million senior notes due January 2013 in the fourth quarter of fiscal 2012.

Income tax expense decreased $8.6 million to $98.2 million for the year ended September 30, 2012, compared with $106.8 million for the prior year. During the current quarter, the company revised and reduced the tax rate at which deferred taxes are expected to be settled in future periods as a result of the sale of the Missouri, Illinois and Iowa assets. This revision resulted in the recognition of a tax benefit of $13.6 million in the current year. During fiscal 2011, the company recorded a $5.0 million tax benefit due to the administrative settlement of various income tax positions.

The debt capitalization ratio at September 30, 2012 and 2011 was 51.7 percent. At September 30, 2012, there was $570.9 million of short-term debt outstanding, compared with $206.4 million at September 30, 2011. The increase in short-term debt was due to the early redemption of the company's 5.125% $250 million senior notes in the fourth quarter of fiscal 2012.

For the year ended September 30, 2012, the company generated operating cash flow of $586.9 million, a $4.1 million increase compared with the year ended September 30, 2011. The increase reflects changes in working capital, offset in part by a $56.7 million increase in contributions to the company's pension and postretirement plans.

Capital expenditures increased to $732.9 million for the year ended September 30, 2012, compared with $623.0 million in the prior year. The $109.9 million increase primarily reflects spending for the steel service line replacement program in the Mid-Tex Division and other infrastructure replacement projects in the Mid-Tex, West Texas and Kentucky Divisions, the development of new customer billing and information systems for the natural gas distribution segment and increased capital spending in the regulated transmission and storage segment.

Results for the 2012 Fourth Quarter Ended September 30, 2012

Natural gas distribution gross profit, excluding discontinued operations, increased $2.5 million to $171.8 million for the fiscal 2012 fourth quarter, compared with $169.3 million in the prior-year quarter. This increase reflects a net $2.9 million increase in rates and a $1.2 million increase associated with a one percent increase in throughput. These increases were partially offset by a $2.2 million decrease in revenue-related taxes, primarily due to lower revenue on which the tax is calculated.

Regulated transmission and storage gross profit increased $3.7 million to $65.5 million for the quarter ended September 30, 2012, compared with $61.8 million for the same quarter last year. This increase is primarily the result of a $3.7 million increase related to GRIP filings that became effective in July 2011 and April 2012.

Nonregulated gross profit increased $6.1 million to $12.5 million for the fourth quarter of fiscal 2012, compared with $6.4 million for the prior-year quarter. The increase primarily reflects a $19.6 million quarter-over-quarter increase in realized asset optimization margins due to realized gains earned from the execution of AEH's trading strategy implemented earlier in the fiscal year to inject gas into storage and roll positions to the third and fourth quarters of fiscal 2012. This increase was partially offset by a $1.2 million decrease in realized margins from gas delivery and other services, primarily due to a 14 percent decrease in consolidated sales volumes as a result of lower industrial and power generation demand. Finally, unrealized margins decreased $12.2 million quarter over quarter.

Consolidated operation and maintenance expense, excluding discontinued operations for the three months ended September 30, 2012, was $123.6 million, compared with $106.1 million for the prior-year quarter. The $17.5 million quarter-over-quarter increase resulted primarily from an increase in employee-related costs of $8.0 million and a $6.8 million increase in legal costs.

Results for the quarter ended September 30, 2012, include the one-time items previously discussed, which resulted in a total net of tax gain of $10.3 million.

Outlook

The leadership of Atmos Energy remains focused on enhancing shareholder value by delivering consistent earnings growth. Atmos Energy expects fiscal 2013 earnings to be in the range of $2.40 to $2.50 per diluted share, excluding unrealized margins and the gain on the sale of the company's Georgia operations. Net income from regulated operations is expected to be in the range of $211 million to $219 million, while net income from nonregulated operations is expected to be in the range of $9 million to $11 million. Capital expenditures for fiscal 2013 are expected to range between $770 million to $790 million.

Conference Call to be Webcast November 8, 2012

Atmos Energy will host a conference call with financial analysts to discuss the fiscal 2012 financial results and outline the assumptions supporting the fiscal 2013 guidance on Thursday, November 8, 2012, at 10 a.m. Eastern Time. The telephone number is 877-485-3107. The conference call will be webcast live on the Atmos Energy website at www.atmosenergy.com . A playback of the call will be available on the website later that day. Kim Cocklin, president and chief executive officer and Bret Eckert, senior vice president and chief financial officer will participate in the conference call.

Highlights and Recent Developments

Atmos Energy Completes Early Redemption of Senior Notes

On August 28, 2012, Atmos Energy redeemed all of its issued and outstanding 5.125% Senior Notes due January 2013. The redemption was initially financed with the proceeds from the issuance of commercial paper.

Atmos Energy Enters into Term Loan Credit Facility

On September 27, 2012, the company entered into a $260 million credit facility to repay the commercial paper issued for the early redemption of its $250 million senior notes. The credit facility expires on February 1, 2013.

This news release should be read in conjunction with the attached unaudited financial information.

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Forward-Looking Statements

The matters discussed in this news release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this news release are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this news release or in any of the company's other documents or oral presentations, the words "anticipate," "believe," "estimate," "expect," "forecast," "goal," "intend," "objective," "plan," "projection," "seek," "strategy" or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this news release, including the risks and uncertainties relating to regulatory trends and decisions, the company's ability to continue to access the capital markets and the other factors discussed in the company's reports filed with the Securities and Exchange Commission. These factors include the risks and uncertainties discussed in the company's Annual Report on Form 10-K for the fiscal year ended September 30, 2011 and in the company's Quarterly Report on Form 10-Q for the three and nine months ended June 30, 2012. Although the company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. The company undertakes no obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is one of the country's largest natural-gas-only distributors, serving about three million natural gas distribution customers in over 1,400 communities in nine states from the Blue Ridge Mountains in the East to the Rocky Mountains in the West. Atmos Energy also provides natural gas marketing and procurement services to industrial, commercial and municipal customers primarily in the Midwest and Southeast and manages company-owned natural gas pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas. For more information, visit www.atmosenergy.com .

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Atmos Energy Corporation
Financial Highlights (Unaudited)

Statements of Income (000s except per share)	Year Ended September 30 2012	2011	Percentage Change
Gross Profit:			
Natural gas distribution segment	$1,022,743	$1,017,943	1%
Regulated transmission and storage segment	247,351	219,373	13%
Nonregulated segment	55,124	65,000	(15)%
Intersegment eliminations	(1,479)	(1,496)	1%
Gross profit	1,323,739	1,300,820	2%
Operation and maintenance expense	453,613	442,965	2%
Depreciation and amortization	237,525	223,832	6%
Taxes, other than income	181,073	177,767	2%
Asset impairments	5,288	30,270	(83)%
Total operating expenses	877,499	874,834	— %
Operating income	446,240	425,986	5%
Miscellaneous income (expense)	(14,644)	21,184	(169)%
Interest charges	141,174	150,763	(6)%
Income from continuing operations before income taxes	290,422	296,407	(2)%
Income tax expense	98,226	106,819	(8)%
Income from continuing operations	192,196	189,588	1%
Income from discontinued operations, net of tax	18,172	18,013	1%
Gain on sale of discontinued operations, net of tax	6,349	—	100%
Net income	$ 216,717	$ 207,601	4%
Basic earnings per share			
Income per share from continuing operations	$ 2.12	$ 2.08	
Income per share from discontinued operations	0.27	0.20	
Net income per share – basic	$ 2.39	$ 2.28	
Diluted earnings per share			
Income per share from continuing operations	$ 2.10	$ 2.07	
Income per share from discontinued operations	0.27	0.20	
Net income per share – diluted	$ 2.37	$ 2.27	
Cash dividends per share	$ 1.38	$ 1.36	
Weighted average shares outstanding:			
Basic	90,150	90,201	
Diluted	91,172	90,652	

Summary Net Income (Loss) by Segment (000s)	Year Ended September 30 2012	2011	Percentage Change
Natural gas distribution – continuing operations	$ 123,848	$ 144,705	(14)%
Natural gas distribution – discontinued operations	24,521	18,013	36%
Regulated transmission and storage	63,059	52,415	20%
Nonregulated	10,276	(940)	1,193%
Unrealized margins, net of tax	(4,987)	(6,592)	24%
Consolidated net income	$ 216,717	$ 207,601	4%

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Statements of Income (000s except per share)	Three Months Ended September 30 2012	2011	Percentage Change
Gross Profit:			
Natural gas distribution segment	$171,761	$169,348	1%
Regulated transmission and storage segment	65,482	61,820	6%
Nonregulated segment	12,527	6,359	97%
Intersegment eliminations	(381)	(367)	(4)%
Gross profit	249,389	237,160	5%
Operation and maintenance expense	123,624	106,145	16%
Depreciation and amortization	60,783	59,069	3%
Taxes, other than income	36,903	32,751	13%
Asset impairment	5,288	—	100%
Total operating expenses	226,598	197,965	14%
Operating income	22,791	39,195	(42)%
Miscellaneous expense	(11,059)	(2,637)	(319)%
Interest charges	33,896	38,194	(11)%
Loss from continuing operations before income taxes	(22,164)	(1,636)	(1,255)%
Income tax benefit	(21,878)	(1,873)	(1,068)%
Income (loss) from continuing operations	(286)	237	(221)%
Income from discontinued operations, net of tax	1,904	1,724	10%
Gain on sale of discontinued operations, net of tax	6,349	—	100%
Net income	$ 7,967	$ 1,961	306%
Basic earnings per share			
Income (loss) per share from continuing operations	$ —	$ —	
Income per share from discontinued operations	0.09	0.02	
Net income per share – basic	$ 0.09	$ 0.02	
Diluted earnings per share			
Income (loss) per share from continuing operations	$ —	$ —	
Income per share from discontinued operations	0.09	0.02	
Net income per share – diluted	$ 0.09	$ 0.02	
Cash dividends per share	$ 0.345	$ 0.340	
Weighted average shares outstanding:			
Basic	90,207	90,132	
Diluted	91,224	90,576	

Summary Net Income (Loss) by Segment (000s)	Three Months Ended September 30 2012	2011	Percentage Change
Natural gas distribution – continuing operations	$(10,221)	$ (7,713)	(33)%
Natural gas distribution – discontinued operations	8,253	1,724	379%
Regulated transmission and storage	14,881	14,022	6%
Nonregulated	7,419	(1,208)	714%
Unrealized margins, net of tax	(12,365)	(4,864)	(154)%
Consolidated net income	$ 7,967	$ 1,961	306%

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Discontinued Operations (000s)	Three Months Ended September 30 2012	2011	Year Ended September 30 2012	2011
Operating revenues	$11,596	$18,574	$114,703	$141,227
Purchased gas cost	4,966	8,475	62,902	83,537
Gross profit	6,630	10,099	51,801	57,690
Operating expenses	4,105	6,681	24,174	27,362
Operating income	2,525	3,418	27,627	30,328
Other nonoperating income	106	37	611	57
Income from discontinued operations before income taxes	2,631	3,455	28,238	30,385
Income tax expense	727	1,731	10,066	12,372
Income from discontinued operations	1,904	1,724	18,172	18,013
Gain on sale of discontinued operations, net of tax	6,349	—	6,349	—
Net income from discontinued operations	$ 8,253	$ 1,724	$ 24,521	$ 18,013

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Balance Sheets (000s)	September 30, 2012	September 30, 2011
Net property, plant and equipment	$5,475,604	$5,147,918
Cash and cash equivalents	64,239	131,419
Accounts receivable, net	234,526	273,303
Gas stored underground	256,415	289,760
Other current assets	272,782	316,471
Total current assets	827,962	1,010,953
Goodwill and intangible assets	740,847	740,207
Deferred charges and other assets	451,262	383,793
	$7,495,675	$7,282,871
Shareholders' equity	$2,359,243	$2,255,421
Long-term debt	1,956,305	2,206,117
Total capitalization	4,315,548	4,461,538
Accounts payable and accrued liabilities	215,229	291,205
Other current liabilities	489,665	367,563
Short-term debt	570,929	206,396
Current maturities of long-term debt	131	2,434
Total current liabilities	1,275,954	867,598
Deferred income taxes	1,015,083	960,093
Deferred credits and other liabilities	889,090	993,642
	$7,495,675	$7,282,871

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Statements of Cash Flows (000s)	Year Ended September 30 2012	2011
Cash flows from operating activities		
Net income	$ 216,717	$ 207,601
Asset impairments	5,288	30,270
Gain on sale of discontinued operations	(9,868)	—
Depreciation and amortization	246,577	233,383
Deferred income taxes	104,319	117,353
Other	26,876	20,063
Changes in assets and liabilities	(2,992)	(25,826)
Net cash provided by operating activities	586,917	582,844
Cash flows from investing activities		
Capital expenditures	(732,858)	(622,965)
Proceeds from the sale of discontinued operations	128,223	—
Other, net	(4,625)	(4,421)
Net cash used in investing activities	(609,260)	(627,386)
Cash flows from financing activities		
Net increase in short-term debt	354,141	83,306
Net proceeds from issuance of long-term debt	—	394,466
Settlement of Treasury lock agreements	—	20,079
Unwinding of Treasury lock agreements	—	27,803
Repayment of long-term debt	(257,034)	(360,131)
Cash dividends paid	(125,796)	(124,011)
Repurchase of common stock	(12,535)	—
Repurchase of equity awards	(5,219)	(5,299)
Issuance of common stock	1,606	7,796
Net cash provided by (used in) financing activities	(44,837)	44,009
Net decrease in cash and cash equivalents	(67,180)	(533)
Cash and cash equivalents at beginning of period	131,419	131,952
Cash and cash equivalents at end of period	$ 64,239	$ 131,419

Statistics, including discontinued operations	Three Months Ended September 30 2012	2011	Year Ended September 30 2012	2011
Consolidated natural gas distribution throughput (MMcf as metered)	58,641	58,081	390,983	424,020
Consolidated regulated transmission and storage transportation volumes (MMcf)	133,186	129,114	466,527	435,012
Consolidated nonregulated delivered gas sales volumes (MMcf)	81,256	94,313	351,628	384,799
Natural gas distribution meters in service	3,116,589	3,213,191	3,116,589	3,213,191
Natural gas distribution average cost of gas	$ 4.13	$ 6.12	$ 4.64	$ 5.30
Nonregulated net physical position (Bcf)	18.8	21.0	18.8	21.0

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

September 27, 2012
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

On September 27, 2012, Atmos Energy Corporation (the "Company") entered into a $260 million Term Loan Credit Agreement (the "credit facility") with JPMorgan Chase Bank, N.A., as Administrative Agent, U.S. Bank National Association, as Syndication Agent and The Bank of Tokyo-Mitsubishi UFJ, Ltd., as Documentation Agent, with the same banks participating as lenders. The credit facility will be used primarily to pay down commercial paper sold in August 2012 to fund the early redemption of $250 million of senior notes originally maturing on January 15, 2013.

The Company has elected to borrow the entire $260 million on a one-month LIBOR based rate, which is currently 0.22% per annum. Based on the Company's credit rating, a margin of 0.875% per annum will be added to the LIBOR based rate, for an effective total interest rate of 1.095% per annum.

The credit facility will expire on February 1, 2013, at which time all outstanding amounts under the credit facility will be due and payable. The credit facility contains usual and customary covenants for transactions of this type, including covenants limiting liens, substantial asset sales and mergers. In addition, the credit facility provides that during the term of the facility, the Company's debt to capitalization ratio as of the last day of each of its fiscal quarters shall be less than or equal to 0.70 to 1.00, excluding from the calculation of debt: (i) any pension and other post-retirement benefits liability adjustments recorded in accordance with generally accepted accounting principles; and (ii) an amount of hybrid securities, as defined in the credit facility (generally, deferrable interest subordinated debt with a maturity of at least 20 years), not to exceed a total of 15% of total capitalization.

In the event of a default by the Company under the credit facility, including cross-defaults relating to specified other indebtedness of the Company, JPMorgan Chase may, upon the consent of a certain minimum number of lenders, and shall, upon the request and direction of such lenders, declare the amount outstanding, including all accrued interest and unpaid fees, payable immediately, and enforce any and all rights and interests created and existing under the credit facility documents, including, without limitation, all rights of set-off and all other rights available under the law.

With respect to the other parties to the credit facility, all of whom are parties to a credit facility already in place with the Company, the Company also has or may have had customary banking relationships based on the provision of a variety of financial services, including pension fund, cash management, investment banking, and equipment financing and leasing services, none of which are material individually or in the aggregate with respect to any individual party. A copy of the credit facility is filed as Exhibit 10.1 and is incorporated herein by reference. The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the credit facility.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information described in Item 1.01 above is hereby incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

10.1 Term Loan Credit Agreement, dated as of September 27, 2012 among Atmos Energy Corporation, the lenders from time to time party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, U.S. Bank National Association, as Syndication Agent and The Bank of Tokyo-Mitsubishi UFJ, Ltd., as Documentation Agent

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: October 2, 2012

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President, General Counsel
and Corporate Secretary

INDEX TO EXHIBITS

Exhibit Number	Description
10.1	Term Loan Credit Agreement, dated as of September 27, 2012 among Atmos Energy Corporation, the lenders from time to time party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, U.S. Bank National Association, as Syndication Agent and The Bank of Tokyo-Mitsubishi UFJ, Ltd., as Documentation Agent

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Exhibit 10.1

Execution Copy

TERM LOAN CREDIT AGREEMENT

dated as of September 27, 2012

among

ATMOS ENERGY CORPORATION,
as Borrower,

THE LENDERS FROM TIME TO TIME PARTY HERETO,

and

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent,

and

U.S. BANK NATIONAL ASSOCIATION ,
as Syndication Agent

and
THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.,
as Documentation Agent

J.P. MORGAN SECURITIES LLC

as Sole Lead Arranger and Sole Bookrunner

TABLE OF CONTENTS

TERM LOAN CREDIT AGREEMENT

THIS TERM LOAN CREDIT AGREEMENT (this " Agreement ") is made and entered into as of September 27, 2012, by and among ATMOS ENERGY CORPORATION, a Texas and Virginia corporation (the " Borrower "), the several banks and other financial institutions and lenders from time to time party hereto (the " Lenders "), and JPMORGAN CHASE BANK, N.A., in its capacity as administrative agent for the Lenders (the " Administrative Agent ").

W I T N E S S E T H:

WHEREAS, the Borrower has requested that the Lenders establish in favor of the Borrower a $260,000,000 term loan credit facility;

WHEREAS , subject to the terms and conditions of this Agreement, the Lenders, to the extent of their respective Commitments as defined herein, are willing severally to establish the requested term loan credit facility in favor of the Borrower.

NOW, THEREFORE , in consideration of the premises and the mutual covenants herein contained, the Borrower, the Lenders and the Administrative Agent agree as follows:

ARTICLE I

DEFINITIONS; CONSTRUCTION

Section 1.1. Definitions . In addition to the other terms defined herein, the following terms used herein shall have the meanings herein specified (to be equally applicable to both the singular and plural forms of the terms defined):

" Adjusted LIBO Rate " shall mean, with respect to each Interest Period for a Eurodollar Borrowing, the rate per annum obtained by dividing (i) LIBOR for such Interest Period by (ii) a percentage equal to 1.00 *minus* the Eurodollar Reserve Percentage.

" Administrative Questionnaire " shall mean, with respect to each Lender, an administrative questionnaire in the form prepared by the Administrative Agent and submitted to the Administrative Agent duly completed by such Lender.

" Affiliate " shall mean, as to any Person, any other Person directly or indirectly controlling, controlled by or under direct or indirect common control with such Person. A Person shall be deemed to control another Person if such Person possesses, directly or indirectly, the power (a) to vote 10% or more of the securities having ordinary voting power for the election of directors of such other Person or (b) to direct or cause direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise.

" Applicable Lending Office " shall mean, for each Lender and for each Type of Loan, the "Lending Office" of such Lender (or an Affiliate of such Lender) designated for such Type of Loan in the Administrative Questionnaire submitted by such Lender or such other office of such Lender (or an Affiliate of such Lender) as such Lender may from time to time specify to the Administrative Agent and the Borrower as the office by which its Loans of such Type are to be made and maintained.

" Applicable Margin " shall mean, as of any date, the percentage per annum determined by reference to the applicable Rating Category from time to time in effect as set forth on Schedule I ; provided , that a change in the Applicable Margin resulting from a change in the Rating Category shall be effective on the day on which any rating agency changes its rating and shall continue until the day prior to the day that a further change becomes effective. Notwithstanding the foregoing, the Applicable Margin from the Closing Date until the first change in the applicable Rating Category after the Closing Date shall be at Level II as set forth on Schedule I .

" Approved Fund " shall mean any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (i) a Lender, (ii) an Affiliate of a Lender or (iii) an entity or an Affiliate of an entity that administers or manages a Lender.

" Assignment and Acceptance " shall mean an assignment and acceptance entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.4(b)) and accepted by the Administrative Agent, in the form of Exhibit A attached hereto or any other form approved by the Administrative Agent.

" Bankruptcy Code " shall mean the Bankruptcy Code in Title 11 of the United States Code, as amended, modified, succeeded or replaced from time to time.

" Base Rate " shall mean, for any day, a rate per annum equal to the highest of (i) the Prime Rate in effect on such day, (ii) the Federal Funds Rate in effect on such day, (any changes in such rate to be effective as of the date of any change in such rate) plus one-half of one percent (0.50%) and (iii) the one-month Adjusted LIBO Rate on such day, which rate shall be determined on a daily basis (any changes in such rate to be effective as of the date of any change in such rate) plus 100 basis points which rate shall be determined on a daily basis; provided that, for the avoidance of doubt, the Adjusted LIBO Rate for any day shall be based on the rate appearing on Reuters Screen LIBOR01 Page (or any successor or substitute page of such service) at approximately 11:00 a.m. London time on such day.

" Board " means the Board of Governors of the Federal Reserve System of the United States of America.

" Borrowing " shall mean a borrowing consisting of Loans of the same Type, made, converted or continued on the same date and in the case of Eurodollar Loans, as to which a single Interest Period is in effect.

" Business Day " shall mean (i) any day other than a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to close and (ii) if such day relates to a Borrowing of, a payment or prepayment of principal or interest on, a conversion of or into, or an Interest Period for, a Eurodollar Loan or a notice with respect to any of the foregoing, any day on which dealings in Dollars are carried on in the London interbank market.

" Capital Stock " shall mean (a) in the case of a corporation, all classes of capital stock of such corporation, (b) in the case of a partnership, partnership interests (whether general or limited), (c) in the case of a limited liability company, membership interests and (d) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

" Change in Law " shall mean the occurrence, after the date of this Agreement (or with respect to any Lender, if later, the date on which such Lender becomes a Lender) of any of the following: (i) the adoption or taking effect of any law, rule, regulation or treaty, (ii) any change in any law, rule, regulation or treaty, or any change in the administration, interpretation, implementation or application thereof, by any Governmental Authority, or (iii) the making or issuance of any request, rules, guideline, requirement or directive (whether or not having the force of law) by any Governmental Authority; provided, however, that notwithstanding anything herein to the contrary, for purposes of this Agreement, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements and directives thereunder, issued in connection therewith or in implementation thereof, and (y) all requests, rules, guidelines, requirements and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted, issued or implemented.

" Change of Control " shall mean either of the following events:

(a) any "person" or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act) has become, directly or indirectly, the "beneficial owner" (as defined in Rules 13d-3 (other than subsection (d) thereof) and 13d-5 under the Exchange Act), by way of merger, consolidation or otherwise of 40% or more of the voting power of the Borrower on a fully-diluted basis, after giving effect to the conversion and exercise of all outstanding warrants, options and other securities of the Borrower convertible into or exercisable for voting stock of the Borrower (whether or not such securities are then currently convertible or exercisable); or

(b) during any period of two consecutive calendar years, individuals who at the beginning of such period constituted the board of directors of the Borrower together with any new members of such board of directors whose elections by such board of directors or whose nomination for election by the stockholders of the Borrower was approved by a vote of a majority of the members of such board of directors then still in office who either were directors at the beginning of such period or whose election or nomination for election was previously so approved cease for any reason to constitute a majority of the directors of the Borrower then in office.

" Charges " shall have the meaning set forth in Section 9.12 .

" Closing Date " shall mean the date on which the conditions precedent set forth in Section 3.1 have been satisfied or waived in accordance with Section 9.2 .

" Code " shall mean the Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations promulgated thereunder.

" Commitment " shall mean, with respect to each Lender, the obligation of such Lender to make Loans to the Borrower in an aggregate principal amount not exceeding the amount set forth with respect to such Lender on Schedule II .

" Compliance Certificate " shall mean a certificate from a Financial Officer of the Borrower in the form of, and containing the certifications set forth in, the certificate attached hereto as Exhibit 5.1(c) .

" Consolidated Capitalization " shall mean, without duplication, the sum of (a) all of the shareholders' equity or net worth of the Borrower and its Subsidiaries on a consolidated basis, as determined in accordance with GAAP plus (b) the aggregate principal amount of Preferred Securities plus (c) the aggregate Minority Interests in Subsidiaries plus (d) Consolidated Funded Debt.

" Consolidated Funded Debt " shall mean, without duplication, the sum of (a) all indebtedness of the Borrower and its Subsidiaries for borrowed money, (b) all purchase money indebtedness of the Borrower and its Subsidiaries (other than trade accounts payable), (c) the principal portion of all obligations of the Borrower and its Subsidiaries under capital leases, (d) all commercial letters of credit and all performance and standby letters of credit issued or bankers' acceptances created for the account of the Borrower or one of its Subsidiaries, including, without duplication, all unreimbursed draws thereunder, (e) all Guaranty Obligations of the Borrower and its Subsidiaries with respect to funded indebtedness of another Person of the types listed in clauses (a) through (d), (f) all indebtedness of another entity secured by a Lien on any property of the Borrower or any of its Subsidiaries whether or not such indebtedness has been assumed by the Borrower or any of its Subsidiaries, (g) all indebtedness of any partnership or unincorporated joint venture to the extent the Borrower or one of its Subsidiaries is legally obligated with respect thereto, net of any assets of such partnership or joint venture and in the case of the Capital Stock of such partnership or joint venture being held by a Subsidiary, limited to the net worth of such Subsidiary, (h) all obligations of the Borrower and its Subsidiaries to advance or provide funds or other support for the payment or purchase of funded indebtedness (including, without limitation, maintenance agreements, comfort letters or similar agreements or arrangements) (other than as may be given in respect of Atmos Energy Marketing, LLC (" AEM ")) and (i) the principal balance outstanding under any synthetic lease, tax retention operating lease, off-balance sheet loan or similar off-balance sheet financing product of the Borrower or one of its Material Subsidiaries where such transaction is considered borrowed money indebtedness for tax purposes but is classified as an operating lease in accordance with GAAP; provided , however , that (x) neither the indebtedness of AEM incurred in connection with the purchase of gas by AEM for resale to the Borrower nor the guaranty by the Borrower or one of its Subsidiaries of such indebtedness shall be included in this definition if such indebtedness has been outstanding for less than two months from the date of its incurrence by AEM and (y) for the purposes of calculating the Debt to Capitalization Ratio, Consolidated Funded Debt will exclude (to the extent otherwise included in Consolidated Funded Debt) (i) any pension and other post-retirement benefits liability adjustments recorded in accordance with GAAP and (ii) an amount of Hybrid Securities not to exceed a total of 15% of Consolidated Capitalization.

" Consolidated Net Property " shall mean the Fixed Assets less, without duplication, the amount of accumulated depreciation and amortization attributable thereto.

" Consolidated Net Worth " shall mean, as of any date, (i) the total assets of the Borrower and its Subsidiaries that would be reflected on the Borrower's consolidated balance sheet as of such date prepared in accordance with GAAP, after eliminating all amounts properly attributable to minority interests, if any, in the stock and surplus of Subsidiaries, *minus* (ii) the total liabilities of the Borrower and its Subsidiaries that would be reflected on the Borrower's consolidated balance sheet as of such date prepared in accordance with GAAP.

" Contractual Obligation " of any Person shall mean any provision of any security issued by such Person or of any agreement, instrument or undertaking under which such Person is obligated or by which it or any of the property in which it has an interest is bound.

" Credit Documents " shall mean, collectively, this Agreement, any promissory notes issued pursuant to this Agreement, all Notices of Borrowing, all Notices of Conversion/Continuation, all Compliance Certificates and any and all other instruments, agreements, documents and writings executed in connection with any of the foregoing.

" Credit Exposure " shall mean, with respect to any Lender at any time, the outstanding principal amount of such Lender's Loans.

" Debt to Capitalization Ratio " shall mean the ratio of (a) Consolidated Funded Debt to (b) Consolidated Capitalization.

" Default " shall mean any act, condition or event that, with the giving of notice or the lapse of time or both, would constitute an Event of Default.

" Default Interest " shall have the meaning set forth in Section 2.10(b) .

" Defaulting Lender " shall mean, at any time, subject to Section 2.22 , any Lender that, as determined by the Administrative Agent in good faith, (a) has failed to fund any portion of its Commitments required to be funded by it within two (2) Business Days after the date required to be funded by it, unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, (b) has otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it under the Credit Documents within two (2) Business Days after the date when due, (c) has notified the Borrower or the Administrative Agent in writing that it does not intend to comply with its funding obligations or has made a public statement to that effect with respect to its funding obligations under the Credit Documents unless such notification or public statement relates to such Lender's obligation to fund any portion of its Commitments hereunder and states that such position is based on such Lender's good faith determination that a condition precedent (specifically identified and including any particular default, if any) to funding cannot be satisfied, (d) has failed, within three (3) Business Days after request by the Administrative Agent, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its funding obligations; provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (d) upon receipt of such certification by the Administrative Agent, or (e) as to which a Lender Insolvency Event has occurred and is continuing.

" Dollar(s) " and the sign "$" shall mean lawful money of the United States of America.

" Embargoed Person " shall have the meaning set forth in Section 4.23 .

" Environmental Laws " shall mean any current or future legal requirement of any Governmental Authority pertaining to (a) the protection of health, safety, and the indoor or outdoor environment, (b) the conservation, management, or use of natural resources and wildlife, (c) the protection or use of surface water and groundwater or (d) the management, manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, release, threatened release, abatement, removal, remediation or handling of, or exposure to, any hazardous or toxic substance or material or (e) pollution (including any release to land surface water and groundwater) and includes, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 USC 9601 *et seq.* , Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and Hazardous and Solid Waste Amendment of 1984, 42 USC 6901 *et seq.* , Federal Water Pollution Control Act, as amended by the Clean Water Act of 1977, 33 USC 1251 et seq., Clean Air Act of 1966, as amended, 42 USC 7401 *et seq.* , Toxic Substances Control Act of 1976, 15 USC 2601 et seq., Hazardous Materials Transportation Act, 49 USC App. 1801 *et seq.* , Occupational Safety and Health Act of 1970, as amended, 29 USC 651 *et seq.* , Oil Pollution Act of 1990, 33 USC 2701 *et seq.* , Emergency Planning and Community Right-to-Know Act of 1986, 42 USC 11001 *et seq.* , National Environmental Policy Act of 1969, 42 USC 4321 *et seq.* , Safe Drinking Water Act of 1974, as amended, 42 USC 300(f) *et seq.* , any analogous implementing or successor law, and any amendment, rule, regulation, order, or directive issued thereunder.

" ERISA " shall mean the Employee Retirement Income Security Act of 1974, as amended, and any successor statute thereto, as interpreted by the rules and regulations thereunder, all as the same may be in effect from time to time. References to sections of ERISA shall be construed also to refer to any successor sections.

" ERISA Affiliate " shall mean an entity, whether or not incorporated, which is under common control with the Borrower or any of its Subsidiaries within the meaning of Section 4001(a)(14) of ERISA, or is a member of a group which includes the Borrower or any of its Subsidiaries and which is treated as a single employer under Sections 414(b), (c), (m), or (o) of the Code.

" Eurodollar " when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, bears interest at a rate determined by reference to the Adjusted LIBO Rate.

" Eurodollar Reserve Percentage " shall mean the aggregate of the maximum reserve, liquid asset, fee or similar requirement (including, without limitation, any emergency, supplemental, special or other marginal reserves or other requirements) expressed as a decimal (rounded upwards to the next 1/100 th of 1%) established by any central bank, monetary authority, the Board, the Financial Services Authority, the European Central Bank or other Governmental Authority for any category of deposits or liabilities customarily used to fund loans in the applicable currency. Such reserve, liquid asset, fees or similar requirements shall include those imposed pursuant to Regulation D. Eurodollar Loans shall be deemed to be subject to such reserve, liquid asset, fee or similar requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under any applicable law, rule or regulation, including Regulation D. The Eurodollar Reserve Percentage shall be adjusted automatically on and as of the effective date of any change in any reserve, liquid asset or similar requirement.

" Event of Default " shall have the meaning provided in Section 7.1 .

" Exchange Act " shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

" Excluded Taxes " shall mean with respect to the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (a) income or franchise taxes imposed on (or measured by) its net income by the United States of America, or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its Applicable Lending Office is located, (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction in which any Lender is located, (c) in the case of a Foreign Lender, any withholding tax that (i) is imposed on amounts payable to such Foreign Lender at the time such Foreign Lender becomes a party to this Agreement, (ii) is imposed on amounts payable to such Foreign Lender at any time that such Foreign Lender designates a new lending office, other than taxes that have accrued prior to the designation of such lending office that are otherwise not Excluded Taxes, and (iii) is attributable to such Foreign Lender's failure to comply with Section 2.17(e) and (d) any U.S. withholding Taxes imposed under FATCA.

" Executive Order " shall have the meaning set forth in Section 4.23 .

" FATCA " means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code.

" Federal Funds Rate " shall mean, for any day, the rate per annum (rounded upwards, if necessary, to the next 1/100 th of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with member banks of the Federal Reserve System arranged by Federal funds brokers, as published by the Federal Reserve Bank of New York on the next succeeding Business Day or if such rate is not so published for any Business Day, the Federal Funds Rate for such day shall be the average rounded upwards, if necessary, to the next 1/100th of 1% of the quotations for such day on such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by the Administrative Agent.

" Financial Officer " shall mean any one of the chief financial officer, the controller or the treasurer of the Borrower.

" Fitch " shall mean Fitch Ratings Ltd., or any successor or assignee of the business of such company in the business of rating securities.

" Fixed Assets " shall mean the assets of the Borrower and its Subsidiaries constituting "net property, plant and equipment" on the consolidated balance sheet of the Borrower and its Subsidiaries.

" Foreign Lender " shall mean any Lender that is not a United States person under Section 7701(a)(3) of the Code.

" GAAP " shall mean generally accepted accounting principles in the United States, subject to Section 1.3 .

" Governmental Authority " shall mean the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

" Guaranty Obligations " shall mean, with respect to any Person, without duplication, any obligations (other than endorsements in the ordinary course of business of negotiable instruments for deposit or collection) guaranteeing any indebtedness for borrowed money of any other Person in any manner, whether direct or indirect, and including without limitation any obligation, whether or not contingent, (a) to purchase any such indebtedness or other obligation or any property constituting security therefor, (b) to lease or purchase property, securities or services primarily for the purpose of assuring the owner of such indebtedness or (c) to otherwise assure or hold harmless the owner of such indebtedness or obligation against loss in respect thereof. The amount of any Guaranty Obligation hereunder shall (subject to any limitations set forth therein) be deemed to be an amount equal to the outstanding principal amount of the indebtedness in respect of which such Guaranty Obligation is made.

" Hazardous Materials " shall mean all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

" Hedging Obligations " shall mean any and all obligations of such Person, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired under (i) any and all Hedging Transactions, (ii) any and all cancellations, buy backs, reversals, terminations or assignments of any Hedging Transactions and (iii) any and all renewals, extensions and modifications of any Hedging Transactions and any and all substitutions for any Hedging Transactions.

" Hedging Transaction " shall mean any transaction (including an agreement with respect thereto) now existing or hereafter entered into by such Person that is a rate swap, basis swap, forward rate transaction, commodity swap, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collateral transaction, forward transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more interest rates, foreign currencies, commodity prices, equity prices or other financial measures.

" Hybrid Securities " shall mean any trust preferred securities, or deferrable interest subordinated debt with a maturity of at least 20 years, which provides for the optional or mandatory deferral of interest or distributions, issued by the Borrower, or any business trusts, limited liability companies, limited partnerships or similar entities (i) substantially all of the common equity, general partner or similar interests of which are owned (either directly or indirectly through one or more wholly owned subsidiaries) at all times by the Borrower or any of its subsidiaries, (ii) that have been formed for the purpose of issuing trust preferred securities or deferrable interest subordinated debt, and (iii) substantially all the assets of which consist of (A) subordinated debt of the Borrower or a subsidiary of the Borrower, and (B) payments made from time to time on the subordinated debt.

" Indemnified Taxes " shall mean Taxes, other than Excluded Taxes and Other Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Credit Document.

" Interest Period " shall mean with respect to any Eurodollar Borrowing, a period of one, two or three months; provided, that:

(i) the initial Interest Period for such Borrowing shall commence on the date of such Borrowing (including the date of any conversion from a Borrowing of another Type), and each Interest Period occurring thereafter in respect of such Borrowing shall commence on the day on which the next preceding Interest Period expires;

(ii) if any Interest Period would otherwise end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day, unless such Business Day falls in another calendar month, in which case such Interest Period would end on the next preceding Business Day;

(iii) any Interest Period which begins on the last Business Day of a calendar month or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period shall end on the last Business Day of such calendar month;

(iv) no Interest Period may extend beyond the Maturity Date.

" Lender Insolvency Event " shall mean that a Lender or its Parent Company is the subject of a bankruptcy, insolvency, reorganization, liquidation or similar proceeding, or a receiver, trustee, conservator, custodian or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such capacity, has been appointed for such Lender or its Parent Company, or, in the good faith determination of the Administrative Agent, such Lender or its Parent Company has taken any action in furtherance of or indicating its consent to or acquiescence in any such proceeding or appointment; provided that, for the avoidance of doubt, a Lender Insolvency Event shall not be deemed to have occurred solely by virtue of the ownership or acquisition of any equity interest in or control of a Lender or a Parent Company thereof by a Governmental Authority or an instrumentality thereof, so long as such ownership or acquisition does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender.

" Lenders " shall have the meaning assigned to such term in the opening paragraph of this Agreement.

" LIBOR " shall mean, for any Interest Period with respect to a Eurodollar Loan, the rate per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%) appearing on Reuters Screen LIBOR01 Page (or any successor or substitute page of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent from time to time for the purposes of providing quotations of interest rates applicable to deposit in Dollars in the London interbank market) at approximately 11:00 a.m. (London, England time), two (2) Business Days prior to the first day of such Interest Period for a term comparable to such Interest Period. If for any reason such rate is not available, LIBOR shall be, for any Interest Period, the rate per annum at which deposits in Dollars in an amount of $5,000,000 and for a term comparable to such Interest Period are offered by the principal London office of the Administrative Agent in immediately available funds in the London interbank market at approximately 11:00 a.m. (London, England time), two (2) Business Days prior to the first day of such Interest Period.

" Lien " shall mean any mortgage, pledge, hypothecation, assignment, deposit arrangement, security interest, encumbrance, lien (statutory or otherwise), preference, priority or charge of any kind.

" Loan " shall mean a loan made by a Lender to the Borrower under its Commitment, which may either be a Base Rate Loan or a Eurodollar Loan.

" Material Adverse Effect " shall mean a material adverse effect on (a) the business, assets, liabilities, results of operations or financial condition of the Borrower and its Subsidiaries, taken as a whole, (b) the ability of the Borrower to perform its obligations under this Agreement or any of the other Credit Documents or (c) the validity or enforceability of this Agreement, any of the other Credit Documents, or the rights and remedies of the Lenders hereunder or thereunder.

" Material Subsidiary " shall mean, at any date, a Subsidiary of the Borrower whose aggregate assets properly included under the category "property, plant and equipment" on the balance sheet of such Subsidiary, less the amount of depreciation and amortization attributable thereto, constitutes at least 10% of Consolidated Net Property as of such date; provided that if at any time the Borrower has Subsidiaries that are not Material Subsidiaries whose total aggregate assets under the category "property, plant and equipment" on the balance sheet of such Subsidiaries, less the amount of depreciation and amortization attributable thereto, constitute more than 20% of Consolidated Net Property as of such date the Borrower shall designate one or more of such Subsidiaries as Material Subsidiaries for the purposes of this Agreement in order that all Subsidiaries of the Borrower, other than Material Subsidiaries, own not more than 20% of Consolidated Net Property.

" Maturity Date " means February 1, 2013.

" Maximum Rate " shall have the meaning set forth in Section 9.12 .

" Minority Interests " shall mean interests owned by Persons (other than the Borrower or a Subsidiary of the Borrower) in a Subsidiary of the Borrower in which less than 100% of all classes of the voting securities are owned by the Borrower or its Subsidiaries.

" Moody's " shall mean Moody's Investors Service, Inc., or any successor or assignee of the business of such company in the business of rating securities.

" Multiemployer Plan " shall mean a Plan covered by Title IV of ERISA which is a multiemployer plan as defined in Section 3(37) or 4001(a)(3) of ERISA.

" Multiple Employer Plan " shall mean a Plan covered by Title IV of ERISA, other than a Multiemployer Plan, which the Borrower or any ERISA Affiliate and at least one employer other than the Borrower or any ERISA Affiliate are contributing sponsors.

" 1998 Indenture " shall mean, collectively, that certain Indenture, dated as of July 15, 1998, granted by the Borrower to US Bank Trust National Association, as Trustee, and all Supplemental Indentures thereto.

" Non-Recourse Indebtedness " shall mean, at any time, indebtedness incurred after the date hereof by the Borrower or a Material Subsidiary in connection with the acquisition of property or assets by the Borrower or such Material Subsidiary or the financing of the construction of or improvements on property, whenever acquired, that, under the terms of such indebtedness and pursuant to applicable law, the recourse at such time and thereafter of the lenders with respect to such indebtedness is limited to the property or assets so acquired, or such construction or improvements, and any accession or additions thereto and proceeds thereof, including indebtedness as to which a performance or completion guarantee or similar undertaking was initially applicable to such indebtedness or the related property or assets if such guarantee or similar undertaking has been satisfied and is no longer in effect at such time. Indebtedness which is otherwise Non-Recourse Indebtedness will not lose its character as Non-Recourse Indebtedness because there is recourse to the Borrower, any Material Subsidiary, any guarantor or any other Person for (a) environmental representations, warranties or indemnities, or (b) indemnities for and liabilities arising from (i) fraud, (ii) misrepresentation, (iii) misapplication or non-payment of rents, profits, insurance and condemnation proceeds and other sums actually received from secured assets to be paid to the lender, (iv) waste, (v) materialmen's and mechanics' liens or (vi) similar matters.

" Notice of Borrowing " shall have the meaning set forth in Section 2.3 .

" Notice of Conversion/Continuation " shall mean the notice given by the Borrower to the Administrative Agent in respect of the conversion or continuation of an outstanding Borrowing as provided in Section 2.5(b).

" Obligations " shall mean all amounts owing by the Borrower to the Administrative Agent or any Lender pursuant to or in connection with this Agreement or any other Credit Document, including without limitation, all principal, interest (including any interest accruing after the filing of any petition in bankruptcy or the commencement of any insolvency, reorganization or like proceeding relating to the

Borrower, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), all reimbursement obligations, fees, expenses, indemnification and reimbursement payments, costs and expenses (including all reasonable fees and expenses of counsel to the Administrative Agent and any Lender incurred pursuant to this Agreement or any other Credit Document), whether direct or indirect, absolute or contingent, liquidated or unliquidated, now existing or hereafter arising hereunder or thereunder, and all Hedging Obligations owed to the Administrative Agent, any Lender or any of their Affiliates incurred in order to limit interest rate or fee fluctuation with respect to the Loans, and all obligations and liabilities incurred in connection with collecting and enforcing the foregoing, together with all renewals, extensions, modifications or refinancings thereof.

" OFAC " means Office of Foreign Assets Control of the United States Department of the Treasury.

" Other Taxes " shall mean any and all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Credit Document.

" Parent Company " shall mean, with respect to a Lender, the bank holding company (as defined in Federal Reserve Board Regulation Y), if any, of such Lender, and/or any Person owning, beneficially or of record, directly or indirectly, a majority of the shares of such Lender.

" Participant " shall have the meaning set forth in Section 9.4(d).

" Participant Register " shall have the meaning set forth in Section 9.4(d) .

" Payment Office " shall mean the office of the Administrative Agent located at 10 S. Dearborn Street, Chicago, IL 60603, or such other location as to which the Administrative Agent shall have given written notice to the Borrower and the other Lenders.

" PBGC " shall mean the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA and any successor thereto.

" Permitted Lien " shall mean, with respect to any asset, the Liens permitted to exist on such asset under Section 6.6 .

" Person " shall mean any individual, partnership, joint venture, firm, corporation, association, trust, limited liability company or other enterprise (whether or not incorporated), or any government or political subdivision or any agency, department or instrumentality thereof.

" Physical Trade Contract " shall mean any agreement that is for the purchase, sale, transfer or exchange of natural gas or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing and any master agreement relating to or governing any or all of the foregoing, in each case entered into in the ordinary course of business.

" Physical Trade Obligations " shall mean any and all obligations of such Person, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired under (i) any and all Physical Trade Contracts, (ii) any and all cancellations, buy backs, reversals, terminations or assignments of any Physical Trade Contracts and (iii) any and all renewals, extensions and modifications of any Physical Trade Contracts and any and all substitutions for any Physical Trade Contracts.

" Plan " shall mean any employee benefit plan (as defined in Section 3(3) of ERISA) which is covered by ERISA and with respect to which the Borrower or any ERISA Affiliate is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an "employer" within the meaning of Section 3(5) of ERISA.

" Preferred Securities " shall mean, at any date, any equity interests in the Borrower, in a Special Purpose Financing Subsidiary of the Borrower or in any other Subsidiary of the Borrower (such as those known as "TECONS", "MIPS" or "RHINOS"): (a) that are not (i) required to be redeemed or redeemable at the option of the holder thereof prior to the fifth anniversary of the Maturity Date or (ii) convertible into or exchangeable for (unless solely at the option of the Borrower or such Subsidiary of the Borrower) equity interests referred to in clause (i) above or indebtedness having a scheduled maturity, or requiring any repayments or prepayments of principal or any sinking fund or similar payments in respect of principal or providing for any such repayment, prepayment, sinking fund or other payment at the option of the holder thereof prior to the fifth anniversary of the Maturity Date and (b) as to which, at such date, the Borrower or such Subsidiary of the Borrower has the right to defer the payment of all dividends and other distributions in respect thereof for the period of at least 19 consecutive quarters beginning at such date.

" Prime Rate " means the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, N.A. as its prime rate in effect at its principal office in New York City; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

" Prohibited Person " means any Person (a) listed in the Annex to the Executive Order or identified pursuant to Section 1 of the Executive Order; (b) this is owned or controlled by, or acting for or on behalf of, any Person listed in the Annex to the Executive Order or identified pursuant to the provisions of Section 1 of the Executive Order; (c) with whom a Lender is prohibited from dealing or otherwise engaging in any transaction by any terrorism or anti-laundering law, including the Executive Order; (d) who commits, threatens, conspires to commit, or support "terrorism" as defined in the Executive Order; (e) who is named as a "Specially designated national or blocked person" on the most current list published by the OFAC at its official website, at http://www.treas.gov/offices/enforcement/ofac/sdn/t11sdn.pdf or any replacement website or other replacement official publication of such list; or (f) who is owned or controlled by a Person listed above in clause (c) or (e).

" Pro Rata Share " shall mean with respect to any Commitment of any Lender at any time, a percentage, the numerator of which shall be such Lender's Commitment (or if such Commitments have been terminated or expired or the Loans have been declared to be due and payable, such Lender's Credit Exposure), and the denominator of which shall be the sum of such Commitments of all Lenders (or if such Commitments have been terminated or expired or the Loans have been declared to be due and payable, all Credit Exposure of all Lenders).

" Rating Category " shall mean the applicable credit ratings categories given to the Borrower by Moody's, S&P and Fitch as set forth on Schedule I .

" Register " shall have the meaning set forth in Section 9.4(c) .

" Regulation D, T, U, or X " shall mean Regulation D, T, U or X, respectively, of the Board of Governors of the Federal Reserve System (or any successor body) as from time to time in effect, any amendment thereto and any successor to all or a portion thereof or, in the case of Regulation T, U or X, any official interpretation of said Board relating to the extension of credit by banks for the purpose of purchasing or carrying margin stocks applicable to member banks of the Federal Reserve System.

" Related Parties " shall mean, with respect to any specified Person, such Person's Affiliates and the respective directors, partners, officers, employees, agents and advisors of such Person and such Person's Affiliates.

" Release " shall mean any release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into the environment (including ambient air, surface water, groundwater, land surface or subsurface strata) or within any building, structure, facility or fixture.

" Reportable Event " shall mean a "reportable event" as defined in Section 4043 of ERISA with respect to which the notice requirements to the PBGC have not been waived.

" Required Lenders " shall mean, at any time, Lenders holding more than 50% of the aggregate outstanding Commitments of the Lenders at such time or if the Lenders have no Commitments outstanding, then Lenders holding more than 50% of the Credit Exposure of the Lenders; provided however, that to the extent that any Lender is a Defaulting Lender, such Defaulting Lender and all of its Commitments and Credit Exposure shall be excluded for purposes of determining Required Lenders.

" Requirement of Law " for any Person shall mean the articles or certificate of incorporation, bylaws, partnership certificate and agreement, or limited liability company certificate of organization and agreement, as the case may be, and other organizational and governing documents of such Person, and any law, treaty, rule or regulation, or determination of a Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

" Revolving Credit Agreement " means that certain Credit Agreement dated as of May 2, 2011 by and among the Borrower, the lenders party thereto and The Royal Bank of Scotland PLC, as administrative agent.

" S&P " shall mean Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., or any successor or assignee of the business of such division in the business of rating securities.

" SEC " shall mean the Securities and Exchange Commission or any successor agency.

" Single Employer Plan " shall mean any Plan which is covered by Title IV of ERISA, but which is not a Multiemployer Plan or a Multiple Employer Plan.

" Special Purpose Financing Subsidiary " shall mean a Subsidiary of the Borrower that has no direct or indirect interest in the business of the Borrower and its other Subsidiaries and was formed solely for the purpose of issuing Preferred Securities.

" Subsidiary " shall mean, as to any Person, (a) any corporation more than 50% of whose stock of any class or classes having by the terms thereof ordinary voting power to elect a majority of the directors of such corporation (irrespective of whether or not, at the time, any class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time owned by such Person directly or indirectly through Subsidiaries and (b) any partnership, association, joint venture, limited liability company or other entity in which such Person directly or indirectly through Subsidiaries has more than 50% voting equity interest at any time.

" Taxes " shall mean any and all present or future taxes, levies, imposts, duties, deductions, fees, assessments, charges or withholdings imposed by any Governmental Authority.

" Termination Event " shall mean (a) with respect to any Single Employer Plan, the occurrence of a Reportable Event or the substantial cessation of operations (within the meaning of Section 4062(e) of ERISA), (b) the withdrawal of the Borrower or any ERISA Affiliate from a Multiple Employer Plan during a plan year in which it was a substantial employer (as such term is defined in Section 4001(a)(2) of ERISA), or the termination of a Multiple Employer Plan, (c) the distribution of a notice of intent to terminate or the actual termination of a Plan pursuant to Section 4041(a)(2) or 4041A of ERISA, (d) the institution of proceedings to terminate or the actual termination of a Plan by the PBGC under Section 4042 of ERISA, (e) any event or condition which might reasonably constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, or (f) the complete or partial withdrawal of the Borrower or any ERISA Affiliate from a Multiemployer Plan.

" Total Assets " shall mean all assets of the Borrower and its Subsidiaries as shown on its most recent quarterly consolidated balance sheet, as determined in accordance with GAAP.

" Trading with the Enemy Act " shall have the meaning set forth in Section 4.23 .

" 2001 Indenture " shall mean, collectively, that certain Indenture, dated as of May 22, 2001, granted by the Borrower to SunTrust Bank, Atlanta, as Trustee, and all Supplemental Indentures thereto.

" 2007 Indenture " shall mean, collectively, that certain Indenture, dated as of June 14, 2007, granted by the Borrower to U.S. Bank National Association, as Trustee, and all Supplemental Indentures, if any, thereto.

" 2009 Indenture " shall mean, collectively, that certain Indenture, dated as of March 26, 2009, granted by the Borrower to U.S. Bank National Association, as Trustee, and all Supplemental Indentures, if any, thereto.

" Type ", when used in reference to a Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted LIBO Rate or the Base Rate.

Section 1.2. Classifications of Loans and Borrowings . For purposes of this Agreement, Loans may be classified and referred to by Type (e.g. a "Eurodollar Loan", or "Base Rate Loan"). Borrowings also may be classified and referred to by Type (e.g. "Eurodollar Borrowing").

Section 1.3. Accounting Terms and Determination . Unless otherwise defined or specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with GAAP as in effect from time to time, applied on a basis consistent with the most recent audited consolidated financial statements of the Borrower delivered pursuant to Section 5.1(a); provided , that if the Borrower notifies the Administrative Agent that the Borrower wishes to amend the covenant in Section 5.2 to eliminate the effect of any change in GAAP on the operation of such covenant

(or if the Administrative Agent notifies the Borrower that the Required Lenders wish to amend Section 5.2 for such purpose), then the Borrower's compliance with such covenant shall be determined on the basis of GAAP in effect immediately before the relevant change in GAAP became effective, until either such notice is withdrawn or such covenant is amended in a manner satisfactory to the Borrower and the Required Lenders. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, (i) without giving effect to any election under Accounting Standards Codification Section 825-10-25 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any Consolidated Funded Debt or other liabilities of the Borrower or any Subsidiary of the Borrower at "fair value", as defined therein and (ii) without giving effect to any treatment of Consolidated Funded Debt in respect of convertible debt instruments under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification of Financial Accounting Standard having a similar result or effect) to value any such Consolidated Funded Debt in a reduced or bifurcated manner as described therein, and such Consolidated Funded Debt shall at all times be valued at the full stated principal amount thereof.

Section 1.4. Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the word "to" means "to but excluding". Unless the context requires otherwise (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as it was originally executed or as it may from time to time be amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (ii) any reference herein to any Person shall be construed to include such Person's successors and permitted assigns and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all functions thereof, (iii) the words "hereof", "herein" and "hereunder" and words of similar import shall be construed to refer to this Agreement as a whole and not to any particular provision hereof, (iv) all references to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles, Sections, Exhibits and Schedules to this Agreement, (v) all references to a specific time shall be construed to refer to the time in the city and state of the Administrative Agent's principal office, unless otherwise indicated and (vi) any definition of or reference to any statute, rule or regulation shall be construed as referring thereto as from time to time amended, supplemented or otherwise modified (including by succession of comparable successor laws).

ARTICLE II

AMOUNT AND TERMS OF THE COMMITMENTS

Section 2.1. General Description of Facility. Subject to and upon the terms and conditions herein set forth, the Lenders hereby establish in favor of the Borrower a term loan credit facility pursuant to which each Lender severally agrees (to the extent of such Lender's Commitment) to make Loans to the Borrower on the Closing Date in accordance with Section 2.2.

Section 2.2. Loans. Subject to the terms and conditions set forth herein, each Lender severally agrees to make Loans to the Borrower on the Closing Date in an aggregate principal amount of its Commitment. Amounts repaid or prepaid in respect of Loans may not be reborrowed. The Commitment of each Lender shall expire and terminate on the earlier of (i) the funding of the Lender's Commitment and (ii) at 3:00 p.m. (New York time) on the second Business Day following the Closing Date.

Section 2.3. Procedure for Borrowings. The Borrower shall give the Administrative Agent written notice (or telephonic notice promptly confirmed in writing) of the Borrowing on the Closing Date substantially in the form of Exhibit 2.3 (a " Notice of Borrowing ") (x) prior to 11:00 a.m. (New York time) one (1) Business Day prior to the Closing Date if such Borrowing shall be a Base Rate Borrowing and (y) prior to 11:00 a.m. (New York time) three (3) Business Days prior to the Closing Date if such Borrowing shall be a Eurodollar Borrowing. The Notice of Borrowing shall be irrevocable and shall specify: (i) the aggregate principal amount of such Borrowing, (ii) the date of such Borrowing (which shall be a Business Day), (iii) the Type of such Loan comprising such Borrowing and (iv) in the case of a Eurodollar Borrowing, the duration of the initial Interest Period applicable thereto (subject to the provisions of the definition of Interest Period). The Borrowing shall consist entirely of Base Rate Loans or Eurodollar Loans, as the Borrower may request. The aggregate principal amount of each Eurodollar Borrowing shall be not less than $5,000,000 or a larger multiple of $1,000,000, and the aggregate principal amount of each Base Rate Borrowing shall not be less than $1,000,000 or a larger multiple of $100,000; provided , that Base Rate Loans made pursuant to Section 2.4 may be made in lesser amounts as provided therein. At no time shall the total number of Eurodollar Borrowings outstanding exceed six. Promptly following the receipt of the Notice of Borrowing in accordance herewith, the Administrative Agent shall advise each Lender of the details thereof and the amount of such Lender's Loan to be made as part of the requested Borrowing.

Section 2.4. Funding of Borrowings.

(a) Each Lender will make available each Loan to be made by it hereunder on the proposed date thereof by wire transfer in immediately available funds by 11:00 a.m. (New York time) to the Administrative Agent at the Payment Office. The Administrative Agent will make such Loans available to the Borrower by promptly crediting the amounts that it receives, in like funds by the close of business on such proposed date, to an account maintained by the Borrower with the Administrative Agent or at the Borrower's option, by effecting a wire transfer of such amounts to an account designated by the Borrower to the Administrative Agent.

(b) Unless the Administrative Agent shall have been notified by any Lender prior to 5:00 p.m. (New York time) one (1) Business Day prior to the date of a funding of a requested Borrowing in which such Lender is to participate that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such amount available to the Administrative Agent on such date, and the Administrative Agent, in reliance on such assumption, may make available to the Borrower on such date a corresponding amount. If such corresponding amount is not in fact made available to the Administrative Agent by such Lender on the date of such Borrowing, the Administrative Agent shall be entitled to recover such corresponding amount on demand from such Lender together with interest at the Federal Funds Rate until the second Business Day after such demand and thereafter at the Base Rate. If such Lender does not pay such corresponding amount forthwith upon the Administrative Agent's demand therefor, the Administrative Agent shall promptly notify the Borrower, and the Borrower shall immediately pay such corresponding amount to the Administrative Agent together with interest at the rate specified for such Borrowing. Nothing in this subsection shall be deemed to relieve any Lender from its obligation to fund its Pro Rata Share of any Borrowing hereunder or to prejudice any rights which the Borrower may have against any Lender as a result of any default by such Lender hereunder.

(c) All Borrowings shall be funded by the Lenders severally on the basis of their respective Pro Rata Shares. No Lender shall be responsible for any default by any other Lender in its obligations hereunder, and each Lender shall be obligated to make its Loans provided to be made by it hereunder, regardless of the failure of any other Lender to make its Loans hereunder.

Section 2.5. Interest Elections .

(a) The Borrowing initially shall be of the Type specified in the Notice of Borrowing, and in the case of a Eurodollar Borrowing, shall have an initial Interest Period as specified in the Notice of Borrowing. Thereafter, the Borrower may elect to convert such Borrowing into a different Type or to continue such Borrowing, and in the case of a Eurodollar Borrowing, may elect Interest Periods therefor, all as provided in this Section 2.5 . The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing.

(b) To make an election pursuant to this Section 2.5 , the Borrower shall give the Administrative Agent prior written notice (or telephonic notice promptly confirmed in writing) of the Borrowing substantially in the form of Exhibit 2.5 attached hereto (a " Notice of Conversion/Continuation ") that is to be converted or continued, as the case may be, (x) prior to 11:00 a.m. (New York time) one (1) Business Day prior to the requested date of a conversion into a Base Rate Borrowing and (y) prior to 11:00 a.m. (New York time) three (3) Business Days prior to a continuation of or conversion into a Eurodollar Borrowing. Each such Notice of Conversion/Continuation shall be irrevocable and shall specify (i) the Borrowing to which such Notice of Conversion/Continuation applies and if different options are being elected with respect to different portions thereof, the portions thereof that are to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) shall be specified for each resulting Borrowing); (ii) the effective date of the election made pursuant to such Notice of Conversion/Continuation, which shall be a Business Day, (iii) whether the resulting Borrowing is to be a Base Rate Borrowing or a Eurodollar Borrowing; and (iv) if the resulting Borrowing is to be a Eurodollar Borrowing, the Interest Period applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of "Interest Period". If any such Notice of Conversion/Continuation requests a Eurodollar Borrowing but does not specify an Interest Period, the Borrower shall be deemed to have selected an Interest Period of one month. The principal amount of any resulting Borrowing shall satisfy the minimum borrowing amount for Eurodollar Borrowings and Base Rate Borrowings set forth in Section 2.3 .

(c) If, on the expiration of any Interest Period in respect of any Eurodollar Borrowing, the Borrower shall have failed to deliver a Notice of Conversion/Continuation, then, unless such Borrowing is repaid as provided herein, the Borrower shall be deemed to have elected to convert such Borrowing to a Base Rate Borrowing. No Borrowing may be converted into, or continued as, a Eurodollar Borrowing if a Default or an Event of Default exists, unless the Administrative Agent and each of the Lenders shall have otherwise consented in writing. No conversion of any Eurodollar Loans shall be permitted except on the last day of the Interest Period in respect thereof.

(d) Upon receipt of any Notice of Conversion/Continuation, the Administrative Agent shall promptly notify each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

Section 2.6. Intentionally Omitted.

Section 2.7. Repayment of Loans. The outstanding principal amount of all Loans shall be due and payable (together with accrued and unpaid interest thereon) on the Maturity Date.

Section 2.8. Evidence of Indebtedness.

(a) Each Lender shall maintain in accordance with its usual practice appropriate records evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender from time to time, including the amounts of principal and interest payable thereon and paid to such Lender from time to time under this Agreement. The Administrative Agent shall maintain appropriate records in which shall be recorded (i) the Commitment of each Lender, (ii) the amount of each Loan made hereunder by each Lender, the Type thereof and the Interest Period applicable thereto, (iii) the date of each continuation thereof pursuant to Section 2.5, (iv) the date of each conversion of all or a portion thereof to another Type pursuant to Section 2.5, (v) the date and amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder in respect of such Loans and (vi) both the date and amount of any sum received by the Administrative Agent hereunder from the Borrower in respect of the Loans and each Lender's Pro Rata Share thereof. The entries made in such records shall be *prima facie* evidence of the existence and amounts of the obligations of the Borrower therein recorded; provided, that the failure or delay of any Lender or the Administrative Agent in maintaining or making entries into any such record or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans (both principal and unpaid accrued interest) of such Lender in accordance with the terms of this Agreement.

(b) This Agreement evidences the obligation of the Borrower to repay the Loans and is being executed as a "noteless" credit agreement. However, at the request of any Lender at any time, the Borrower agrees that it will prepare, execute and deliver to such Lender a promissory note payable to the order of such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and in the form attached hereto as Exhibit 2.8. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment permitted hereunder) be represented by one or more promissory notes in such form payable to the order of the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

Section 2.9. Optional Prepayments. The Borrower shall have the right at any time and from time to time to prepay any Borrowing, in whole or in part, without premium or penalty, by giving irrevocable written notice (or telephonic notice promptly confirmed in writing) to the Administrative Agent no later than (i) in the case of prepayment of any Eurodollar Borrowing, 11:00 a.m. (New York time) not less than three (3) Business Days prior to any such prepayment, and (ii) in the case of any prepayment of any Base Rate Borrowing, not less than one Business Day prior to the date of such prepayment. Each such notice shall be irrevocable and shall specify the proposed date of such prepayment and the principal amount of each Borrowing or portion thereof to be prepaid. Upon receipt of any such notice, the Administrative Agent shall promptly notify each affected Lender of the contents thereof and of such Lender's Pro Rata Share of any such prepayment. If such notice is given, the aggregate amount specified in such notice shall be due and payable on the date designated in such notice, together with accrued interest to such date on the amount so prepaid in accordance with Section 2.10(c);

provided , that if a Eurodollar Borrowing is prepaid on a date other than the last day of an Interest Period applicable thereto, the Borrower shall also pay all amounts required pursuant to Section 2.16 . Each partial prepayment of any Loan shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type pursuant to Section 2.3 . Each prepayment of a Borrowing shall be applied ratably to the Loans comprising such Borrowing.

Section 2.10. Interest on Loans .

(a) The Borrower shall pay interest on each Base Rate Loan at the Base Rate in effect from time to time and on each Eurodollar Loan at the Adjusted LIBO Rate for the applicable Interest Period in effect for such Loan, *plus* , in each case, the Applicable Margin in effect from time to time.

(b) Upon the occurrence, and during the continuation, of an Event of Default under Section 7.1(a) or, at the option of the Required Lenders, any other Event of Default, the Borrower shall pay interest (" Default Interest ") with respect to all Eurodollar Loans at the rate otherwise applicable for the then-current Interest Period *plus* an additional 2% per annum until the last day of such Interest Period and thereafter, and with respect to all Base Rate Loans and all other Obligations hereunder (other than Loans), at an all-in rate in effect for Base Rate Loans, *plus* an additional 2% per annum.

(c) Interest on the principal amount of all Loans shall accrue from and including the date such Loans are made to but excluding the date of any repayment thereof. Interest on all outstanding Base Rate Loans shall be payable quarterly in arrears on the last day of each March, June, September and December and on the Maturity Date. Interest on all outstanding Eurodollar Loans shall be payable on the last day of each Interest Period applicable thereto, and, in the case of any Eurodollar Loans having an Interest Period in excess of three months, on each day which occurs every three months after the initial date of such Interest Period, and on the Maturity Date. Interest on any Loan which is converted into a Loan of another Type or which is repaid or prepaid shall be payable on the date of such conversion or on the date of any such repayment or prepayment (on the amount repaid or prepaid) thereof. All Default Interest shall be payable on demand.

(d) The Administrative Agent shall determine each interest rate applicable to the Loans hereunder and shall promptly notify the Borrower and the Lenders of such rate in writing (or by telephone, promptly confirmed in writing). Any such determination shall be conclusive and binding for all purposes, absent manifest error.

Section 2.11. [RESERVED] .

Section 2.12. Computation of Interest . Interest hereunder based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year) and paid for the actual number of days elapsed (including the first day but excluding the last day). All other interest shall be computed on the basis of a year of 360 days and paid for the actual number of days elapsed (including the first day but excluding the last day) Each determination by the Administrative Agent of an interest amount hereunder shall be made in good faith and, except for manifest error, shall be final, conclusive and binding for all purposes.

Section 2.13. Inability to Determine Interest Rates. If prior to the commencement of any Interest Period for any Eurodollar Borrowing,

(i) the Administrative Agent shall have determined in good faith (which determination shall be conclusive and binding upon the Borrower) that adequate and reasonable means do not exist for ascertaining LIBOR for such Interest Period, or

(ii) the Administrative Agent shall have received notice from the Required Lenders that the Adjusted LIBO Rate does not adequately and fairly reflect the cost to such Lenders of making, funding or maintaining their Eurodollar Loans for such Interest Period,

the Administrative Agent shall give written notice (or telephonic notice, promptly confirmed in writing) to the Borrower and to the Lenders as soon as practicable thereafter. Until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (i) the obligations of the Lenders to make Eurodollar Loans or to continue or convert outstanding Loans as or into Eurodollar Loans shall be suspended and (ii) all such affected Loans shall be converted into Base Rate Loans on the last day of the then current Interest Period applicable thereto unless the Borrower prepays such Loans in accordance with this Agreement. Unless the Borrower notifies the Administrative Agent at least one (1) Business Day before the date of any Eurodollar Borrowing for which the Notice of Borrowing has previously been given that it elects not to borrow on such date, then such Borrowing shall be made as a Base Rate Borrowing.

Section 2.14. Illegality. If any Change in Law shall make it unlawful or impossible for any Lender to make, maintain or fund any Eurodollar Loan and such Lender shall so notify the Administrative Agent, the Administrative Agent shall promptly give notice thereof to the Borrower and the other Lenders, whereupon until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such suspension no longer exist, the obligation of such Lender to make Eurodollar Loans, or to continue or convert outstanding Loans as or into Eurodollar Loans, shall be suspended. In the case of the making of a Eurodollar Borrowing, such Lender's Loan shall be made as a Base Rate Loan as part of the same Borrowing for the same Interest Period and if the affected Eurodollar Loan is then outstanding, such Loan shall be converted to a Base Rate Loan either (i) on the last day of the then current Interest Period applicable to such Eurodollar Loan if such Lender may lawfully continue to maintain such Loan to such date or (ii) immediately if such Lender shall determine that it may not lawfully continue to maintain such Eurodollar Loan to such date. Notwithstanding the foregoing, the affected Lender shall, prior to giving such notice to the Administrative Agent, designate a different Applicable Lending Office if such designation would avoid the need for giving such notice and if such designation would not otherwise be disadvantageous to such Lender in the good faith exercise of its discretion.

Section 2.15. Increased Costs.

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit or similar requirement (including any compulsory loan requirement, insurance charge or other assessment) against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Adjusted LIBO Rate);

(ii) impose on any Lender or the eurodollar interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or any Eurodollar Loans made by such Lender; or

(iii) subject the Administrative Agent or any Lender to any Taxes (other than (A) Indemnified Taxes, (B) Excluded Taxes and (C) Other Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

and the result of either of the foregoing is to increase the cost to the Administrative Agent or such Lender of making, converting into, continuing or maintaining a Loan or to reduce the amount received or receivable by the Administrative Agent or such Lender hereunder (whether of principal, interest or any other amount), then the Borrower shall promptly pay, upon written notice from and demand by the Administrative Agent or such Lender on the Borrower (with a copy of such notice and demand to the Administrative Agent), to the Administrative Agent for its own account or for the account of such Lender, within five (5) Business Days after the date of such notice and demand, additional amount or amounts sufficient to compensate the Administrative Agent or such Lender for such additional costs incurred or reduction suffered.

(b) If any Lender shall have determined that on or after the date of this Agreement any Change in Law regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's capital (or on the capital of the Parent Company of such Lender) as a consequence of its obligations hereunder to a level below that which such Lender or the Parent Company of such Lender could have achieved but for such Change in Law (taking into consideration such Lender's policies or the policies of the Parent Company of such Lender with respect to capital adequacy and liquidity) then, from time to time, within five (5) Business Days after receipt by the Borrower of written demand by such Lender (with a copy thereof to the Administrative Agent), the Borrower shall pay to such Lender such additional amounts as will compensate such Lender or the Parent Company of such Lender for any such reduction suffered.

(c) A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or the Parent Company of such Lender, as the case may be, specified in paragraph (a) or (b) of this Section 2.15 shall be delivered to the Borrower (with a copy to the Administrative Agent) and shall be conclusive, absent manifest error.

(d) Failure or delay on the part of any Lender to demand compensation pursuant to this Section 2.15 shall not constitute a waiver of such Lender's right to demand such compensation.

Section 2.16. Funding Indemnity . In the event of (a) the payment of any principal of a Eurodollar Loan other than on the last day of the Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion or continuation of a Eurodollar Loan other than on the last day of the Interest Period applicable thereto, or (c) the failure by the Borrower to borrow, prepay, convert or continue any Eurodollar Loan on the date specified in any applicable notice (regardless of whether such notice is withdrawn or revoked), then, in any such event, the Borrower shall compensate each Lender,

within five (5) Business Days after written demand from such Lender, for any loss, cost or expense attributable to such event. In the case of a Eurodollar Loan, such loss, cost or expense shall be deemed to include an amount determined by such Lender to be the excess, if any, of (A) the amount of interest that would have accrued on the principal amount of such Eurodollar Loan if such event had not occurred at the Adjusted LIBO Rate applicable to such Eurodollar Loan for the period from the date of such event to the last day of the then current Interest Period therefor (or in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Eurodollar Loan) over (B) the amount of interest that would accrue on the principal amount of such Eurodollar Loan for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for deposits in the relevant currency of a comparable amount and period from other banks in the eurocurrency market. A certificate as to any additional amount payable under this Section 2.16 submitted to the Borrower by any Lender (with a copy to the Administrative Agent) shall be conclusive, absent manifest error.

Section 2.17. Taxes .

(a) Any and all payments by or on account of any obligation of the Borrower hereunder shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided , that if the Borrower shall be required to deduct any Indemnified Taxes or Other Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.17) the Administrative Agent or any Lender (as the case may be) shall receive an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) In addition, the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) The Borrower shall indemnify the Administrative Agent and each Lender, within five (5) Business Days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by the Administrative Agent or such Lender, as the case may be, on or with respect to any payment by or on account of any obligation of the Borrower hereunder (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 2.17) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender, or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrower to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the Code or any treaty to which the United States is a party, with respect to payments under this Agreement shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by applicable law, such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Borrower as will permit such payments to be made without withholding or at a reduced rate. Without limiting the generality of the foregoing, each Foreign Lender agrees that it will deliver to the Administrative Agent and the Borrower (or in the case of a Participant, to the Lender from which the related participation shall have been purchased), as appropriate, two (2) duly completed copies of (i) Internal Revenue Service Form W-8ECI, or any successor form thereto, certifying that the payments received from the Borrower hereunder are effectively connected with such Foreign Lender's conduct of a trade or business in the United States; or (ii) Internal Revenue Service Form W-8BEN, or any successor form thereto, certifying that such Foreign Lender is entitled to benefits under an income tax treaty to which the United States is a party which reduces the rate of withholding tax on payments of interest; or (iii) Internal Revenue Service Form W-8BEN, or any successor form prescribed by the Internal Revenue Service, together with a certificate (A) establishing that the payment to the Foreign Lender qualifies as "portfolio interest" exempt from U.S. withholding tax under Code section 871(h) or 881(c), and (B) stating that (1) the Foreign Lender is not a bank for purposes of Code section 881(c)(3)(A), or the obligation of the Borrower hereunder is not, with respect to such Foreign Lender, a loan agreement entered into in the ordinary course of its trade or business, within the meaning of that section; (2) the Foreign Lender is not a 10% shareholder of the Borrower within the meaning of Code section 871(h)(3) or 881(c)(3)(B); and (3) the Foreign Lender is not a controlled foreign corporation that is related to the Borrower within the meaning of Code section 881(c)(3)(C); or (iv) such other Internal Revenue Service forms as may be applicable to the Foreign Lender, including Forms W-8IMY or W-8EXP. Each such Foreign Lender shall deliver to the Borrower and the Administrative Agent such forms on or before the date that it becomes a party to this Agreement (or in the case of a Participant, on or before the date such Participant purchases the related participation). In addition, each such Foreign Lender shall deliver such forms promptly upon the obsolescence or invalidity of any form previously delivered by such Foreign Lender. Each such Foreign Lender shall promptly notify the Borrower and the Administrative Agent at any time that it determines that it is no longer in a position to provide any previously delivered certificate to the Borrower (or any other form of certification adopted by the Internal Revenue Service for such purpose).

(f) If a payment made to a Lender under any Credit Document would be subject to U.S. withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this paragraph (f), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(g) Each Lender shall severally indemnify the Administrative Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes or Other Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes or Other Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 9.4(d) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Credit Document, and

any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Credit Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (g).

(h) For the purposes of this Section 2.17, the term "applicable law" includes FATCA.

Section 2.18. Payments Generally; Pro Rata Treatment; Sharing of Set-offs.

(a) The Borrower shall make each payment required to be made by it hereunder (whether of principal, interest, fees, or amounts payable under Sections 2.15, 2.16 or 2.17, or otherwise) prior to 12:00 noon (New York time) on the date when due, in immediately available funds, free and clear of any defenses, rights of set-off, counterclaim, or withholding or deduction of taxes. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at the Payment Office, except that payments pursuant to Sections 2.15, 2.16 and 2.17 and 9.3 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be made payable for the period of such extension. All payments hereunder shall be made in Dollars.

(b) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(c) If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans that would result in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans; provided, that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than to the Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply). The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

(d) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount or amounts due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

Section 2.19. Mitigation of Obligations. If any Lender requests compensation under Section 2.15, Section 2.16, or Section 2.17, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the sole judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable under Section 2.15 or Section 2.17, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with such designation or assignment.

Section 2.20. Replacement of Lenders. If any Lender requests compensation under Section 2.15, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority of the account of any Lender pursuant to Section 2.17, or if any Lender is a Defaulting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions set forth in Section 9.4(b)) all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender); provided, that (i) the Borrower shall have received the prior written consent of the Administrative Agent, which consent shall not be unreasonably withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal amount of all Loans owed to it, accrued interest thereon and all other amounts payable to it hereunder, from the assignee (in the case of such outstanding principal and accrued interest) and from the Borrower (in the case of all other amounts) and (iii) in the case of a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

Section 2.21. Intentionally Omitted.

Section 2.22. Defaulting Lenders.

(a) Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable Requirement of Law:

(i) Waivers and Amendments . Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Required Lenders and in Section 9.2 .

(ii) Defaulting Lender Waterfall . Any payment of principal, interest or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VII or otherwise) shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first* , to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second* , as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *third* , to the payment of any amounts owing to the Lenders as a result of any then final and non-appealable judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *fourth* , so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any the final and non-appealable judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *fifth* , to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section 2.22(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(b) If the Borrower and the Administrative Agent agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans to be held pro rata by the Lenders in accordance with the Commitments, whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided , further , that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

ARTICLE III

CONDITIONS PRECEDENT TO LOANS

Section 3.1. Conditions To Effectiveness . The obligations of the Lenders to make Loans hereunder shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.2).

(a) The Administrative Agent shall have received all fees and other amounts due and payable on or prior to the Closing Date, including reimbursement or payment of all out-of-pocket expenses (including reasonable fees, charges and disbursements of counsel to the Administrative Agent) required to be reimbursed or paid by the Borrower hereunder, under any other Credit Document and under any agreement with the Administrative Agent.

(b) The Administrative Agent (or its counsel) shall have received the following:

(i) a counterpart of this Agreement signed by or on behalf of each party hereto or written evidence satisfactory to the Administrative Agent (which may include telecopy transmission of an executed signature page of this Agreement) that such party has signed a counterpart of this Agreement;

(ii) a certificate of the Secretary or Assistant Secretary of the Borrower in the form of Exhibit 3.1(b)(ii) attaching and certifying copies of its bylaws and of the resolutions of its boards of directors, authorizing the execution, delivery and performance of the Credit Documents and certifying the name, title and true signature of each officer of the Borrower executing the Credit Documents;

(iii) certified copies of the articles or certificate of incorporation of the Borrower, together with certificates of good standing or existence, as may be available from the Secretary of State of the jurisdictions of organization of the Borrower;

(iv) a favorable written opinion of inside or outside counsel to the Borrower, addressed to the Administrative Agent and each of the Lenders, and covering such matters relating to the Borrower, the Credit Documents and the transactions contemplated therein as the Administrative Agent or the Required Lenders shall reasonably request;

(v) a certificate in the form of Exhibit 3.1(b)(v) , dated the Closing Date and signed by a Financial Officer, certifying that (A) no Default or Event of Default exists, (B) all representations and warranties of the Borrower set forth in the Credit Documents are true and correct in all material respects, (C) since September 30, 2011, there shall have been no material adverse change in the business, condition (financial or otherwise), operations, liabilities (contingent or otherwise), properties or prospects of the Borrower and its subsidiaries taken as a whole, (D) there are no actions, suits, investigations or legal, equitable, arbitration or administrative proceedings pending or, to the knowledge of the Borrower, threatened against the Borrower, any of its Subsidiaries or any of its properties which would have or be reasonably expected to have a Material Adverse Effect and (E) except as would not result or be reasonably expected to result in a Material Adverse Effect: (a) each of the properties of the Borrower and its Subsidiaries and all operations at such properties are in compliance in all material respects with all applicable Environmental Laws, (b) there is no violation of any Environmental Law with respect to the properties or the businesses operated by the Borrower or its Subsidiaries, and (c) there are no conditions relating to the businesses or properties that would reasonably be expected to give rise to a material liability under any applicable Environmental Laws;

(vi) a duly executed Notice of Borrowing and a duly executed funds disbursement agreement, together with a report setting forth the sources and uses of the proceeds hereof;

(vii) certified copies of all consents, approvals, authorizations, registrations and filings and orders required or advisable to be made or obtained under any Requirement of Law, or by any Contractual Obligation of Borrower, in connection with the execution, delivery, performance, validity and enforceability of the Credit Documents or any of the transactions contemplated thereby, and such consents, approvals, authorizations, registrations, filings and orders shall be in full force and effect and all applicable waiting periods shall have expired, and no investigation or inquiry by any Governmental Authority regarding the Commitments or any transaction being financed with the proceeds thereof shall be ongoing;

(viii) copies of (A) the internally prepared quarterly financial statements of the Borrower and its Subsidiaries on a consolidated basis for the fiscal quarter ending on June 30, 2012 and (B) the audited consolidated financial statements for the Borrower and its Subsidiaries for the fiscal year ending September 30, 2011; and

(ix) such other documents, certificates or information as the Administrative Agent may reasonably request, all in form and substance reasonably satisfactory to the Administrative Agent.

(c) To the extent requested by the Administrative Agent in writing not less than five (5) Business Days prior to the Closing Date, the Administrative Agent shall have received, not later than two (2) calendar days prior to the Closing Date, all documentation and other information with respect to the Borrower that the Administrative Agent reasonably believes is required by regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including without limitation the Patriot Act (as defined below).

Section 3.2. Delivery of Documents. All of the Credit Documents, certificates, legal opinions and other documents and papers referred to in this Article III, unless otherwise specified, shall be delivered to the Administrative Agent for the account of each of the Lenders and, except for any promissory notes, in sufficient counterparts or copies for each of the Lenders and shall be in form and substance reasonably satisfactory to the Administrative Agent.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Administrative Agent and each Lender as follows:

Section 4.1. Organization and Good Standing. The Borrower (a) is a corporation duly organized, validly existing and in good standing under the laws of the jurisdictions of its incorporation, (b) is duly qualified and in good standing as a foreign corporation authorized to do business in every jurisdiction where the failure to so qualify would have or would reasonably be expected to have a Material Adverse Effect and (c) has the requisite corporate power and authority to own its properties and to carry on its business as now conducted and as proposed to be conducted.

Section 4.2. Due Authorization. The Borrower (a) has the requisite corporate power and authority to execute, deliver and perform this Agreement and the other Credit Documents and to incur the obligations herein and therein provided for and (b) has been authorized by all necessary corporate action, to execute, deliver and perform this Agreement and the other Credit Documents.

Section 4.3. No Conflicts. Neither the execution and delivery of the Credit Documents, nor the consummation of the transactions contemplated therein, nor performance of and compliance with the terms and provisions thereof by the Borrower will (a) violate or conflict with, in any material respect, any provision of its articles of incorporation or bylaws, (b) violate, contravene or conflict with, in any material respect, any law, regulation (including without limitation, Regulation U, Regulation X or any regulation promulgated by the Federal Energy Regulatory Commission), order, writ, judgment, injunction, decree or permit applicable to it, (c) except as would not reasonably be expected to result in a Material Adverse Effect, violate, contravene or conflict with contractual provisions of, or cause an event of default under, any indenture, loan agreement, mortgage, deed of trust, contract or other agreement or instrument to which it is a party or by which it or its properties may be bound, or (d) in any material respect, result in or require the creation of any Lien upon or with respect to its properties, other than a Permitted Lien.

Section 4.4. Consents. No consent, approval, authorization or order of, or filing, registration or qualification with, any court or Governmental Authority or third party is required in connection with the execution, delivery or performance of this Agreement or any of the other Credit Documents, except any such consent, approval, authorization, order, filing, registration or qualification as would not reasonably be expected to have a Material Adverse Effect.

Section 4.5. Enforceable Obligations. This Agreement and the other Credit Documents have been duly executed and delivered and constitute legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their respective terms, except as may be limited by bankruptcy or insolvency laws or similar laws affecting creditors' rights generally or by general equitable principles.

Section 4.6. Financial Condition.

(a) The consolidated financial statements delivered to the Lenders pursuant to Section 3.1(b)(viii) and pursuant to Section 5.1(a) and (b): (i) have been prepared in accordance with GAAP (subject to the provisions of Section 1.3) and (ii) present fairly in all material respects the financial condition, results of operations, and cash flows of the Borrower and its Subsidiaries as of such date and for such periods.

(b) Since September 30, 2011, there has been no sale, transfer or other disposition by the Borrower of any material part of the business or property of the Borrower, and no purchase or other acquisition by the Borrower of any business or property (including any Capital Stock of any other Person) material in relation to the financial condition of the Borrower, in each case which is not (i) reflected in the most recent financial statements delivered to the Lenders pursuant to Section 3.1(b)(viii) and pursuant to Section 5.1 or in the notes thereto or (ii) otherwise permitted by the terms of this Agreement and communicated to the Administrative Agent.

Section 4.7. Intentionally Omitted.

Section 4.8. No Default. No Default or Event of Default presently exists and is continuing.

Section 4.9. Intentionally Omitted.

Section 4.10. Taxes. The Borrower and its Subsidiaries have filed, or caused to be filed, all material Tax returns (federal, state, local and foreign) required to be filed and paid all amounts of Taxes shown thereon to be due (including interest and penalties) and has paid all other material Taxes, fees, assessments and other governmental charges (including mortgage recording Taxes, documentary stamp Taxes and intangibles Taxes) owing by it, except for such Taxes which are not yet delinquent or that are being contested in good faith and by proper proceedings, and against which adequate reserves are being maintained in accordance with GAAP.

Section 4.11. Compliance with Law. The Borrower and each of its Subsidiaries is in compliance with all laws, rules, regulations, orders and decrees applicable to it or to its properties, except where the failure to be in compliance would not have or would not reasonably be expected to have a Material Adverse Effect.

Section 4.12. Material Agreements. Neither the Borrower nor any of its Subsidiaries is in default in any respect under any contract, lease, loan agreement, indenture, mortgage, security agreement or other agreement or obligation to which it is a party or by which any of its properties is bound which default has had or would be reasonably expected to have a Material Adverse Effect.

Section 4.13. ERISA. Except as would not result or be reasonably expected to result in a Material Adverse Effect:

(a) During the five-year period prior to the date on which this representation is made or deemed made: (i) no Termination Event has occurred, and, to the best knowledge of the Borrower, no event or condition has occurred or exists as a result of which any Termination Event is reasonably expected to occur, with respect to any Plan; (ii) no "accumulated funding deficiency," as such term is defined in Section 302 of ERISA and Section 412 of the Code, whether or not waived, has occurred with respect to any Plan; (iii) each Plan has been maintained, operated, and funded in material compliance with its own terms and in material compliance with the provisions of ERISA, the Code, and any other applicable federal or state laws; and (iv) no Lien in favor or the PBGC or a Plan has arisen or is reasonably expected to arise on account of any Plan.

(b) No liability has been or is reasonably expected by the Borrower to be incurred under Sections 4062, 4063 or 4064 of ERISA with respect to any Single Employer Plan by the Borrower or any of its Subsidiaries which has or would reasonably be expected to have a Material Adverse Effect.

(c) The actuarial present value of all "benefit liabilities" under each Single Employer Plan (determined within the meaning of Section 401(a)(2) of the Code, utilizing the actuarial assumptions used to fund such Plans), whether or not vested, did not, as of the last annual valuation date prior to the date on which this representation is made or deemed made, exceed the current value of the assets of such Plan allocable to such accrued liabilities, except as disclosed in the Borrower's financial statements.

(d) Neither the Borrower nor any ERISA Affiliate has incurred, or, to the best knowledge of the Borrower, is reasonably expected to incur, any withdrawal liability under ERISA to any Multiemployer Plan or Multiple Employer Plan. Neither the Borrower nor any ERISA Affiliate has received any notification that any Multiemployer Plan is in reorganization (within the meaning of Section 4241 of ERISA), is insolvent (within the meaning of Section 4245 of ERISA), or has been terminated (within the meaning of Title IV of ERISA), and no Multiemployer Plan is, to the best knowledge of the Borrower, reasonably expected to be in reorganization, insolvent, or terminated.

(e) No prohibited transaction (within the meaning of Section 406 of ERISA or Section 4975 of the Code) or breach of fiduciary responsibility has occurred with respect to a Plan which has subjected or is reasonably likely to subject the Borrower or any ERISA Affiliate to any liability under Sections 406, 407, 409, 502(i), or 502(l) of ERISA or Section 4975 of the Code, or under any agreement or other instrument pursuant to which the Borrower or any ERISA Affiliate has agreed or is required to indemnify any person against any such liability.

(f) The present value (determined using actuarial and other assumptions which are reasonable with respect to the benefits provided and the employees participating) of the liability of the Borrower and each ERISA Affiliate for post-retirement welfare benefits to be provided to their current and former employees under Plans which are welfare benefit plans (as defined in Section 3(1) of ERISA), net of all assets under all such Plans allocable to such benefits, are reflected on the financial statements referenced in Section 5.1 in accordance with FASB 106.

(g) Each Plan which is a welfare plan (as defined in Section 3(1) of ERISA) to which Sections 601-609 of ERISA and Section 4980B of the Code apply has been administered in compliance in all material respects with such sections.

Section 4.14. Use of Proceeds. The proceeds of the Loans hereunder will be used solely for the purposes specified in Section 5.8. None of such proceeds will be used for the acquisition of another Person unless the board of directors (or other comparable governing body) or stockholders, as appropriate, of such Person has approved such acquisition.

Section 4.15. Government Regulation.

(a) No proceeds of the Loans will be used, directly or indirectly, for the purpose of purchasing or carrying any "margin stock" within the meaning of Regulation U, or for the purpose of purchasing or carrying or trading in any securities. If requested by any Lender or the Administrative Agent, the Borrower will furnish to the Administrative Agent and each Lender a statement to the foregoing effect in conformity with the requirements of FR Form U-1 referred to in Regulation U. No indebtedness being reduced or retired out of the proceeds of the Loans was or will be incurred for the purpose of purchasing or carrying any margin stock within the meaning of Regulation U or any "margin security" within the meaning of Regulation T. "Margin stock" within the meaning of Regulation U does not constitute more than 25% of the value of the consolidated assets of the Borrower and its Subsidiaries.

(b) Neither the Borrower nor any of its Subsidiaries is an "investment company" registered or required to be registered under the Investment Company Act of 1940, as amended, and is not controlled by an "investment company".

Section 4.16. Disclosure. Neither this Agreement nor any financial statements delivered to the Lenders nor any other document, certificate or statement furnished to the Lenders by or on behalf of the Borrower in connection with the transactions contemplated hereby (in each case, as modified or supplemented by other information so furnished) contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained therein or herein, taken as a whole, not misleading; provided that, with respect to projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time (it being understood that the projected financial information is subject to significant uncertainties and contingencies, many of which are beyond the Borrower's control, and that no assurance can be given that any projections will be realized).

Section 4.17. Intentionally Omitted.

Section 4.18. Insurance. The Borrower and its Subsidiaries maintain insurance with financially sound and reputable insurance companies or associations in such amounts and covering such risks as is usually carried by companies engaged in similar business and owning similar properties in the same general areas in which the Borrower and its Subsidiaries operate and/or maintain a system or systems of self-insurance or assumption of risk which accords with the practices of similar businesses.

Section 4.19. Franchises, Licenses, Etc. The Borrower and its Subsidiaries possess (a) good title to, or the legal right to use, all properties and assets and (b) all franchises, certificates, licenses, permits and other authorizations, in each case as are necessary for the operation of their respective businesses, except to the extent the failure to possess any of the foregoing would not and would not reasonably be expected to have a Material Adverse Effect.

Section 4.20. Secured Indebtedness. All of the secured indebtedness of the Borrower is set forth on Schedule 4.20 or permitted by Section 6.6.

Section 4.21. Subsidiaries. All Subsidiaries of the Borrower and the designation as to which such Subsidiaries are Material Subsidiaries are set forth on Schedule 4.21. Schedule 4.21 may be updated from time to time by the Borrower.

Section 4.22. USA PATRIOT Act.

(a) Neither the Borrower nor any of its Subsidiaries or, to the knowledge of the Borrower, any of their respective Affiliates over which any of the foregoing exercises management control (each, a "Controlled Affiliate") is a Prohibited Person, and the Borrower, its Subsidiaries and, to the knowledge of the Borrower, such Controlled Affiliates are in compliance with all applicable orders, rules and regulations of OFAC.

(b) Neither the Borrower nor any of its Subsidiaries or, to the knowledge of the Borrower, any of their respective Affiliates: (i) is targeted by United States or multilateral economic or trade sanctions currently in force; (ii) is owned or controlled by, or acts on behalf of, any Person that is targeted by United States or multilateral economic or trade sanctions currently in force; (iii) is a Prohibited Person; or (iv) is named, identified or described on any list of Persons with whom United States Persons may not conduct business, including any such blocked persons list, designated nationals list, denied persons list, entity list, debarred party list, unverified list, sanctions list or other such lists published or maintained by the United States, including OFAC, the United States Department of Commerce or the United States Department of State.

Section 4.23. Embargoed Persons. (a) None of the Borrower's or its Subsidiaries' assets constitute property of, or are beneficially owned, directly or indirectly, by any Person targeted by economic or trade sanctions under United States law, including but not limited to, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 et seq., The Trading with the Enemy Act, 50 U.S.C. App. 1 et seq. (the "Trading With the Enemy Act"), any of the foreign assets control regulations of

the Treasury (31 C.F.R., Subtitle B, Chapter V, as amended) (the "Foreign Assets Control Regulations") or any enabling legislation or regulations promulgated thereunder or executive order relating thereto (which includes, without limitation, (i) Executive Order No. 13224, effective as of September 24, 2001, and relating to Blocking Property and Prohibiting Transaction With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)) (the " Executive Order ") and (ii) the USA PATRIOT Act, if the result of such ownership would be that any Loan made by any Lender would be in violation of law (" Embargoed Person "); (b) no Embargoed Person has any interest of any nature whatsoever in the Borrower if the result of such interest would be that any Loan would be in violation of law; (c) the Borrower has not engaged in business with Embargoed Persons if the result of such business would be that any Loan made by any Lender would be in violation of law; and (d) neither the Borrower nor any Controlled Affiliate (i) is or will become a "blocked person" as described in the Executive Order, the Trading With the Enemy Act or the Foreign Assets Control Regulations or (ii) engages or will engage in any dealings or transactions, or be otherwise associated, with any such "blocked person". For purposes of determining whether or not a representation is true under this Section 4.23 , the Borrower shall not be required to make any investigation into (i) the ownership of publicly traded stock or other publicly traded securities or (ii) the beneficial ownership of any collective investment fund.

ARTICLE V

AFFIRMATIVE COVENANTS

The Borrower covenants and agrees that so long as any Lender has a Commitment hereunder or any Obligation remains unpaid or outstanding:

Section 5.1. Information Covenants . The Borrower will furnish, or cause to be furnished, to the Administrative Agent (who shall forward copies thereof to each Lender):

(a) Annual Financial Statements . As soon as available, and in any event within 120 days after the close of each fiscal year of the Borrower, a consolidated balance sheet and income statement of the Borrower and its Subsidiaries, as of the end of such fiscal year, together with retained earnings and a consolidated statement of cash flows for such fiscal year setting forth in comparative form figures for the preceding fiscal year, all such financial information described above to be in reasonable form and detail and audited by independent certified public accountants of recognized national standing and whose opinion shall be furnished to the Administrative Agent, shall be to the effect that such financial statements have been prepared in accordance with GAAP (except for changes with which such accountants concur) and shall not be limited as to the scope of the audit or qualified by a going concern or similar qualification.

(b) Quarterly Financial Statements . As soon as available, and in any event within 65 days after the close of each fiscal quarter of the Borrower (other than the fourth fiscal quarter) a consolidated balance sheet and income statement of the Borrower and its Subsidiaries, as of the end of such fiscal quarter, together with a related consolidated statement of cash flows for such fiscal quarter in each case setting forth in comparative form figures for the corresponding period of the preceding fiscal year, all such financial information described above to be in reasonable form and detail and reasonably acceptable to the Administrative Agent, and accompanied by a certificate of a Financial Officer of the Borrower to the effect that such quarterly financial statements fairly present in all material respects the financial condition of the Borrower and have been prepared in accordance with GAAP, subject to changes resulting from audit and normal year-end audit adjustments and absence of notes.

(c) Officer's Certificate. At the time of delivery of the financial statements provided for in Sections 5.1(a) and 5.1 (b) above, a certificate of a Financial Officer of the Borrower, substantially in the form of Exhibit 5.1(c), (i) demonstrating compliance with Section 5.2 by calculation thereof as of the end of each such fiscal period and (ii) stating that no Default or Event of Default exists, or if any Default or Event of Default does exist, specifying the nature and extent thereof and what action the Borrower proposes to take with respect thereto.

(d) Reports. Promptly after the same are available, copies of all annual, regular, periodic and special reports and registration statements which the Borrower may file or be required to file with the SEC under Section 13 or 15(d) of the Exchange Act, and not otherwise required to be delivered to the Administrative Agent pursuant hereto.

(e) Notices. Upon the Borrower obtaining knowledge thereof, the Borrower will give written notice to the Administrative Agent promptly of (i) the occurrence of a Default or Event of Default, specifying the nature and existence thereof and what action the Borrower proposes to take with respect thereto, (ii) any change in any rating from S&P, Moody's, Fitch and any loss of rating and (iii) the occurrence of any of the following with respect to the Borrower or any Subsidiary: (A) the pendency or commencement of any litigation, arbitration or governmental proceeding against the Borrower or such Subsidiary which, if adversely determined, would have or would be reasonably expected to have a Material Adverse Effect or (B) the institution of any proceedings against the Borrower or such Subsidiary with respect to, or the receipt of notice by such Person of potential liability or responsibility for violation or alleged violation of, any federal, state or local law, rule or regulation (including, without limitation, any Environmental Law), the violation of which would have or would be reasonably expected to have a Material Adverse Effect.

(f) ERISA. Upon the Borrower or any ERISA Affiliate obtaining knowledge thereof, the Borrower will give written notice to the Administrative Agent and each of the Lenders promptly (and in any event within five Business Days) of: (i) any event or condition, including, but not limited to, any Reportable Event, that constitutes, or would be reasonably expected to lead to, a Termination Event; (ii) any communication from the PBGC stating its intention to terminate any Plan or to have a trustee appointed to administer any Plan together with a statement of the amount of liability, if any, incurred or expected to be incurred by the Borrower or any Subsidiary in connection therewith; (iii) with respect to any Multiemployer Plan, the receipt of notice as prescribed in ERISA or otherwise of any withdrawal liability assessed against the Borrower or any ERISA Affiliate, or of a determination that any Multiemployer Plan is in reorganization or insolvent (both within the meaning of Title IV of ERISA); (iv) the failure to make full payment on or before the due date (including extensions) thereof of all amounts which the Borrower or any of its Subsidiaries or ERISA Affiliates is required to contribute to each Plan which is subject to Title IV of ERISA pursuant to its terms and as required to meet the minimum funding standard set forth in ERISA and the Code with respect thereto; or (v) any change in the funding status of any Plan that would have or would be reasonably expected to have a Material Adverse Effect; together, with a description of any such event or condition or a copy of any such notice and a statement by a officer of the Borrower briefly setting forth the details regarding such event, condition, or notice, and the action, if any, which has been or is being taken or is proposed to be taken by the Borrower with respect thereto. Promptly upon request, the Borrower shall furnish the Administrative Agent with such additional information concerning any Plan as may be reasonably requested by the Administrative Agent or any Lender, including, but not limited to, copies of each annual report/return (Form 5500 series), as well as all schedules and attachments thereto required to be filed with the Department of Labor and/or the Internal Revenue Service pursuant to ERISA and the Code, respectively, for each "plan year" (within the meaning of Section 3(39) of ERISA).

(g) Other Information . With reasonable promptness upon any such request, such other information regarding the business, properties or financial condition of the Borrower as the Administrative Agent or the Required Lenders may reasonably request.

(h) Delivery of Information . Documents required to be delivered pursuant to this Section (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower posts such documents, or provides a link thereto on the Borrower's website on the Internet at the website address www.atmosenergy.com ; or (ii) on which such documents are posted on the Borrower's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third party website or sponsored by the Administrative Agent); provided that the Borrower shall notify the Administrative Agent (by telecopier or electronic mail) of the posting of any such documents (which notice the Administrative Agent shall promptly forward to the Lenders). Notwithstanding anything contained herein, in every instance the Borrower shall be required to provide paper or facsimile copies of the officer's certificates required by Section 5.1(c) to the Administrative Agent. Except for such officer's certificates, the Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery, and each Lender shall be solely responsible for maintaining its copies of such documents.

Notwithstanding anything herein to the contrary, so long as each Lender is a "Lender" under and as defined in the Revolving Credit Agreement, information delivered pursuant to Sections 5.1(a), 5.1(b), 5.1(d), 5.1(e)(ii), 5.1(e)(iii) and 5.1(f) of the Revolving Credit Agreement shall be deemed delivered under Sections 5.1(a) , 5.1(b) , 5.1(d) , 5.1(e)(ii) , 5.1(e)(iii) and 5.1(f) hereof, respectively; provided that, if any Lender shall cease to be a "Lender" under and as defined in the Revolving Credit Agreement, the Borrower shall be required to separately deliver such information pursuant to the terms of this Agreement, which information may be provided in accordance with clause (h) above.

Section 5.2. Debt to Capitalization Ratio . As of the last day of each fiscal quarter of the Borrower, the Debt to Capitalization Ratio shall be less than or equal to 0.70 to 1.0.

Section 5.3. Preservation of Existence, Franchises and Assets . The Borrower will, and will cause its Subsidiaries to, do all things necessary to preserve and keep in full force and effect its existence, rights, franchises and authority, except where failure to do so would not or would not reasonably be expected to have a Material Adverse Effect. The Borrower will, and will cause its Subsidiaries to, generally maintain its properties, real and personal, in good condition, and the Borrower and its Subsidiaries shall not waste or otherwise permit such properties to deteriorate, reasonable wear and tear excepted, except, in each case, where failure to do so would not or would not reasonably be expected to have a Material Adverse Effect.

Section 5.4. Books and Records . The Borrower will, and will cause its Subsidiaries to, keep complete and accurate books and records of its transactions in accordance with good accounting practices on the basis of GAAP (including the establishment and maintenance of appropriate reserves).

Section 5.5. Compliance with Law . The Borrower will, and will cause its Subsidiaries to, comply with, and obtain all permits and licenses required by, all laws (including, without limitation, all Environmental Laws and ERISA laws), rules, regulations and orders, and all applicable restrictions imposed by all Governmental Authorities, applicable to it and its property, if the failure to comply would have or would be reasonably expected to have a Material Adverse Effect.

Section 5.6. Payment of Taxes and Other Claims. The Borrower will, and will cause its Subsidiaries to, pay, settle or discharge (a) all material Taxes, assessments and governmental charges or levies imposed upon it, or upon its income or profits, or upon any of its properties, before they shall become delinquent and (b) all lawful claims (including claims for labor, materials and supplies) which, if unpaid, might give rise to a Lien upon any of its properties; provided, however, that the Borrower shall not be required to pay any such Tax, assessment, charge, levy, claim or indebtedness which is being contested in good faith by appropriate action and as to which adequate reserves therefor, if required, have been established in accordance with GAAP, unless the failure to make any such payment (i) would give rise to an immediate right to foreclose or collect on a Lien securing such amounts or (ii) would have or would reasonably be expected to have a Material Adverse Effect.

Section 5.7. Insurance. The Borrower will, and will cause its Subsidiaries to, at all times maintain in full force and effect insurance (including worker's compensation insurance, liability insurance and casualty insurance) with financially sound and reputable insurance companies or associations in such amounts and covering such risks as is usually carried by companies engaged in similar business and owning similar properties in the same general areas in which the Borrower and its Subsidiaries operate and/or maintain a system or systems of self-insurance or assumption of risk which accords with the practices of similar businesses.

Section 5.8. Use of Proceeds. The proceeds of the Loans may be used solely (a) to refinance indebtedness on the Closing Date and to pay related fees and expenses and (b) for working capital, capital expenditures and other lawful corporate purposes of the Borrower.

Section 5.9. Audits/Inspections. Upon reasonable prior notice and during normal business hours and no more frequently than once during any fiscal year upon reasonable advance notice through the Administrative Agent to the Borrower, the Borrower will permit representatives appointed by the Administrative Agent, including, without limitation, independent accountants, agents, attorneys, and appraisers to visit and inspect the Borrower's and its Subsidiaries' property, including their books and records, their accounts receivable and inventory, the Borrower's and its Subsidiaries' facilities and their other business assets, and to make photocopies or photographs thereof and to write down and record any information such representative obtains and shall permit the Administrative Agent or its representatives to discuss all such matters with the officers, employees and representatives of the Borrower and its Subsidiaries; provided, however, that when an Event of Default exists the Administrative Agent or any Lender (or any of their respective representatives) may do any of the foregoing at the expense of the Borrower at any time during normal business hours.

ARTICLE VI

NEGATIVE COVENANTS

The Borrower covenants and agrees that so long as any Lender has a Commitment hereunder or any Obligation remains outstanding:

Section 6.1. Nature of Business. The Borrower will not materially alter the character of its business from that conducted as of the Closing Date.

Section 6.2. Consolidation and Merger. The Borrower will not (a) enter into any transaction of merger, or (b) consolidate, liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution); provided that, so long as no Default or Event of Default shall exist or be caused thereby, a Person may be merged or consolidated with or into the Borrower so long as the Borrower shall be the continuing or surviving corporation.

Section 6.3. Sale or Lease of Assets. Within any period of four consecutive fiscal quarters, the Borrower will not, nor will it permit any Subsidiary to, convey, sell, lease, transfer or otherwise dispose of assets, business or operations with a net book value in excess of 25% of Total Assets as calculated as of the end of the most recent such fiscal quarter.

Section 6.4. Arm's-Length Transactions. The Borrower will not, nor will it permit its Subsidiaries to, enter into any transaction or series of transactions, whether or not in the ordinary course of business, with any Affiliate other than on terms and conditions substantially as favorable as would be obtainable in a comparable arm's-length transaction with a Person other than an Affiliate; provided that the foregoing restriction shall not apply to the payment or grant of reasonable compensation, benefits and indemnities to any director, officer, employee or agent of the Borrower or any Subsidiary.

Section 6.5. Fiscal Year; Organizational Documents. The Borrower will not (a) change its fiscal year or (b) in any manner that would reasonably be expected to materially adversely affect the rights of the Lenders, change its organizational documents or its bylaws; it being understood that the Borrower's shareholders may approve an amendment to the Borrower's Articles of Incorporation to permit the issuance of Preferred Securities.

Section 6.6. Liens. The Borrower will not, nor will it permit any of its Material Subsidiaries to, contract, create, incur, assume or permit to exist any Lien with respect to any of its property or assets of any kind (whether real or personal, tangible or intangible), whether now owned or after acquired, except for the following: (a) Liens securing Obligations, (b) Liens for taxes not yet due or Liens for taxes being contested in good faith by appropriate action and for which adequate reserves, if required, determined in accordance with GAAP have been established (and as to which the property subject to any such Lien is not yet subject to foreclosure, sale or loss on account thereof), (c) Liens in respect of property imposed by law arising in the ordinary course of business such as materialmen's, mechanics', warehousemen's, carrier's, landlords' and other nonconsensual statutory Liens which are not yet due and payable, which have been in existence less than 90 days or which are being contested in good faith by appropriate action and for which adequate reserves, if required, determined in accordance with GAAP have been established (and as to which the property subject to any such Lien is not yet subject to foreclosure, sale or loss on account thereof), (d) pledges or deposits made in the ordinary course of business to secure payment of worker's compensation insurance, unemployment insurance, pensions or social security programs, (e) Liens arising from good faith deposits in connection with or to secure performance of tenders, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations incurred in the ordinary course of business (other than obligations in respect of the payment of borrowed money), (f) Liens arising from good faith deposits in connection with or to secure performance of statutory obligations and surety and appeal bonds, (g) easements, rights-of-way, restrictions (including zoning restrictions), minor defects or irregularities in title and other similar charges or encumbrances not, in any material respect, impairing the use of the encumbered property for its intended purposes, (h) judgment Liens that would not constitute an Event of Default or securing appeal or other surety bonds related to such judgments, (i) Liens arising by virtue of any statutory or common law provision relating to banker's liens, rights of setoff or similar rights as to deposit accounts or other funds

maintained with a creditor depository institution, (j) any Lien on any assets securing indebtedness incurred or assumed for the purpose of financing all or any part of the cost of acquiring, developing, operating, constructing, altering, repairing or improving all or part of such assets; provided that such Lien attaches to such asset concurrently with or within 90 days after the acquisition thereof, completion of construction, improvement or repair, or commencement of commercial operation of such assets, (k) any Lien on any asset of any Person existing at the time such Person is merged or consolidated with or into the Borrower or one of its Subsidiaries and not created in contemplation of such event, (l) any Lien existing on any asset prior to the acquisition thereof by the Borrower or one of its Subsidiaries and not created in contemplation of such acquisition, (m) any Lien on the assets of the Borrower or any Material Subsidiary pursuant to Section 803 of the 1998 Indenture, Section 803 of the 2001 Indenture, Section 803 of the 2007 Indenture, or Section 803 of the 2009 Indenture if placed on the property of the Borrower or such Material Subsidiary on an equal and ratable basis with Liens securing Obligations and other Liens that may be placed on the properties of the Borrower or such Material Subsidiary in the future, (n) any Lien created in connection with a project financed with, or created to secure, Non-Recourse Indebtedness, (o) Liens on goods (and the proceeds thereof) and documents of title and the property covered thereby securing indebtedness in respect of commercial letters of credit, (p) Liens that have been placed by any developer, landlord or other third party on property over which the Borrower or any Material Subsidiary has easement rights or on any real property leased by the Borrower or any Material Subsidiary and subordination or similar agreements relating thereto, (q) any condemnation or eminent domain proceedings affecting any real property, (r) any provision for the retention of title to an asset by vendor or transferor of such asset which asset is acquired by the Borrower or a Material Subsidiary in a transaction entered into in the ordinary course of business, (s) Liens on the proceeds of assets that were subject to Liens permitted hereunder or on assets acquired with such proceeds as a replacement of such former assets, (t) Liens not otherwise permitted by this Agreement securing indebtedness in the aggregate (at the time such Liens are created) not in excess of ten percent (10%) of Consolidated Net Property, (u) Liens constituted by a right of set off, or rights over a margin call account, or any form of cash collateral, or any similar arrangement, securing Hedging Obligations and/or Physical Trade Obligations, in each case so long as the aggregate principal amount of cash securing such Hedging Obligations and Physical Trade Obligations, do not exceed ten percent (10%) of Consolidated Net Worth, (v) Liens on accounts and related assets arising under an areawide utility contract or similar contract with the federal government related to energy management, conservation, or similar services, securing indebtedness of the Persons to whom Borrower has subcontracted to provide such services to the federal government and (w) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Liens referred to in the foregoing clauses (a) through (v) for amounts not exceeding the principal amount of the indebtedness (including undrawn commitments) secured by the Lien so extended, renewed or replaced (except for accrued interest and a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred in connection with such extension, renewal or replacement); provided that such extension, renewal or replacement Lien is limited to all or a part of the same property or assets that were covered by the Lien extended, renewed or replaced (plus improvements on such property or assets).

ARTICLE VII

EVENTS OF DEFAULT

Section 7.1. Events of Default. An Event of Default shall exist upon the occurrence of any of the following specified events (each an " Event of Default "):

(a) Payment. The Borrower shall default in the payment (i) when due of any principal of any of the Loans or (ii) within three Business Days of when due of any interest on the Loans or of any fees owing hereunder or any of the other Credit Documents or (iii) within ten days of when due of any other amounts owing hereunder, under any of the other Credit Documents or in connection herewith.

(b) Representations. Any representation, warranty or statement made or deemed to be made by the Borrower herein, in any of the other Credit Documents, or in any statement or certificate delivered or required to be delivered pursuant hereto or thereto (including without limitation the certificate delivered pursuant to Section 3.1(b)(v)) shall prove untrue in any material respect on the date as of which it was deemed to have been made.

(c) Covenants. The Borrower shall:

(i) default in the due performance or observance of any term, covenant or agreement contained in Sections 5.2, 5.3 (as to maintenance of existence of the Borrower only), 5.9 or 6.1 through 6.6 inclusive; or

(ii) default in the due performance or observance by it of any term, covenant or agreement contained in Section 5.1 and such default shall continue unremedied for a period of five Business Days after the earlier of the Borrower becoming aware of such default or notice thereof given by the Administrative Agent; or

(iii) default in the due performance or observance by it of any term, covenant or agreement (other than those referred to in subsections (a), (b), (c)(i), or (c)(ii) of this Section 7.1) contained in this Agreement or any other Credit Document and such default shall continue unremedied for a period of at least 30 days after the earlier of the Borrower becoming aware of such default or notice thereof given by the Administrative Agent.

(d) Credit Documents. The Borrower shall default in the due performance or observance of any term, covenant or agreement in any of the other Credit Documents and such default shall continue unremedied for a period of at least 30 days after the earlier of (i) the Borrower becoming aware of such default or notice thereof given by the Administrative Agent or (ii) any Credit Document shall fail to be in full force and effect or the Borrower shall so assert.

(e) Bankruptcy, etc. The occurrence of any of the following with respect to the Borrower or any of its Material Subsidiaries: (i) a court or governmental agency having jurisdiction in the premises shall enter a decree or order for relief in respect of the Borrower or any of its Material Subsidiaries in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appoint a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Borrower or any of its Material Subsidiaries or for any substantial part of its property or order the winding up or liquidation of its affairs; or (ii) an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect is commenced against the Borrower or any of its Material Subsidiaries and such petition remains unstayed and in effect for a period of 60 consecutive days; or (iii) the Borrower or any of its Material Subsidiaries shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consent to the entry of an order for relief in an involuntary case under any such law, or consent to the appointment or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of such Person or any substantial part of its property or make any general assignment for the benefit of creditors; or (iv) the Borrower or any of its Material Subsidiaries shall admit in writing its inability to pay its debts generally as they become due or any action shall be taken by such Person in furtherance of any of the aforesaid purposes.

(f) Defaults under Other Agreements . With respect to any indebtedness of the Borrower in excess of $100,000,000 (other than indebtedness outstanding under this Agreement or Non-Recourse Indebtedness) (A) the Borrower shall (1) default in any payment (beyond the applicable grace period with respect thereto, if any) with respect to any such indebtedness, or (2) default (after giving effect to any applicable grace period) in the observance or performance of any covenant or agreement relating to such indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event or condition shall occur or condition exist, the effect of which default or other event or condition is to cause, or permit, the holder of the holders of such indebtedness (or trustee or agent on behalf of such holders) to cause (determined without regard to whether any notice or lapse of time is required) any such indebtedness to become due prior to its stated maturity; or (B) any such indebtedness shall be declared due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, or by a mandatory prepayment upon specified events or conditions, in each case, prior to the stated maturity thereof; or (C) any such indebtedness shall mature and remain unpaid.

(g) Judgments . One or more final judgments, orders, or decrees shall be entered against the Borrower involving a liability of $100,000,000 or more, in the aggregate (to the extent not paid or covered by insurance provided by a carrier who has acknowledged coverage) and such judgments, orders or decrees shall continue unsatisfied, undischarged and unstayed for a period of 90 days; provided that if such judgment, order or decree provides for periodic payments over time then the Borrower shall have a grace period of 30 days with respect to each such periodic payment.

(h) ERISA . The occurrence of any of the following events or conditions if any of the same would be reasonably expected to result in a liability of an amount greater than or equal to $20,000,000: (A) any "accumulated funding deficiency," as such term is defined in Section 302 of ERISA and Section 412 of the Code, whether or not waived, shall exist with respect to any Plan, or any lien shall arise on the assets of the Borrower or any ERISA Affiliate in favor of the PBGC or a Plan; (B) a Termination Event shall occur with respect to a Single Employer Plan, which is, in the reasonable opinion of the Administrative Agent, likely to result in the termination of such Plan for purposes of Title IV of ERISA; (C) a Termination Event shall occur with respect to a Multiemployer Plan or Multiple Employer Plan, which is, in the reasonable opinion of the Administrative Agent, likely to result in (i) the termination of such Plan for purposes of Title IV of ERISA, or (ii) the Borrower or any ERISA Affiliate incurring any liability in connection with a withdrawal from, reorganization of (within the meaning of Section 4241 of ERISA), or insolvency (within the meaning of Section 4245 of ERISA) of such Plan; or (D) any prohibited transaction (within the meaning of Section 406 of ERISA or Section 4975 of the Code) or breach of fiduciary responsibility shall occur which would be reasonably expected to subject the Borrower or any ERISA Affiliate to any liability under Sections 406, 409, 502(i), or 502(l) of ERISA or Section 4975 of the Code, or under any agreement or other instrument pursuant to which the Borrower or any ERISA Affiliate has agreed or is required to indemnify any person against any such liability.

(i) Change of Control . The occurrence of any Change of Control.

Section 7.2. Acceleration; Remedies . Upon the occurrence and during the continuation of an Event of Default, the Administrative Agent may, with the consent of the Required Lenders, and shall, upon the request and direction of the Required Lenders, by written notice to the Borrower take any of the following actions without prejudice to the rights of the Administrative Agent or any Lender to enforce its claims against the Borrower, except as otherwise specifically provided for herein:

(a) Acceleration of Loans. Declare the unpaid amount of all Obligations to be due whereupon the same shall be immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower.

(b) Enforcement of Rights. Enforce any and all rights and interests created and existing under the Credit Documents or otherwise available at law or in equity, including, without limitation, all rights of set-off.

Notwithstanding the foregoing, if an Event of Default specified in Section 7.1(e) shall occur, all Loans, all accrued interest in respect thereof, all accrued and unpaid fees and other indebtedness or obligations owing to the Lenders and the Administrative Agent hereunder shall immediately become due and payable without the giving of any notice or other action by the Administrative Agent or the Lenders.

Notwithstanding the fact that enforcement powers reside primarily with the Administrative Agent, each Lender has, to the extent permitted by law, a separate right of payment and shall be considered a separate "creditor" holding a separate "claim" within the meaning of Section 101(5) of the Bankruptcy Code or any other insolvency statute.

Section 7.3. Allocation of Payments After Event of Default.

Notwithstanding any other provisions of this Agreement, but subject in all respects to Section 2.22, after the occurrence of an Event of Default, all amounts collected or received by the Administrative Agent or any Lender on account of amounts outstanding under any of the Credit Documents shall be paid over or delivered as follows:

FIRST, to the payment of all reasonable out-of-pocket costs and expenses (including without limitation reasonable attorneys' fees) of the Administrative Agent or any of the Lenders in connection with enforcing the rights of the Lenders under the Credit Documents, pro rata as set forth below;

SECOND, to payment of any fees owed to the Administrative Agent or any Lender, pro rata as set forth below;

THIRD, to the payment of all accrued interest payable to the Lenders hereunder, pro rata as set forth below;

FOURTH, to the payment of the outstanding principal amount of the Loans, pro rata as set forth below;

FIFTH, to all other obligations which shall have become due and payable under the Credit Documents and not repaid pursuant to clauses "FIRST" through "FOURTH" above; and

SIXTH, to the payment of the surplus, if any, to whoever may be lawfully entitled to receive such surplus.

In carrying out the foregoing, (a) amounts received shall be applied in the numerical order provided until exhausted prior to application to the next succeeding category and (b) each of the Lenders shall receive an amount equal to its pro rata share (based on the proportion that the then outstanding Loans held by such Lender bears to the aggregate then outstanding Loans) of amounts available to be applied.

ARTICLE VIII

THE ADMINISTRATIVE AGENT

Section 8.1. Appointment of Administrative Agent. Each Lender irrevocably appoints JPMorgan Chase Bank, N.A. as the Administrative Agent and authorizes it to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent under this Agreement and the other Credit Documents, together with all such actions and powers that are reasonably incidental thereto. The Administrative Agent may perform any of its duties hereunder or under the other Credit Documents by or through any one or more sub-agents or attorneys-in-fact appointed by the Administrative Agent. The Administrative Agent and any such sub-agent or attorney-in-fact may perform any and all of its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions set forth in this Article shall apply to any such sub-agent or attorney-in-fact and the Related Parties of the Administrative Agent, any such sub-agent and any such attorney-in-fact and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

Section 8.2. Nature of Duties of Administrative Agent. The Administrative Agent shall not have any duties or obligations except those expressly set forth in this Agreement and the other Credit Documents. Without limiting the generality of the foregoing, (a) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or an Event of Default has occurred and is continuing, (b) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except those discretionary rights and powers expressly contemplated by the Credit Documents that the Administrative Agent is required to exercise in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.2), and (c) except as expressly set forth in the Credit Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Subsidiaries that is communicated to or obtained by the Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it, its sub-agents or attorneys-in-fact with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.2) or in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents or attorneys-in-fact selected by it with reasonable care. The Administrative Agent shall not be deemed to have knowledge of any Default or Event of Default unless and until written notice thereof (which notice shall include an express reference to such event being a "Default" or "Event of Default" hereunder) is given to the Administrative Agent by the Borrower or any Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with any Credit Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements, or other terms and conditions set forth in any Credit Document, (iv) the validity,

enforceability, effectiveness or genuineness of any Credit Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article III or elsewhere in any Credit Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent. The Administrative Agent may consult with legal counsel (including counsel for the Borrower) concerning all matters pertaining to such duties.

Section 8.3. Lack of Reliance on the Administrative Agent. Each Lender acknowledges and agrees that the extensions of credit made hereunder are commercial loans and not investments in a business enterprise or securities. Each Lender further represents that it is engaged in making, acquiring or holding commercial loans in the ordinary course of its business and has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and to make, acquire or hold Loans hereunder. Each of the Lenders also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information (which may contain material, non-public information within the meaning of the United States securities law concerning the Borrower and its Affiliates) as it has deemed appropriate, continue to make its own decisions in taking or not taking of any action under or based on this Agreement, any related agreement or any document furnished hereunder or thereunder and in deciding whether or to the extent to which it will continue as a lender or assign or otherwise transfer its rights, interests and obligations hereunder.

Section 8.4. Certain Rights of the Administrative Agent. If the Administrative Agent shall request instructions from the Required Lenders with respect to any action or actions (including the failure to act) in connection with this Agreement, the Administrative Agent shall be entitled to refrain from such act or taking such act, unless and until it shall have received instructions from such Lenders; and the Administrative Agent shall not incur liability to any Person by reason of so refraining. Without limiting the foregoing, no Lender shall have any right of action whatsoever against the Administrative Agent as a result of the Administrative Agent acting or refraining from acting hereunder in accordance with the instructions of the Required Lenders where required by the terms of this Agreement.

Section 8.5. Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed, sent or made by the proper Person. The Administrative Agent may also rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person and shall not incur any liability for relying thereon. The Administrative Agent may consult with legal counsel (including counsel for the Borrower), independent public accountants and other experts selected by it and shall not be liable for any action taken or not taken by it in accordance with the advice of such counsel, accountants or experts.

Section 8.6. The Administrative Agent in its Individual Capacity. The bank serving as the Administrative Agent shall have the same rights and powers under this Agreement and any other Credit Document in its capacity as a Lender as any other Lender and may exercise or refrain from exercising the same as though it were not the Administrative Agent; and the terms "Lenders", "Required Lenders" or any similar terms shall, unless the context clearly otherwise indicates, include the Administrative Agent in its individual capacity. The bank acting as the Administrative Agent and its Affiliates may accept deposits from, lend money to, and generally engage in any kind of business with the Borrower or any Subsidiary or Affiliate of the Borrower as if it were not the Administrative Agent hereunder.

Section 8.7. Successor Administrative Agent .

(a) The Administrative Agent may resign at any time by giving written notice thereof to the Lenders and the Borrower. Upon any such resignation, the Required Lenders shall have the right to appoint a successor Administrative Agent, subject to the approval by the Borrower provided that no Default or Event of Default shall exist at such time. If no successor Administrative Agent shall have been so appointed, and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of resignation, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent, which shall be a commercial bank organized under the laws of the United States of America or any state thereof or a bank which maintains an office in the United States, having a combined capital and surplus of at least $500,000,000.

(b) Upon the acceptance of its appointment as the Administrative Agent hereunder by a successor, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement and the other Credit Documents. If within 45 days after written notice is given of the retiring Administrative Agent's resignation under this Section 8.7 no successor Administrative Agent shall have been appointed and shall have accepted such appointment, then on such 45 th day (i) the retiring Administrative Agent's resignation shall become effective, (ii) the retiring Administrative Agent shall thereupon be discharged from its duties and obligations under the Credit Documents and (iii) the Required Lenders shall thereafter perform all duties of the retiring Administrative Agent under the Credit Documents until such time as the Required Lenders appoint a successor Administrative Agent as provided above. After any retiring Administrative Agent's resignation hereunder, the provisions of this Article shall continue in effect for the benefit of such retiring Administrative Agent and its representatives and agents in respect of any actions taken or not taken by any of them while it was serving as the Administrative Agent.

Section 8.8. Status of Lenders . The Lenders are not partners or co-venturers, and no Lender shall be liable for the acts or omissions of, or (except as otherwise set forth herein in case of the Administrative Agent) authorized to act for, any other Lender. The Administrative Agent shall have the exclusive right on behalf of the Lenders to enforce the payment of the principal of and interest on any Loan after the date such principal or interest has become due and payable pursuant to the terms of this Agreement.

ARTICLE IX

MISCELLANEOUS

Section 9.1. Notices .

(a) Except in the case of notices and other communications expressly permitted to be given by telephone, all notices and other communications to any party herein to be effective shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail, sent by telecopy or to the extent permitted below, by email as follows:

To the Borrower:	Atmos Energy Corporation Three Lincoln Centre, Suite 1800 5430 LBJ Freeway Dallas, Texas 75240 Attention: Fred E. Meisenheimer Telecopy Number: (214) 550-5641 Email Address: Fred.Meisenheimer@atmosenergy.com
With a copy to:	Atmos Energy Corporation 700 Three Lincoln Centre 5430 LBJ Freeway Dallas, Texas 75240 Attention: Treasurer Telecopy Number: (214) 550-9326 Email Address: dan.meziere@atmosenergy.com
and	Atmos Energy Corporation Three Lincoln Centre, Suite 1800 5430 LBJ Freeway Dallas, Texas 75240 Attention: General Counsel Telecopy Number: (214) 550-9216 Email Address: louis.gregory@atmosenergy.com
To the Administrative Agent:	JPMorgan Chase Bank, N.A. 10 S. Dearborn Street Floor 7, Mail Code IL1-0010 Chicago, IL 60603 Attention: Nan Wilson Facsimile: 888-292-9533 Telephone: 312-385-7084 Email: jpm.agency.servicing.4@jpmchase.com With a copy to, JPMorgan Chase Bank, N.A. 10 S. Dearborn Street Floor 9, Mail Code IL1-0090 Chicago, IL 60603 Attention: John Zur Facsimile: 312-732-1762 Telephone: 312-732-1754 Email: John.E.Zur@jpmorgan.com With a copy to, JPMorgan Chase Bank, N.A. 10 S. Dearborn Street Floor 9, Mail Code IL1-0874

Chicago, IL 60603
Attention: Roman Walczak
Facsimile: 312-325-3238
Telephone: 312-325-3155
Email: Roman.Walczak@jpmorgan.com

To any other Lender: the address set forth in the Administrative Questionnaire or the Assignment and Acceptance executed by such Lender

Notices and other communications hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications. Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto. All such notices and other communications shall, when transmitted by overnight delivery, or faxed, be effective when delivered for overnight (next-day) delivery, or transmitted in legible form by facsimile machine, respectively, or if mailed, upon the third Business Day after the date deposited into the mail or if delivered, upon delivery; provided, that notices delivered to the Administrative Agent shall not be effective until actually received by such Person at its address specified in this Section 9.1 during normal business hours for such Person, or if received after normal business hours for such Person, such notice shall be effective on the next Business Day.

(b) Any agreement of the Administrative Agent and the Lenders herein to receive certain notices by telephone or facsimile is solely for the convenience and at the request of the Borrower. The Administrative Agent and the Lenders shall be entitled to rely on the authority of any Person purporting to be a Person authorized by the Borrower to give such notice and the Administrative Agent and Lenders shall not have any liability to the Borrower or other Person on account of any action taken or not taken by the Administrative Agent or the Lenders in reliance upon such telephonic or facsimile notice. The obligation of the Borrower to repay the Loans and all other Obligations hereunder shall not be affected in any way or to any extent by any failure of the Administrative Agent and the Lenders to receive written confirmation of any telephonic or facsimile notice or the receipt by the Administrative Agent and the Lenders of a confirmation which is at variance with the terms understood by the Administrative Agent and the Lenders to be contained in any such telephonic or facsimile notice.

(c) The Borrower agrees that the Administrative Agent may, but shall not be obligated to, make the Communications (as defined below) available to the other Lenders by posting the Communications on Debt Domain, IntraLinks, Syndtrak or a substantially similar electronic transmission system (the " Platform "). The Platform is provided "as is" and "as available". The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications of the Platform. In no event shall the Administrative Agent or any of its Related Parties (collectively, the " Agent Parties ") have any liability to the Borrower, any Lender or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of Borrower's or the Administrative Agent's transmission of Communications through the Platform. " Communications " means, collectively, any notice, demand, communication, information, document or other material that the Borrower provides to the Administrative Agent pursuant to any Credit Document or the transactions contemplated therein which is distributed to the Administrative Agent or any Lender by means of electronic communications pursuant to this Section, including through the Platform.

Section 9.2. Waiver; Amendments .

(a) No failure or delay by the Administrative Agent or any Lender in exercising any right or power hereunder or any other Credit Document, and no course of dealing between the Borrower and the Administrative Agent or any Lender, shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power or any abandonment or discontinuance of steps to enforce such right or power, preclude any other or further exercise thereof or the exercise of any other right or power hereunder or thereunder. The rights and remedies of the Administrative Agent and the Lenders hereunder and under the other Credit Documents are cumulative and are not exclusive of any rights or remedies provided by law. No waiver of any provision of this Agreement or any other Credit Document or consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section 9.2 , and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan shall not be construed as a waiver of any Default or Event of Default, regardless of whether the Administrative Agent or any Lender may have had notice or knowledge of such Default or Event of Default at the time.

(b) No amendment or waiver of any provision of this Agreement or the other Credit Documents, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Borrower and the Required Lenders or the Borrower and the Administrative Agent with the consent of the Required Lenders and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided , that no amendment or waiver shall: (i) increase the Commitment of any Lender without the written consent of such Lender, (ii) reduce the principal amount of any Loan or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender affected thereby, (iii) postpone the date fixed for any payment of any principal of, or interest on, any Loan or interest thereon or any fees hereunder or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date for the termination or reduction of any Commitment, without the written consent of each Lender affected thereby, (iv) change Section 2.18(b) or (c) in a manner that would alter the pro rata sharing of payments required thereby, without the written consent of each Lender, (v) change any of the provisions of this Section 9.2 or the definition of "Required Lenders" or any other provision hereof specifying the number

or percentage of Lenders which are required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the consent of each Lender; (vi) release any guarantor or limit the liability of any such guarantor under any guaranty agreement, without the written consent of each Lender other than Defaulting Lenders; (vii) release all or substantially all collateral (if any) securing any of the Obligations, without the written consent of each Lender other than Defaulting Lenders; provided further , that no such agreement shall amend, modify or otherwise affect the rights, duties or obligations of the Administrative Agent without the prior written consent of such the Administrative Agent. Notwithstanding anything contained herein to the contrary, this Agreement may be amended and restated without the consent of any Lender (but with the consent of the Borrower and the Administrative Agent) if, upon giving effect to such amendment and restatement, such Lender shall no longer be a party to this Agreement (as so amended and restated), the Commitments of such Lender shall have terminated (but such Lender shall continue to be entitled to the benefits of Sections 2.15 , 2.16 , 2.17 and 9.3), such Lender shall have no other commitment or other obligation hereunder and shall have been paid in full all principal, interest and other amounts owing to it or accrued for its account under this Agreement.

Section 9.3. Expenses; Indemnification .

(a) The Borrower shall pay (i) all reasonable, out-of-pocket costs and expenses of the Administrative Agent and its Affiliates , including the reasonable fees, charges and disbursements of counsel for the Administrative Agent and its Affiliates, in connection with the syndication and distribution (including, without limitation, via internet or through a service such as IntraLinks) of the credit facilities provided for herein, the preparation and administration of the Credit Documents and any amendments, modifications or waivers thereof (whether or not the transactions contemplated in this Agreement or any other Credit Document shall be consummated), and (ii) all reasonable out-of-pocket costs and expenses (including, without limitation, the reasonable fees, charges and disbursements of outside counsel and the allocated cost of inside counsel) incurred by the Administrative Agent or any Lender in connection with the enforcement or protection of its rights in connection with this Agreement, including its rights under this Section 9.3 , or in connection with the Loans made hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(b) The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof), the Lead Arranger, each Lender and each Related Party of any of the foregoing Persons (each such Person being called an " Indemnitee ") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnitee), and shall indemnify and hold harmless each Indemnitee from all fees and time charges and disbursements for attorneys who may be employees of any Indemnitee, incurred by any Indemnitee or asserted against any Indemnitee by any third party or by the Borrower arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Credit Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or Release of Hazardous Materials on or from any property owned or operated by the Borrower or any of its Subsidiaries, or any liability arising under the Environmental Laws related in any way to the Borrower or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower, and regardless of whether any Indemnitee is a party thereto, provided that such indemnity shall not, as to any

Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by the Borrower against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Credit Document, if the Borrower has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction.

(c) The Borrower shall pay, and hold the Administrative Agent and each of the Lenders harmless from and against, any and all present and future stamp, documentary, and other similar Taxes with respect to this Agreement and any other Credit Documents, any collateral described therein, or any payments due thereunder, and save the Administrative Agent and each Lender harmless from and against any and all liabilities with respect to or resulting from any delay or omission to pay such Taxes.

(d) To the extent that the Borrower fails to pay any amount required to be paid to the Administrative Agent under clauses (a), (b) or (c) hereof, each Lender severally agrees to pay to the Administrative Agent such Lender's Pro Rata Share (determined as of the time that the unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided , that the unreimbursed expense or indemnified payment, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent in its capacity as such.

(e) To the extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, (i) for any damages arising from the use by others of information or other materials obtained through telecommunications, electronic or other information transmission systems (including the internet), or (ii) on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to actual or direct damages) arising out of, in connection with or as a result of, this Agreement or any agreement or instrument contemplated hereby, the transactions contemplated therein, any Loan or the use of proceeds thereof.

(f) All amounts due under this Section 9.3 shall be payable promptly after written demand therefor.

Section 9.4. Successors and Assigns .

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of paragraph (b) of this Section, (ii) by way of participation in accordance with the provisions of paragraph (d) of this Section or (iii) by way of pledge or assignment of a security interest subject to the restrictions of paragraph (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in paragraph (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts .

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in paragraph (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans and Credit Exposure outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loans and Credit Exposure of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Acceptance, as of the "Trade Date") shall not be less than $5,000,000, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts . Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans, Credit Exposure or the Commitment assigned.

(iii) Required Consents . No consent shall be required for any assignment except to the extent required by paragraph (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment or (y) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments to a Person that is not a Lender, an Affiliate of a Lender or an Approved Fund.

(iv) Assignment and Acceptance . The parties to each assignment shall deliver to the Administrative Agent (A) a duly executed Assignment and Acceptance, (B) a processing and recordation fee of $3,500, (C) an Administrative Questionnaire unless the assignee is already a Lender and (D) the documents required under Section 2.17(e) if such assignee is a Foreign Lender.

(v) No Assignment to Borrower . No such assignment shall be made to the Borrower or any of the Borrower's Affiliates or Subsidiaries.

(vi) No Assignment to Natural Persons or Defaulting Lender . No such assignment shall be made to a natural person or a Defaulting Lender or an Affiliate thereof.

(vii) Certain Additional Payments . In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Loans. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to paragraph (c) of this Section 9.4 , from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 2.15 , 2.16 , 2.17 and 9.3 with respect to facts and circumstances occurring prior to the effective date of such assignment. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (d) of this Section 9.4 . If the consent of the Borrower to an assignment is required hereunder (including a consent to an assignment which does not meet the minimum assignment thresholds specified above), the Borrower shall be deemed to have given its consent five (5) Business Days after the date notice thereof has actually been delivered by the assigning Lender (through the Administrative Agent) to the Borrower, unless such consent is expressly refused by written notice delivered to the Administrative Agent by the Borrower prior to such fifth Business Day.

(c) The Administrative Agent shall maintain at one of its offices a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount of the Loans and Credit Exposure owing to, each Lender pursuant to the terms hereof from time to time (the " Register "). The entries in the Register shall be conclusive, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender (as to its Commitment only), at any reasonable time and from time to time upon reasonable prior notice.

(d) Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural person, the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a " Participant ") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment

and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Credit Documents (the " Participant Register "); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans or its other obligations under any Credit Document) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, Loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver with respect to the following to the extent affecting such Participant: (i) increase the Commitment of any Lender without the written consent of such Lender, (ii) reduce the principal amount of any Loan or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender affected thereby, (iii) postpone the date fixed for any payment of any principal of, or interest on, any Loan or interest thereon or any fees hereunder or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date for the termination or reduction of any Commitment, without the written consent of each Lender affected thereby, (iv) change Section 2.18(b) or (c) in a manner that would alter the pro rata sharing of payments required thereby, without the written consent of each Lender, (v) change any of the provisions of this Section 9.4 or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders which are required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the consent of each Lender; (vi) release any guarantor or limit the liability of any such guarantor under any guaranty agreement without the written consent of each Lender except to the extent such release is expressly provided under the terms of this Agreement or such guaranty agreement; or (vii) release all or substantially all collateral (if any) securing any of the Obligations. Subject to paragraph (e) of this Section 9.4 , the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.15 , 2.16 , and 2.17 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section 9.4 , provided , that such Participant agrees to be subject to the provisions of Sections 2.19 and 2.20 as if it were an assignee hereunder, further, to the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.7 as though it were a Lender, provided such Participant agrees to be subject to Section 2.15 as though it were a Lender.

(f) A Participant shall not be entitled to receive any greater payment under Section 2.15 and Section 2.17 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 2.17 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 2.17 (e) as though it were a Lender.

(g) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank or any other central bank or a Governmental Authority having jurisdiction over any Lender or its parent; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

Section 9.5. Governing Law; Jurisdiction; Consent to Service of Process .

(a) This Agreement and the other Credit Documents shall be construed in accordance with and be governed by the law (without giving effect to the conflict of law principles thereof, except for Sections 5-1401 and 5-1402 of the New York General Obligations Law) of the State of New York.

(b) The Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the United States District Court of the Southern District of New York, and of any state court of the State of New York sitting in New York County, Borough of Manhattan, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Credit Document or the transactions contemplated hereby or thereby, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York state court or, to the extent permitted by applicable law, such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Credit Document shall affect any right that the Administrative Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Credit Document against the Borrower or its properties in the courts of any jurisdiction.

(c) The Borrower irrevocably and unconditionally waives any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding described in paragraph (b) of this Section 9.5 and brought in any court referred to in paragraph (b) of this Section 9.5 . Each of the parties hereto irrevocably waives, to the fullest extent permitted by applicable law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to the service of process in the manner provided for notices in Section 9.1 , provided that such service of process is delivered only by overnight courier, signature required. Nothing in this Agreement or in any other Credit Document will affect the right of any party hereto to serve process in any other manner permitted by law.

Section 9.6. WAIVER OF JURY TRIAL . EACH PARTY HERETO IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON

CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER CREDIT DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 9.7. Right of Setoff. In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, each Lender shall have the right, at any time or from time to time upon the occurrence and during the continuance of an Event of Default, without prior notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by applicable law, to set off and apply against all deposits (general or special, time or demand, provisional or final) of the Borrower at any time held or other obligations at any time owing by such Lender to or for the credit or the account of the Borrower against any and all Obligations held by such Lender irrespective of whether such Lender shall have made demand hereunder and although such Obligations may be unmatured. Each Lender agrees promptly to notify the Administrative Agent and the Borrower after any such set-off and any application made by such Lender; provided, that the failure to give such notice shall not affect the validity of such set-off and application. Each Lender agrees to apply all amounts collected from any such set-off to the Obligations before applying such amounts to any other indebtedness or other obligations owed by the Borrower and any of its Subsidiaries to such Lender.

Section 9.8. Counterparts; Integration. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. This Agreement and the other Credit Documents constitute the entire agreement among the parties hereto and thereto regarding the subject matters hereof and thereof and supersede all prior agreements and understandings, oral or written, regarding such subject matters. Delivery of an executed counterpart to this Agreement or any other Loan Document by facsimile transmission or by electronic mail in pdf format shall be as effective as delivery of a manually executed counterpart hereof.

Section 9.9. Survival. All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid and so long as the Commitments have not expired or terminated. The provisions of Sections 2.15, 2.16, 2.17, and 9.3 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Commitments or the termination of this Agreement or any provision hereof. All representations and warranties made herein, in the certificates, reports, notices, and other documents delivered pursuant to this Agreement shall survive the execution and delivery of this Agreement and the other Credit Documents, and the making of the Loans.

Section 9.10. Severability . Any provision of this Agreement or any other Credit Document held to be illegal, invalid or unenforceable in any jurisdiction, shall, as to such jurisdiction, be ineffective to the extent of such illegality, invalidity or unenforceability without affecting the legality, validity or enforceability of the remaining provisions hereof or thereof; and the illegality, invalidity or unenforceability of a particular provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 9.11. Confidentiality . Each of the Administrative Agent and each Lender agrees to take normal and reasonable precautions to maintain the confidentiality of any Information, except that such Information may be disclosed (i) to any Related Party of the Administrative Agent or any such Lender, including without limitation accountants, legal counsel and other advisors, (ii) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (iii) to the extent requested by any regulatory agency or authority (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (iv) to the extent that such information becomes publicly available other than as a result of a breach of this Section 9.11 , or which becomes available to the Administrative Agent, any Lender or any Related Party of any of the foregoing on a non-confidential basis from a source other than the Borrower, (v) in connection with the exercise of any remedy hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder, and (vi) subject to provisions substantially similar to this Section 9.11 , to any actual or prospective assignee or Participant, or to any direct or indirect contractual counterparties (or the professional advisors thereto) to any swap or derivative transaction relating to Borrower and its obligations, (vii) on a confidential basis to (a) any rating agency in connection with rating the Borrower, its Subsidiaries or the facilities or (b) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the facilities; or (viii) with the consent of the Borrower. Any Person required to maintain the confidentiality of any information as provided for in this Section 9.11 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such information as such Person would accord its own confidential information. For the purposes of this Section, " Information " means all information received from the Borrower relating to the Borrower or its business, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by the Borrower; provided that, in the case of information received from the Borrower after the date hereof, such information is clearly identified at the time of delivery as confidential.

Section 9.12. Interest Rate Limitation . Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which may be treated as interest on such Loan under applicable law (collectively, the " Charges "), shall exceed the maximum lawful rate of interest (the " Maximum Rate") which may be contracted for, charged, taken, received or reserved by a Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section 9.12 shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Rate to the date of repayment, shall have been received by such Lender.

Section 9.13. Waiver of Effect of Corporate Seal . The Borrower represents and warrants that it is not required to affix its corporate seal to this Agreement or any other Credit Document pursuant to any Requirement of Law, agrees that this Agreement is delivered by Borrower under seal and waives any shortening of the statute of limitations that may result from not affixing the corporate seal to this Agreement or such other Credit Documents.

Section 9.14. Patriot Act . The Administrative Agent and each Lender hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the " Patriot Act "), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower in accordance with the Patriot Act. The Borrower shall, and shall cause each of its Subsidiaries to, provide to the extent commercially reasonable, such information and take such other actions as are reasonably requested by the Administrative Agent or any Lender in order to assist the Administrative Agent and the Lenders in maintaining compliance with the Patriot Act.

Section 9.15. No Fiduciary Duty . In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees that: (i) (A) the arranging and other services regarding this Agreement provided by the Lenders are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Lenders and their Affiliates, on the other hand, (B) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) each of the Lenders and their Affiliates is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (B) no Lender or any of its Affiliates has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except, in the case of a Lender, those obligations expressly set forth herein and in the other Loan Documents; and (iii) each of the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and no Lender or any of its Affiliates has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against each of the Lenders and their Affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

(remainder of page left intentionally blank)

IN WITNESS WHEREOF , the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

ATMOS ENERGY CORPORATION,
as Borrower

By: /s/ FRED E. MEISENHEIMER
Name: Fred E. Meisenheimer
Title: Senior Vice President and CFO

[SIGNATURE PAGE TO TERM LOAN CREDIT AGREEMENT]

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent and as a Lender

By: /s/ JOHN E. ZUR III
Name: John E. Zur III
Title: Authorized Officer

[SIGNATURE PAGE TO TERM LOAN CREDIT AGREEMENT]

U.S. BANK NATIONAL ASSOCIATION ,
as a Lender

By: /s/ JOHN M. EYERMAN
Name: John M. Eyerman
Title: Vice President

[SIGNATURE PAGE TO TERM LOAN CREDIT AGREEMENT]

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., as a Lender

By: /s/ MARIA FERRADAS
Name: Maria Ferradas
Title: Vice President

[SIGNATURE PAGE TO TERM LOAN CREDIT AGREEMENT]

Schedule I

APPLICABLE MARGINS

Level	Rating Category Moody's/S&P/Fitch	Applicable Margin for Eurodollar Advances	Applicable Margin for Base Rate Advances
I	A2/A/A or higher	0.75%	0.00%
II	A3/A-/ A-	0.875%	0.00%
III	Baa1/ BBB+/ BBB+	1.00%	0.00%
IV	Baa2/ BBB/ BBB	1.125%	0.125%
V	Baa3/ BBB-/ BBB- or lower	1.25%	0.25%

The credit ratings to be utilized for purposes of this Schedule are those assigned to the senior, unsecured long-term debt securities of the Borrower without third-party credit enhancement, whether or not any such debt securities are actually outstanding, and any rating assigned to any other debt security of the Borrower shall be disregarded. The rating in effect on any date is that in effect at the close of business on such date. If the ratings established or deemed to have been established by Moody's, S&P and Fitch for the Borrower fall within different Levels, the highest rating (or numerically lower Level) shall apply, unless the ratings differ by more than one Level, in which case, if the rating is the same by two rating agencies, and the third agency rating is lower, then the higher rating shall govern and otherwise, the governing rating shall be the rating next below the highest of the three. If the Borrower is not rated by Moody's, S&P or Fitch, then the rate shall be established by reference to Level II.

If the rating system of Moody's, S&P or Fitch shall change, or if any of these rating agencies shall cease to be in the business of rating corporate debt obligations, the Borrower, the Lenders and the Administrative Agent shall negotiate in good faith to amend this Schedule to reflect such changed rating system or the unavailability of ratings from such rating agency and, pending the effectiveness of any such amendment, the Applicable Margin shall be determined by reference to the rating most recently in effect prior to any such change or cessation. If after a reasonable time (not to exceed 90 days) the parties cannot agree to a mutually acceptable amendment, the Applicable Margin shall be determined by reference to Level II.

SCHEDULE I

Schedule II

COMMITMENT AMOUNTS

Lender	Commitment Amount
JPMorgan Chase Bank, N.A.	$ 100,000,000
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	$ 80,000,000
U.S. Bank National Association	$ 80,000,000
TOTAL	**$ 260,000,000**

[SCHEDULE II]

SCHEDULE 4.20

Secured Indebtedness as of June 30, 2012

	Interest Rate	Maturity		Balance at 6/30/12
Rental Property fixed rate term notes	various	due 2013	due in installments	$196,426.97
Total Secured Indebtedness				$196,426.97

|SCHEDULE 4.20|

SCHEDULE 4.21

SUBSIDIARIES [1]

Name	State or Country of Incorporation
BLUE FLAME INSURANCE SERVICES, LTD (wholly-owned subsidiary of Atmos Energy Corporation)	Bermuda
MISSISSIPPI ENERGIES, INC. (wholly-owned subsidiary of Atmos Energy Corporation)	Mississippi
ATMOS ENERGY HOLDINGS, INC. (wholly-owned subsidiary of Atmos Energy Corporation)	Delaware
ATMOS ENERGY SERVICES, LLC (a limited liability company, wholly-owned by Atmos Energy Holdings, Inc.)	Delaware
EGASCO, LLC (a limited liability company, wholly-owned by Atmos Energy Holdings, Inc.)	Texas
ATMOS ENERGY MARKETING, LLC (a limited liability company, wholly-owned by Atmos Energy Holdings, Inc.)	Delaware
ATMOS POWER SYSTEMS, INC. (a wholly-owned subsidiary of Atmos Energy Holdings, Inc.)	Georgia
ATMOS PIPELINE AND STORAGE, LLC (a limited liability company, wholly-owned by Atmos Energy Holdings, Inc.)	Delaware
UCG STORAGE, INC. (wholly-owned by Atmos Pipeline and Storage, LLC)	Delaware
WKG STORAGE, INC. (wholly-owned by Atmos Pipeline and Storage, LLC)	Delaware
ATMOS EXPLORATION AND PRODUCTION, INC. (wholly-owned by Atmos Pipeline and Storage, LLC)	Delaware

[SCHEDULE 4.21]

TRANS LOUISIANA GAS PIPELINE, INC. (wholly-owned by Atmos Pipeline and Storage, LLC)	Louisiana
TRANS LOUISIANA GAS STORAGE, INC. (wholly-owned by Atmos Pipeline and Storage, LLC)	Delaware
FORT NECESSITY GAS STORAGE, LLC (a limited liability company, wholly-owned by Atmos Pipeline and Storage, LLC)	Delaware
ATMOS GATHERING COMPANY, LLC (a limited liability company, wholly-owned by Atmos Pipeline and Storage, LLC)	Delaware
PHOENIX GAS GATHERING COMPANY (wholly-owned by Atmos Gathering Company, LLC)	Delaware

(1) No Subsidiary of the Borrower currently qualifies as a Material Subsidiary as that term is defined in the Agreement.

[SCHEDULE 4.21]

EXHIBIT A

FORM OF ASSIGNMENT AND ACCEPTANCE

This Assignment and Acceptance (the " Assignment and Acceptance ") is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the " Assignor ") and [*Insert name of Assignee*] (the " Assignee "). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the " Credit Agreement "), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Acceptance as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including any letters of credit, guarantees, and swingline loans included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as the " Assigned Interest "). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Acceptance, without representation or warranty by the Assignor.

1.	Assignor:	_____
2.	Assignee:	_____ [and is an Affiliate/Approved Fund of [identify Lender] [1]]
3.	Borrower(s):	Atmos Energy Corporation
4.	Administrative Agent:	JPMorgan Chase Bank, N.A., as the administrative agent under the Credit Agreement
5.	Credit Agreement:	The Credit Agreement dated as of September 27, 2012 among Atmos Energy Corporation, the Lenders parties thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, and the other agents parties thereto

[1] Select as applicable.

6. Assigned Interest:

Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/ Loans Assigned	Percentage Assigned of Commitment/Loans [2]
$	$	%
$	$	%
$	$	%

Effective Date: _____, _____20 _____[TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment and Acceptance are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By_____
Title:

ASSIGNEE

[NAME OF ASSIGNEE]

By_____
Title:

Consented to and Accepted:
JPMORGAN CHASE BANK, N.A.,

as Administrative Agent

By _____
Title:

[Consented to:] [3]

ATMOS ENERGY CORPORATION

By_____
Title:

[2] Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.
[3] To be added only if the consent of the Borrower is required by the terms of the Credit Agreement.

ANNEX I

STANDARD TERMS AND CONDITIONS FOR

ASSIGNMENT AND ACCEPTANCE

1. Representations and Warranties .

1.1 Assignor . The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Credit Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Credit Document.

1.2 Assignee . The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.1 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (v) if it is a Foreign Lender, attached to the Assignment and Acceptance is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments . From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions . This Assignment and Acceptance shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Acceptance may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Acceptance by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Acceptance. This Assignment and Acceptance shall be governed by, and construed in accordance with, the law of the State of New York.

EXHIBIT 2.3

FORM OF NOTICE OF BORROWING

[*Date*]

JPMorgan Chase Bank, N.A.,
as Administrative Agentfor the Lenders
referred to below

10 South Dearborn
Floor 7, Mail Code IL1-0010
Chicago, Illinois 60603
Attention: Nan Wilson

Facsimile: (888) 292-9533

with a copy to:

10 South Dearborn
Floor 9, Mail Code IL1-0090
Chicago, Illinois 60603
Attention: John Zur

Facsimile: (312) 732-1762

Ladies and Gentlemen:

Reference is made to the Term Loan Credit Agreement dated as of September 27, 2012 (as amended and in effect on the date hereof, the " Credit Agreement "), among the undersigned, as Borrower, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent. Terms defined in the Credit Agreement are used herein with the same meanings. This notice constitutes a Notice of Borrowing pursuant to Section 2.3 of the Credit Agreement, and the Borrower hereby requests a Borrowing under the Credit Agreement, and in that connection the Borrower specifies the following information with respect to the Borrowing requested hereby:

(A) Aggregate principal amount of Borrowing [4]: _____

(B) Date of Borrowing (which is a Business Day): _____

(C) Interest Rate basis (Base Rate or Eurodollar): _____

(D) Interest Period and the last day thereof (if a Eurodollar Borrowing) [5]: _____

(E) Location and number of Borrower's account to which proceeds of Borrowing are to be disbursed:
_____

[4] Not less than $5,000,000 for Eurodollar Borrowing or $1,000,000 for Base Rate Borrowing.
[5] Which must comply with the definition of "Interest Period" and end not later than the Maturity Date.

The Borrower hereby represents and warrants that the conditions specified in Section 3.1 of the Credit Agreement are satisfied as of the date hereof [and that, at the time of and immediately after giving effect to the requested Borrowing, (i) no Default or Event of Default exists and (ii) the representations and warranties of the Borrower set forth in the Credit Documents are true and correct in all material respects] [6].

[To induce the Lenders to accept a Notice of Borrowing delivered to the Administrative Agent on the date hereof with respect to a Eurodollar Loan to be made on September 27, 2012 (the "Proposed Closing Date"), the Borrower hereby agrees to indemnify the Lenders in accordance with Section 2.16 of the Credit Agreement in the form labeled "Execution Copy" as of September 20, 2012 (the "Draft Agreement"), for any loss, cost or expense incurred by it in the event that all or any portion of such Eurodollar Loan is not made on the Proposed Closing Date for any reason. The Borrower shall be bound hereby and by the terms of Section 2.16 of the Draft Agreement without regard to whether the Credit Agreement is executed and delivered by the proposed parties thereto.] [7]

Very truly yours,

ATMOS ENERGY CORPORATION

By:_____
Name:
Title:

[6] To be included if Borrowing does not occur on the Closing Date.

[7] To be included if Notice of Borrowing is delivered in connection with a request for a Eurodollar Borrowing to be made on the Closing Date.

EXHIBIT 2.5

FORM OF NOTICE OF CONVERSION/CONTINUATION

[*Date*]

JPMorgan Chase Bank, N.A.,
as Administrative Agent
for the Lenders referred to below

10 South Dearborn
Floor 7, Mail Code IL1-0010
Chicago, Illinois 60603
Attention: Nan Wilson

Facsimile: (888) 292-9533

with a copy to:

10 South Dearborn
Floor 9, Mail Code IL1-0090
Chicago, Illinois 60603
Attention: John Zur
Facsimile: (312) 732-1762

Ladies and Gentlemen:

Reference is made to the Term Loan Credit Agreement dated as of September 27, 2012 (as amended and in effect on the date hereof, the " Credit Agreement "), among the undersigned, as Borrower, the lenders named therein, and JPMorgan Chase Bank, N.A. as Administrative Agent. Terms defined in the Credit Agreement are used herein with the same meanings. This notice constitutes a Notice of Conversion/Continuation pursuant to Section 2.5 of the Credit Agreement and the Borrower hereby requests the conversion or continuation of a Borrowing under the Credit Agreement, and in that connection the Borrower specifies the following information with respect to the Borrowing to be converted or continued as requested hereby:

(A) Borrowing to which this request applies: _____

(B) Principal amount of Borrowing to be converted/continued: _____

(C) Effective date of interest election (which is a Business Day): _____

(D) Interest Rate basis (Base Rate of Eurodollar): _____

(E) Interest Period and last day thereof (if a Eurodollar Borrowing): _____

Very truly yours,

ATMOS ENERGY CORPORATION

By: _____
Name:
Title:

EXHIBIT 2.8

FORM OF NOTE

[_____], 2012

FOR VALUE RECEIVED, the undersigned, Atmos Energy Corporation, a Texas and Virginia corporation (the " Borrower "), HEREBY UNCONDITIONALLY PROMISES TO PAY to the order of [NAME OF LENDER] (the " Lender ") the aggregate unpaid principal amount of all Loans made by the Lender to the Borrower pursuant to the "Credit Agreement" (as defined below) on the Maturity Date or on such earlier date as may be required by the terms of the Credit Agreement. Capitalized terms used herein and not otherwise defined herein are as defined in the Credit Agreement.

The Borrower promises to pay interest on the unpaid principal amount of each Loan made to it from the date of such Loan until such principal amount is paid in full at a rate or rates per annum determined in accordance with the terms of the Credit Agreement. Interest hereunder is due and payable at such times and on such dates as set forth in the Credit Agreement.

At the time of each Loan, and upon each payment or prepayment of principal of each Loan, the Lender shall make a notation either on the schedule attached hereto and made a part hereof, or in such Lender's own books and records, in each case specifying the amount of such Loan, the respective Interest Period thereof (in the case of Eurocurrency Loans) or the amount of principal paid or prepaid with respect to such Loan, as applicable; provided that the failure of the Lender to make any such recordation or notation shall not affect the Obligations of the Borrower hereunder or under the Credit Agreement.

This Note is one of the notes referred to in, and is entitled to the benefits of, that certain Credit Agreement dated as of September 27, 2012 by and among the Borrower, the financial institutions from time to time parties thereto as Lenders and JPMorgan Chase Bank, N.A., as Administrative Agent (as the same may be amended, restated, supplemented or otherwise modified from time to time, the " Credit Agreement "). The Credit Agreement, among other things, (i) provides for the making of Loans by the Lender to the Borrower from time to time in an aggregate amount not to exceed at any time outstanding the principal amount of such Lender's Commitment, the indebtedness of the Borrower resulting from each such Loan to it being evidenced by this Note, and (ii) contains provisions for acceleration of the maturity hereof upon the happening of certain stated events and also for prepayments of the principal hereof prior to the maturity hereof upon the terms and conditions therein specified.

Demand, presentment, protest and notice of nonpayment and protest are hereby waived by the Borrower.

Whenever in this Note reference is made to the Administrative Agent, the Lender or the Borrower, such reference shall be deemed to include, as applicable, a reference to their respective successors and assigns. The provisions of this Note shall be binding upon and shall inure to the benefit of said successors and assigns. The Borrower's successors and assigns shall include, without limitation, a receiver, trustee or debtor in possession of or for the Borrower.

This Note shall be construed in accordance with and governed by the law of the State of New York.

ATMOS ENERGY CORPORATION

By: _____
Name:
Title:

2.8-2

SCHEDULE OF LOANS AND PAYMENTS OR PREPAYMENTS

Date	Amount of Loan	Interest Period/Rate	Amount of Principal Paid or Prepaid	Unpaid Principal Balance	Notation Made By

2.8-3

EXHIBIT 3.1(b)(ii)

FORM OF SECRETARY'S CERTIFICATE OF ATMOS ENERGY CORPORATION

Reference is made to the Term Loan Credit Agreement dated as of September 27, 2012 (the " Credit Agreement "), among Atmos Energy Corporation (the " Borrower "), the lenders named therein, and JPMorgan Chase Bank, N.A., as Administrative Agent. Terms defined in the Credit Agreement are used herein with the same meanings. This certificate is being delivered pursuant to Section 3.1(b)(ii) of the Credit Agreement.

I, _____, Secretary of the Borrower, DO HEREBY CERTIFY that:

(a) annexed hereto as Exhibit A is a true, correct and complete copy of the Amended and Restated Articles of Incorporation of the Borrower, and all amendments thereto, for each of the State of Texas and the Commonwealth of Virginia. Except as shown on Exhibit A, each of such Amended and Restated Articles of Incorporation of the Borrower has not been amended or otherwise modified since [*date*] and at all times hereafter through the date hereof;

(b) annexed hereto as Exhibit B is a true and correct copy of the Amended and Restated Bylaws of the Borrower as in effect on [*date*] [8] and at all times thereafter through the date hereof;

(c) annexed hereto as Exhibit C is a true and correct copy of certain resolutions duly adopted by the Board of Directors of the Borrower at its meeting on [*date*] with respect to the transactions contemplated by the Credit Agreement, which resolutions are the only resolutions adopted by the Board of Directors of the Borrower or any committee thereof relating to the Credit Agreement and the other Loan Documents to which the Borrower is a party and the transactions contemplated therein and have not been revoked, amended, supplemented or modified and are in full force and effect on the date hereof; and

(d) each of the persons named below is and has been at all times since [*date*] a duly elected and qualified officer of the Borrower holding the office set forth opposite her name and the signature set forth opposite her name is her genuine signature:

Name	*Title*	*Specimen Signature*
[Include all officers who are signing the Credit Agreement or any other Loan Documents.]		

[8] This date should be prior to the date of the resolutions referred to in clause (d).

IN WITNESS WHEREOF, I have hereunto signed my name this _____day of [*month*], [*year*].

_____
Name
Secretary

I, _____, [_____] of the Borrower, do hereby certify that _____has been duly elected, is duly qualified and is the [*Assistant*] Secretary of the Borrower, that the signature set forth above is [*his/her*] genuine signature and that [*he/she*] has held such office at all times since [*date*]. [9]

_____
Name:
Title:

[9] This certification should be included as part of the Secretary's certificate and signed by one of the officers whose incumbency is certified pursuant to clause (e) above.

Exhibit A

[Articles of Incorporation]

3.1(b)(ii)-3

Exhibit B

[Bylaws]

3.1(b)(ii)-4

Exhibit C

[Resolutions]

3.1(b)(ii)-5

EXHIBIT 3.1(b)(v)

FORM OF OFFICER'S CERTIFICATE OF ATMOS ENERGY CORPORATION

Reference is made to the Term Loan Credit Agreement dated as of September 27, 2012 (the " Credit Agreement "), among Atmos Energy Corporation (the " Borrower "), the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent. Terms defined in the Credit Agreement are used herein with the same meanings. This certificate is being delivered pursuant to Section 3.1(b)(v) of the Credit Agreement.

I, _____, [_____] of the Borrower, DO HEREBY CERTIFY that:

(a) no Default or Event of Default exists;

(b) the representations and warranties of the Borrower set forth in the Credit Agreement are true and correct in all material respects;

(c) since September 30, 2011, there have been no material adverse change in the business, condition (financial or otherwise), operations, liabilities (contingent or otherwise), properties or prospects of the Borrower and its subsidiaries taken as a whole;

(d) there are no actions, suits, investigations or legal, equitable, arbitration or administrative proceedings pending or, to the knowledge of the Borrower, threatened against the Borrower, any of its Subsidiaries or any of their properties which would have or be reasonably expected to have a Material Adverse Effect;

(e) except as would not result or be reasonably expected to result in a Material Adverse Effect: (a) each of the properties of the Borrower and its Subsidiaries and all operations at such properties are in compliance in all material respects with all applicable Environmental Laws, (b) there is no violation of any Environmental Law with respect to such properties or the businesses operated by the Borrower or its Subsidiaries (the " Businesses "), and (c) there are no conditions relating to the Businesses or such properties that would reasonably be expected to give rise to a material liability under any applicable Environmental Laws; and

(f) attached hereto as Exhibit A are true, correct and complete copies of all consents, approvals, authorizations, registrations and filings and orders required or advisable to be made or obtained under any Requirement of Law, or by any Contractual Obligation of Borrower, in connection with the execution, delivery, performance, validity and enforceability of the Credit Documents or any of the transactions contemplated thereby, and such consents, approvals, authorizations, registrations, filings and orders are in full force and effect and all applicable waiting periods have expired, and no investigation or inquiry by any governmental authority regarding the Commitments or any transaction being financed with the proceeds thereof is ongoing.

IN WITNESS WHEREOF, I have hereunto signed my name this _____day of [*month*], [*year*].

_____
Name:
Title:

3.1(b)(v)-2

Exhibit A

[third party consents and approvals]

3.1(b)(v)-3

EXHIBIT 5.1(c)

FORM OF COMPLIANCE CERTIFICATE

To: JPMorgan Chase Bank, N.A.,
as Administrative Agent
for the Lenders referred to below

10 South Dearborn
Floor 7, Mail Code IL1-0010
Chicago, Illinois 60603
Attention: Nan Wilson
Facsimile: (888) 292-9533

with a copy to:

10 South Dearborn
Floor 9, Mail Code IL1-0090
Chicago, Illinois 60603
Attention: John Zur
Facsimile: (312) 732-1762

with a copy to:

10 South Dearborn
Floor 9, Mail Code IL1-0874
Chicago, Illinois 60603
Attention: Roman Walczak
Facsimile: (312) 325-3238

Ladies and Gentlemen:

Reference is made to that certain Term Loan Credit Agreement dated as of September 27, 2012 (as amended and in effect on the date hereof, the " Credit Agreement "), among Atmos Energy Corporation (the " Borrower "), the lenders named therein, and JPMorgan Chase Bank, N.A., as Administrative Agent. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Credit Agreement.

I, _____, being the duly elected and qualified, and acting in my capacity as Chief Financial Officer of the Borrower, hereby certify to the Administrative Agent and each Lender as follows:

1. The consolidated financial statements of the Borrower and its Subsidiaries attached hereto for the fiscal **[** ***quarter*** **]** **[** ***year*** **]** ending _____fairly present in all material respects the financial condition of the Borrower and its Subsidiaries as at the end of such fiscal **[** ***quarter*** **]|** ***year*** **]** on a consolidated basis, and the related statements of income cash flows of the Borrower and its Subsidiaries for such fiscal **[** ***quarter*** **]|** ***year*** **]** , in accordance with generally accepted accounting principles consistently applied (subject, in the case of such quarterly financial statements, to normal year-end audit adjustments and the absence of footnotes).

2. The calculations set forth in Attachment 1 are computations of the financial covenants set forth in Article V of the Credit Agreement calculated from the financial statements referenced in clause 1 above in accordance with the terms of the Credit Agreement.

3. Based upon a review of the activities of Borrower and its Subsidiaries and the financial statements attached hereto during the period covered thereby, as of the date hereof, there exists no Default or Event of Default.

Name:
Title: Treasurer

5.1(c)-2

Attachment 1 to Compliance Certificate

5.1(c)-3

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

August 8, 2012
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

On August 8, 2012, Atmos Energy Corporation ("Atmos Energy") entered into a definitive agreement (the "Agreement") to sell its natural gas distribution operations in Georgia (the "Business") to Liberty Energy (Georgia) Corp. ("Liberty Energy"), an affiliate of Algonquin Power & Utilities Corp. ("Algonquin"), for a purchase price of approximately $141 million. The Agreement contains the usual terms and conditions customary for transactions of this type, including adjustments to the purchase price at closing, if applicable, and indemnification by Atmos Energy related to representations and warranties regarding the Business. The closing of the transaction is subject to the satisfaction of customary conditions, including the receipt of applicable regulatory approvals. Neither Atmos Energy nor any of its affiliates have had a material relationship with either Liberty Energy or Algonquin, other than in respect of the Agreement and the sale by Atmos Energy to Liberty Energy (Midstates) Corp. of its natural gas distribution operations in Missouri, Illinois and Iowa, which sale closed on August 1, 2012.

In addition, on August 8, 2012, in connection with the execution of the Agreement, Algonquin executed a guaranty (the "Guaranty") of the obligations of Liberty Energy under the Agreement. A copy of the Agreement and the Guaranty are filed as Exhibits 2.1 and 10.1, respectively and are incorporated herein by reference. The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the Agreement and the Guaranty.

The Agreement contains representations, warranties and disclosures that were made by the parties to each other as of specific dates and to evidence their agreement on various issues. The assertions and other statements or disclosures embodied in these representations, warranties and disclosures were made solely for purposes of the Agreement and may be subject to important qualifications and limitations or other factors agreed to by the parties in connection with negotiating the terms of the transaction. Moreover, certain of these representations, warranties and disclosures may not be accurate and complete as of any specified date because they may be subject to contractual standards of materiality that differ from standards generally applicable to investors and have been used to allocate risk among the parties rather than to establish matters as facts or otherwise. Based on the foregoing, you should not rely on the representations, warranties and disclosures included in the Agreement as statements of factual information.

Item 2.02. Results of Operations and Financial Condition.

On Wednesday, August 8, 2012, Atmos Energy issued a news release in which it reported the Company's financial results for the third quarter of the 2012 fiscal year, which will end September 30, 2012, and that certain of its officers would discuss such financial results in a conference call on Thursday, August 9, 2012 at 10:00 a.m. Eastern Time. In the release, the Company also announced that the call would be webcast live and that slides for the webcast would be available on its website for all interested parties.

A copy of the news release is furnished as Exhibit 99.1. The information furnished in this Item 2.02 and in Exhibit 99.1 shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall such information be deemed to be incorporated by reference into any of Atmos Energy's filings under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Item 7.01. Regulation FD Disclosure.

On August 8, 2012, Atmos Energy announced in a news release that it had entered into the Agreement described above under Item 1.01. A copy of the news release is furnished as Exhibit 99.2. The information furnished in this Item 7.01 and in Exhibit 99.2 shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall such information be deemed to be incorporated by reference into any of Atmos Energy's filings under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

2.1 Asset Purchase Agreement by and between Atmos Energy Corporation as Seller and Liberty Energy (Georgia) Corp. as Buyer, dated as of August 8, 2012

10.1 Guaranty of Algonquin Power & Utilities Corp. dated August 8, 2012

99.1 News Release dated August 8, 2012 (furnished under Item 2.02)

99.2 News Release dated August 8, 2012 (furnished under Item 7.01)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: August 8, 2012

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President, General Counsel
and Corporate Secretary

INDEX TO EXHIBITS

Exhibit Number	Description
2.1	Asset Purchase Agreement by and between Atmos Energy Corporation as Seller and Liberty Energy (Georgia) Corp. as Buyer, dated as of August 8, 2012
10.1	Guaranty of Algonquin Power & Utilities Corp. dated August 8, 2012
99.1	News Release dated August 8, 2012 (furnished under Item 2.02)
99.2	News Release dated August 8, 2012 (furnished under Item 7.01)

Exhibit 2.1

ASSET PURCHASE AGREEMENT

by and between

ATMOS ENERGY CORPORATION

as Seller

and

LIBERTY ENERGY (GEORGIA) CORP.

as Buyer

Dated as of August 8, 2012

TABLE OF CONTENTS

APPENDICES AND EXHIBITS

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this " Agreement ") is made and entered into as of August 8, 2012, by and between Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia (" Seller "), and Liberty Energy (Georgia) Corp., a Georgia corporation (" Buyer ").

WHEREAS, Buyer desires to purchase, and Seller desires to sell, the Purchased Assets (as hereinafter defined) upon the terms and conditions set forth in this Agreement; and

WHEREAS, concurrently herewith, Algonquin Power & Utilities Corp. (" Algonquin ") has executed and delivered to Seller a Guaranty, dated as of the date hereof (the " Guaranty "), pursuant to which Algonquin has guaranteed the payment and performance obligations of Buyer hereunder.

NOW THEREFORE, in consideration of the Parties' respective covenants, representations, warranties, and agreements hereinafter set forth, and intending to be legally bound hereby, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Definitions . (a) As used in this Agreement, the following terms have the meanings specified in this Section 1.1(a):

" Actionable Incident " means an incident or occurrence that (i) results in damages or other harm to a Person other than Buyer or Seller or any of their respective Affiliates; and (ii) provides such Person with the legal basis to recover damages or obtain other relief.

" Affiliate " has the meaning set forth in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended.

" Affiliated Group " means any affiliated group within the meaning of section 1504(a) of the Code or any similar group defined under a similar provision of Law.

" Ancillary Agreements " means the Bill of Sale, each Limited Warranty Deed, and each Assignment of Easements.

" Applicable Commission " means the Georgia Public Service Commission and any other state utility regulatory commission having jurisdiction over any portion of the Business or Purchased Assets.

" Assignments of Easements " means the assignments of Easements to be executed and delivered by Seller at the Closing, in the forms of Exhibit 1.1-A(i) and Exhibit 1.1-A(ii) .

" Bills of Sale " means (i) the bill of sale, assignment and assumption agreement to be executed and delivered by Seller and Buyer at the Closing and (ii) the bill of sale, assignment and assumption agreement to be executed and delivered by Building Seller (with respect to the Additional Real Property) and Liberty Utilities Co. at the Closing, each in substantially the forms of Exhibit 1.1-B .

" Building Seller " means Atmos Power Systems, Inc., a Georgia corporation.

" Business " means the natural gas utility business serving customers in the Territory (including, for the avoidance of doubt, pursuant to the Ft. Benning Contract), as currently conducted by Seller, including ownership and operation of the Purchased Assets and performance of the Assumed Obligations, including the LNG Facility (except to the extent the LNG Facility constitutes or is treated as an Excluded Asset pursuant to Section 7.1(g)).

" Business Agreement " means any contract, agreement, real or personal property lease, commitment, understanding, or instrument (other than the Retained Agreements) to which Seller (or, with respect to the Additional Real Property, Building Seller) is a party, whether oral or written, that relates principally to the Business, the Purchased Assets, or the Assumed Obligations.

" Business Day " means any day other than Saturday, Sunday, or any day on which banks in the City of New York or Toronto, Ontario are authorized by Law to close.

" Business Employee " means an employee of Seller who is employed as of the Effective Time and whose work responsibilities relate principally to the Business, as set forth on Schedule 7.9(a) .

" Buyer Required Regulatory Approvals " means (i) the filings by Seller and Buyer required by the HSR Act and the expiration or earlier termination of all waiting periods under the HSR Act, (ii) CFIUS Approval, and (iii) the approvals set forth on Schedule 1.1-A .

" Buyer's Representatives " means Buyer's accountants, employees, counsel, environmental consultants, financial advisors, and other Representatives.

" CFIUS Approval " means either (i) Seller and Buyer shall have received a written notification issued by the Committee on Foreign Investment in the United States that it has determined that (A) it lacks jurisdiction over the transactions contemplated by this Agreement or (B) it has concluded its review under the Exon-Florio Amendment and has determined not to conduct a full investigation or (ii) if a full investigation is deemed to be required, Seller and Buyer shall have received notification that the United States government will not take action to prevent the consummation of the transactions contemplated by this Agreement.

" Claims " means any and all administrative, regulatory, or judicial actions or causes of action, suits, petitions, proceedings (including arbitration proceedings), investigations, hearings, demands, demand letters, claims, or notices of noncompliance or violation delivered by any Governmental Entity or other Person.

" COBRA " means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

" COBRA Continuation Coverage " means the continuation of medical coverage required under sections 601 through 608 of ERISA, and section 4980B of the Code.

" Code " means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

" Confidentiality Agreement " means the Confidentiality Agreement, dated as of July 12, 2012, between Seller and Algonquin.

" Documents " means all files, documents, instruments, papers, books, reports, tapes, microfilms, photographs, letters, ledgers, journals, title policies, real property surveys, purchase orders, invoices, copies of cancelled checks, engineering assessments, technical reports, economic studies, customer lists and information, regulatory filings including in respect of general or other rate cases, operating data and plans, technical documentation (such as design specifications, functional requirements, and operating instructions), user documentation (such as installation guides, user manuals, and training materials), Transferred Employee Records, and other similar materials related principally to the Purchased Assets, the Assumed Obligations or the Business; provided, that "Documents" does not include: (i) any of the foregoing to the extent related to the Excluded Assets or Excluded Liabilities; (ii) information which, if provided to Buyer, would violate any applicable Law or Order; or (iii) any valuations of or related to the Business, the Purchased Assets, or the Assumed Obligations (other than studies, reports, and similar items prepared by or on behalf of Seller for the purposes of completing, performing, prosecuting or executing any rate case, any other filing with any Governmental Entity, unperformed service obligations, Easement relocation obligations, and engineering and construction required to complete scheduled construction, construction work in progress, and other capital expenditure projects, in each case related principally to the Business and the Purchased Assets).

" Easements " means all easements, license agreements, railroad crossing rights, rights-of-way, leases for rights-of-way, and similar use and access rights related to the Purchased Assets or the Business.

" Encumbrances " means any mortgages, pledges, liens, claims, charges, security interests, conditional and installment sale agreements, activity and use limitations, easements, covenants, encumbrances, obligations, limitations, title defects, deed restrictions, preferential purchase rights or options, and any other restrictions of any kind, including restrictions on use, transfer, receipt of income, or exercise of any other attribute of ownership.

" Environment " means all or any of the following media: soil, land surface and subsurface strata, surface waters (including navigable waters, streams, ponds, drainage basins, and wetlands), groundwater, drinking water supply, stream sediments, ambient air (including the air within buildings and the air within other natural or man-made structures above or below ground), plant and animal life, and any other natural resource.

" Environmental Claims " means any and all Claims (including any such Claims involving toxic torts or similar liabilities in tort, whether based on negligence or other fault, strict or absolute liability, or any other basis) arising pursuant to any Environmental Laws or

Environmental Permits, or arising from the presence, Release, or threatened Release (or alleged presence, Release, or threatened Release) into the Environment of any Hazardous Materials, including any and all Claims by any Governmental Entity or by any Person for enforcement, cleanup, remediation, removal, response, remedial or other actions or damages, contribution, indemnification, cost recovery, compensation, or injunctive relief pursuant to any Environmental Law or for any property damage or personal or bodily injury (including death) or threat of injury to health, safety, natural resources, or the Environment.

" Environmental Laws " means all Laws relating to pollution or the protection of human health, safety, the Environment, or damage to natural resources, including Laws relating to Releases and threatened Releases or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Materials. Environmental Laws include the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et seq.; the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 136 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; the Clean Air Act, 42 U.S.C. § 7401 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq.; the Oil Pollution Act, 33 U.S.C. § 2701 et seq.; the Endangered Species Act, 16 U.S.C. § 1531 et seq.; the National Environmental Policy Act, 42 U.S.C. § 4321 et seq.; the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq.; the Safe Drinking Water Act, 42 U.S.C. § 300f et seq.; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 et seq.; the Atomic Energy Act, 42 U.S.C. § 2014 et seq.; the Nuclear Waste Policy Act, 42 U.S.C. § 10101 et seq.; and their state and local counterparts or equivalents, all as amended from time to time, and regulations issued pursuant to any of those Laws.

" Environmental Permits " means all permits, certifications, licenses, franchises, exemptions, approvals, consents, waivers or other authorizations of Governmental Entities issued under or with respect to applicable Environmental Laws and used or held by Seller for the operation of the Business.

" ERISA " means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

" ERISA Affiliate " means any Person or entity that together with Seller would be deemed to be under common control within the meaning of Section 414(b), (c), (m) or (o) of the Code.

" Exon-Florio Amendment " means Section 721 of Title VII of the Defense Production Act of 1950, as amended.

" FERC " means the Federal Energy Regulatory Commission.

" Final Regulatory Order " means, with respect to a Required Regulatory Approval, an Order granting such Required Regulatory Approval that has not been reversed, stayed, enjoined, set aside, annulled, or suspended, and that has become final and non-appealable, and with respect to which any required waiting period prescribed by applicable Law before the transactions contemplated by this Agreement may be consummated has expired, and all conditions to effectiveness prescribed therein or otherwise by Law or Order have been satisfied.

" Ft. Benning Contract " means that certain Solicitation, Offer and Award, Contract No. DACA63-01-C-0009, dated September 22, 2001, as modified by that certain Amendment of Solicitation/Modification of Contract No. DABT10-90-D-5040, dated September 23, 2010.

" GAAP " means United States generally accepted accounting principles, applied on a consistent basis.

" Governing Documents " of a Party means the articles or certificate of incorporation and bylaws, or comparable governing documents, of such Party.

" Governmental Entity " means the United States of America and any other federal, state, local, or foreign governmental or regulatory authority, department, agency, commission, body, court, or other governmental entity.

" Hazardous Material " means (i) any chemicals, materials, substances, or wastes which are now or hereafter defined as or included in the definition of "hazardous substance," "hazardous material," "hazardous waste," "solid waste," "toxic substance," "extremely hazardous substance," "pollutant," "contaminant," or words of similar import under any applicable Environmental Laws; (ii) any petroleum, petroleum products (including crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas useable for fuel (or mixtures of natural gas and such synthetic gas), or oil and gas exploration or production waste, polychlorinated biphenyls, asbestos-containing materials, mercury, and lead-based paints; and (iii) any other chemical, material, substances, waste, or mixture thereof which is prohibited, limited, or regulated by Environmental Laws.

" HSR Act " means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.

" Income Tax " means any Tax based upon, measured by, or calculated with respect to (i) net income, profits, or receipts (including capital gains Taxes and minimum Taxes) or (ii) multiple bases (including corporate franchise and business license Taxes) if one or more of the bases on which such Tax may be based, measured by, or calculated with respect to is described in clause (i), in each case together with any interest, penalties, or additions to such Tax.

" Indebtedness " means (i) indebtedness for borrowed money; (ii) obligations to pay the deferred purchase or acquisition price of property or services, other than trade accounts payable arising, and accrued expenses incurred, in the ordinary course of business consistent with customary trade practices; (iii) the guaranty or other assumption of liability for, or grant of an Encumbrance or provision of collateral to secure, the obligations of any other Person; (iv) capital lease obligations; and (v) all reimbursement and other obligations (contingent or otherwise) in respect of letters of credit or similar instruments.

" Independent Accounting Firm " means any independent accounting firm of national reputation mutually appointed by Seller and Buyer; provided, however, that if the Parties are unable to so agree, each shall select an accounting firm, and such accounting firms shall mutually agree upon and appoint a third, which third shall be the Independent Accounting Firm.

" Intellectual Property " means (i) any U.S. or foreign patents, copyrights, trademarks, maskworks, and other similar intangible rights throughout the world, and applications or registrations for any of the foregoing, (ii) any protectable or proprietary interest, whether registered or unregistered, in know-how, trade secrets, database rights, software, operating and manufacturing procedures, designs, specifications and the like, (iii) any protectable or proprietary interest in any similar intangible asset of a technical, scientific or creative nature, and (iv) any protectable or proprietary interests in or to any documents or other tangible media containing any of the foregoing.

" Law " means any statutes, regulations, rules, ordinances, codes, and similar acts or promulgations of any Governmental Entity.

" Limited Warranty Deed " means the limited warranty deed or deeds to be executed and delivered by Seller (or, with respect to the Additional Real Property, Building Seller) at the Closing, substantially in the form set forth on Exhibit 1.1-C attached hereto.

" LNG Facility " means Seller's liquid natural gas facility located in Columbus, Georgia, including all real and personal property comprising the same, as more particularly described on Schedule 1.1-B .

" LNG Facility Regulatory Determination " means the LNG Facility Sale Determination or the LNG Facility Exclusion Determination, as applicable.

" Loss " or " Losses " means losses, liabilities, damages, obligations, payments, costs, and expenses (including the costs and expenses of any and all actions, suits, proceedings, assessments, judgments, settlements, and compromises relating thereto, reasonable attorneys' fees and reasonable disbursements in connection therewith).

" Material Adverse Effect " means a material adverse effect on the business, assets, properties, results of operations, or financial condition of the Business, taken as a whole, or on the ability of Seller to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis, but shall not include an effect that results from or arises out of (i) the announcement or pendency of this Agreement and the transactions contemplated hereby, (ii) factors generally affecting the international, national or regional economy, financial markets, capital markets, or commodities markets, (iii) any change in international, national, regional, or local regulatory or political conditions, (iv) any Law or Order (other than a Law adopted or an Order issued specifically with respect to the Business, the Purchased Assets, or the transactions contemplated by this Agreement), (v) any change in GAAP or in the generally applicable principles used in the preparation of the financial statements as required by any Applicable Commission, (vi) any changes or developments in national, regional, state or local wholesale or retail markets for natural gas or related products including those due to actions by competitors or due to changes in commodities prices or hedging markets therefor, (vii) any changes or developments in national, regional, state or local natural gas transmission or distribution systems, (viii) any changes or developments in national, regional, state, or local wholesale or retail natural gas prices, (ix) acts expressly permitted by this Agreement or consented to or requested by Buyer, (x) any outbreak or escalation of hostilities or acts of war or terrorism, and (xi) any changes in weather or climate or acts of God.

" Order " means any order, decision, judgment, writ, injunction, decree, directive, or award of a court, administrative judge, or other Governmental Entity acting in an adjudicative or regulatory capacity, or of an arbitrator with applicable jurisdiction over the subject matter.

" Party " means either Buyer or Seller, as indicated by the context, and " Parties " means Buyer and Seller.

" Permits " means all permits, certifications, licenses, franchises, exemptions, approvals, consents, waivers or other authorizations of Governmental Entities issued under or with respect to applicable Laws or Orders and used or held by Seller for the operation of the Business or the Purchased Assets, other than Environmental Permits.

" Permitted Encumbrances " means (i) those Encumbrances set forth on Schedule 1.1-C ; (ii) Encumbrances securing or created by or in respect of any of the Assumed Obligations; (iii) statutory liens for current Taxes or assessments not yet due or delinquent or the validity or amount of which is being contested in good faith by appropriate proceedings; (iv) mechanics', carriers', workers', repairers', landlords', and other similar liens arising or incurred in the ordinary course of business relating to obligations as to which there is no default on the part of Seller or that are not material in amount and the validity or amount of which is being contested in good faith by appropriate proceedings, or pledges, deposits, or other liens securing the performance of bids, trade contracts, leases, or statutory obligations (including workers' compensation, unemployment insurance, or other social security legislation); (v) zoning, entitlement, restriction, and other land use and environmental regulations by Governmental Entities; (vi) all rights of condemnation, eminent domain, or other similar rights of any Person; (vii) all Encumbrances arising under approvals by any Governmental Entities; (viii) Encumbrances existing under or as a result of any leases of Real Property identified in the Seller Disclosure Schedules; (ix) Encumbrances created by or through Buyer as of the Closing; and (x) such other Encumbrances that do not, individually or in the aggregate, materially interfere with Buyer's operation of the Business or use of any of the Purchased Assets in the manner currently used and do not secure any Excluded Liabilities.

" Person " means any individual, partnership, limited liability company, joint venture, corporation, trust, unincorporated organization, or Governmental Entity.

" Prime Rate " means, for any day, the prime rate as published in *The Wall Street Journal, Eastern Edition.*

" Regulatory Order " means an Order issued by an Applicable Commission or FERC that affects or governs the rates, services, or other utility operations of the Business.

" Release " means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of Hazardous Materials into the Environment.

" Representatives " means, with respect to any Person, the officers, directors, employees, agents, accountants, advisors, bankers and other representatives of such Person.

" Required Regulatory Approvals " means the Seller Required Regulatory Approvals and the Buyer Required Regulatory Approvals.

" Seller Disclosure Schedules " means, collectively, all Schedules referenced in Article V of this Agreement.

" Seller Marks " means all registered and unregistered trademarks, service marks, trade names, logos, Internet domain names and any applications for registration of any of the foregoing, together with all goodwill associated with each of the foregoing (" Trademarks "), owned by Seller or its Affiliates, including all Trademarks that include the term "Atmos" and all Trademarks related thereto or containing or comprising the foregoing, including any Trademarks confusingly similar thereto or dilutive thereof.

" Seller Required Regulatory Approvals " means (i) the filings by Seller and Buyer required by the HSR Act and the expiration or earlier termination of all waiting periods under the HSR Act, (ii) CFIUS Approval, and (iii) the approvals set forth on Schedule 1.1-D .

" Seller's Knowledge ," or words to similar effect, means the actual knowledge of the persons set forth on Schedule 1.1-E following reasonable inquiry of the employees of Seller and its Affiliates.

" Seller's Representatives " means Seller's accountants, employees, counsel, environmental consultants, financial advisors, managers and other Representatives.

" Subsidiary ," when used in reference to a Person, means any Person of which outstanding securities or other equity interests having ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions of such Person are owned directly or indirectly by such first Person.

" Tax " and " Taxes " means all taxes, charges, fees, levies, penalties, or other assessments imposed by any foreign or United States federal, state, or local taxing authority, including income, excise, property, sales, transfer, franchise, license, payroll, withholding, social security, or other taxes (including any escheat or unclaimed property obligations), including any interest, penalties, or additions attributable thereto.

" Tax Affiliate " of a Person means a member of that Person's Affiliated Group and any other Subsidiary of that Person which is a partnership or is disregarded as an entity separate from that Person for Tax purposes.

" Tax Return " means any return, report, information return, or other document (including any related or supporting information) required to be supplied to any Governmental Entity with respect to Taxes.

" Territory " means the service territory described on Schedule 1.1-F .

" Transferred Employee Records " means the following records relating to Transferred Employees: (i) skill and development training records and resumes, (ii) seniority histories, (iii) current and historical salary and benefit information, (iv) Occupational, Safety and Health

Administration medical reports, (v) active medical restriction forms, and (vi) job performance reviews and applications; provided that such records will not be deemed to include any record which Seller is restricted by applicable Law from providing to Buyer.

" WARN Act " means the Worker Adjustment Retraining and Notification Act of 1988, as amended.

(b) In addition, each of the following terms has the meaning specified in the Appendix or Section set forth opposite such term:

Term	Reference
Actual Transfer Date	Section 7.10(d)
Additional Real Property	Section 2.1A
ADIT	Appendix A
Adjustment Amount	Appendix A
Adjustment Dispute Notice	Section 3.2(c)
Agreement	Recitals
Algonquin	Recitals
Asset Transfer Amount	Section 7.10(d)
Assumed Obligations	Section 2.3
Base Net PPE Amount	Appendix A
Benefit Plan	Section 5.15(a)
Billed Revenues	Section 3.5
Burdensome Condition	Section 7.7(c)(i)
Buyer	Recitals
Buyer's 401(k) Plan	Section 7.10(e)
Buyer's Cafeteria Plan	Section 7.10(h)
Buyer Indemnitees	Section 9.2(a)
Buyer's Pension Plan	Section 7.10(d)
Cafeteria Plan Participants	Section 7.10(h)
Closing	Section 4.1
Closing Date	Section 4.1
Closing Net PPE Amount	Appendix A
Closing Payment Amount	Section 3.2(a)
Collective Bargaining Agreements	Section 5.9(a)(iv)
Confidential Information	Section 7.3(a)

Continuation Period	Section 7.10(b)
Current Assets	Appendix A
Current Liabilities	Appendix A
Direct Loss	Section 9.3(d)
Division Balance Sheets	Section 5.5(a)
Division Income Statements	Section 5.5(a)
Effective Time	Section 4.1
Excluded Assets	Section 2.2
Excluded Liabilities	Section 2.4
FERC Accounting Rules	Appendix A
FERC Accounts	Appendix A
Franchises	Section 5.9(a)(i)
Final Purchase Price	Section 3.2(e)
Guaranty	Recitals
Indemnifiable Loss	Section 9.2(a)
Indemnifying Party	Section 9.3(a)
Indemnitee	Section 9.3(a)
Inventory	Section 2.1(a)(iii)
IT Assets	Section 2.1(a)(iv)
Large Volume Meters	Section 3.5
LNG Facility Exclusion Determination	Section 7.1(g)(ii)
LNG Facility PPE	Section 7.1(g)(iii)
LNG Facility Sale Determination	Section 7.1(g)(i)
Material Contracts	Section 5.9(a)
Net Other Regulatory Amount	Appendix A
Net PPE Adjustment	Appendix A
OPEB Adjustment Amount	Appendix A
Pension Plan Assumptions	Section 7.10(d)
Post-Closing Adjustment Statement	Section 3.2(b)
Purchase Price	Section 3.1
Purchased Assets	Section 2.1
Qualifying Offer	Section 7.9(b)
Real Property	Section 2.1(a)(i)

Recoverable Liabilities	Section 2.3(h)
Regulatory Assets	Appendix A
Regulatory Liabilities	Appendix A
Retained Agreements	Section 2.2(g)
Retiree Plan Assumptions	Section 7.10(f)
Schedule Update	Section 7.16
Seller	Recitals
Seller Indemnitees	Section 9.2(b)
Seller's 401(k) Plan	Section 7.10(e)
Seller's Actuary	Section 7.10(d)
Seller's Cafeteria Plan	Section 7.10(h)
Seller's Pension Plan	Section 7.10(d)
Seller's Retiree Plan	Section 7.10(f)
Termination Date	Section 10.1(b)
Third Party Claim	Section 9.3(a)
Transaction Taxes	Section 7.8(a)
Transferable Permits	Section 2.1(e)
Transferred Employee	Section 7.9(b)
Transition Committee	Section 7.1(e)
Unbilled Revenues	Section 3.5
Value	Appendix A
Vehicles	Section 2.1(a)(v)
Working Capital Amount	Appendix A

Section 1.2 Other Interpretive Matters . Unless otherwise expressly provided, for purposes of this Agreement, the following rules of interpretation apply:

(a) Appendices, Exhibits and Schedules . Unless otherwise expressly indicated, any reference in this Agreement to an "Appendix," "Exhibit" or "Schedule" refers to an Appendix, Exhibit or Schedule to this Agreement. The Appendices, Exhibits and Schedules to this Agreement are hereby incorporated and made a part hereof as if set forth in full herein and are an integral part of this Agreement. Any capitalized terms used in any Appendix, Exhibit or Schedule but not otherwise defined therein are defined as set forth in this Agreement. In the event of conflict or inconsistency, this Agreement and the Appendices shall prevail over any Exhibit or Schedule.

(b) Time Periods . When calculating the period of time before which, within which, or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period will be excluded. If the last day of such period is a non-Business Day, the period in question will end on the next succeeding Business Day.

(c) Gender and Number . Any reference in this Agreement to gender includes all genders, and the meaning of defined terms applies to both the singular and the plural of those terms.

(d) Certain Terms . Any reference in this Agreement to "dollars" or "$" means U.S. dollars. The words such as "herein," "hereinafter," "hereof," and "hereunder" refer to this Agreement (including the Appendices, Exhibits and Schedules to this Agreement) as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires. The word "including" or any variation thereof means "including, without limitation" and does not limit any general statement that it follows to the specific or similar items or matters immediately following it. The words "to the extent" when used in reference to a liability or other matter means that the liability or other matter referred to is included in part or excluded in part, with the portion included or excluded determined based on the portion of such liability or other matter exclusively related to the subject or period.

(e) Headings . The division of this Agreement into Articles, Sections, and other subdivisions, and the insertion of headings are for convenience of reference only and do not affect, and will not be utilized in construing or interpreting, this Agreement. All references in this Agreement to any "Section" are to the corresponding Section of this Agreement unless otherwise specified.

ARTICLE II
PURCHASE AND SALE

Section 2.1 Purchased Assets . Upon the terms and subject to the satisfaction of the conditions contained in this Agreement, at the Closing, Seller will sell, assign, convey, transfer, and deliver to Buyer, and Buyer will purchase and acquire from Seller, free and clear of all Encumbrances (except for Permitted Encumbrances), all of Seller's right, title, and interest in, to, and under the real and personal property, tangible or intangible, described below, as the same exists at the Effective Time (and, as permitted or contemplated hereby, with such additions and deletions as shall occur from the date hereof through the Effective Time), except to the extent that such assets are Excluded Assets (collectively, together with the assets described in Section 2.1A, the " Purchased Assets "):

(a) The following real and personal property, plant and equipment and related tangible property:

(i) the real property and real property interests described on Schedule 2.1(a)(i) , including buildings, structures, pipelines, other improvements, and fixtures located thereon; the leasehold interests under the leases described on Schedule 2.1(a)(i) ; and the Easements (all of the foregoing, together with the Additional Real Property, the " Real Property ");

(ii) all other natural gas distribution utility system assets installed in the Territory and used principally in the Business, as generally described on Schedule 2.1(a)(ii) ;

(iii) all parts and other inventory that are held for use specifically in connection with the Business (collectively, the " Inventory ");

(iv) all information technology and communications equipment that is installed or in use solely at or on, and used principally in connection with the operation of, the Purchased Assets, except as otherwise provided in Section 2.2(f) (the " IT Assets ");

(v) all motor vehicles, trailers and similar rolling stock that is held for use principally in connection with the Business, to the extent owned by Seller as of the Effective Time (including as a result of any purchase thereof by Seller pursuant to Section 7.6(c)) (the " Vehicles ");

(vi) all furnishings, fixtures, machinery, equipment, materials and other tangible personal property owned by Seller (other than Inventory, IT Assets and Vehicles) that is located in the Territory and that is used principally in connection with the operation of the Business; and

(vii) any assets that are leased on the date hereof by Seller but that are purchased by Seller pursuant to Section 7.6(c) for inclusion in the Purchased Assets;

(b) all Billed Revenues and Unbilled Revenues, each as defined in Section 3.5, which for the avoidance of doubt and notwithstanding any other provision of this Agreement to the contrary, shall constitute Current Assets for purposes of calculating the Adjustment Amount;

(c) the under-recovered purchased gas cost adjustment charges, prepayments, deferred charges and similar items of the type included in the applicable FERC Accounts set forth on Appendix A and principally related to the Business, to the extent that at the Effective Time Buyer will be entitled to the benefit of such items;

(d) the Business Agreements, subject to Section 7.6(b);

(e) all Permits used or held by Seller principally in connection with the Business or the ownership or operation of any of the Purchased Assets, except to the extent that, notwithstanding compliance by Seller with its obligations hereunder, any such Permits are prohibited by applicable Law or the terms of such Permits from being assigned to Buyer in connection with the transactions contemplated hereby (the " Transferable Permits ");

(f) the Documents;

(g) all warranties against manufacturers or vendors relating to any of the Purchased Assets, to the extent transferrable;

(h) Claims and defenses of Seller to the extent such Claims or defenses relate to the Purchased Assets or Assumed Obligations, provided such Claims and defenses will be assigned by Seller to Buyer without warranty or recourse;

(i) notwithstanding any provision of Section 2.2, the assets and other rights set forth on Schedule 2.1(i) ;

(j) the assets transferred pursuant to Section 7.10 with respect to the Benefit Plans; and

(k) any other assets that are principally related to the current operation of the Business, other than the Excluded Assets.

Section 2.1A Additional Real Property . Upon the terms and subject to the satisfaction of the conditions contained in this Agreement, at the Closing, Seller will cause Building Seller to sell, assign, convey, transfer, and deliver to Liberty Utilities Co., and Buyer will cause Liberty Utilities Co. to purchase and acquire from Building Seller, free and clear of all Encumbrances (except for Permitted Encumbrances), fee title to the real property and real property interests described on Schedule 2.1A , including buildings, structures, other improvements, and fixtures located thereon (the " Additional Real Property ").

Section 2.2 Excluded Assets . The Purchased Assets do not include any property or assets of Seller not described in Section 2.1 and Section 2.1A and, notwithstanding any provision to the contrary in Section 2.1 or elsewhere in this Agreement (other than as set forth on Schedule 2.1(i)), the Purchased Assets do not include the following property or assets of Seller (all assets excluded pursuant to this Section 2.2, the " Excluded Assets "):

(a) [reserved];

(b) cash, cash equivalents, and bank deposits;

(c) certificates of deposit, shares of stock, securities, bonds, debentures, evidences of indebtedness, and any other debt or equity interest in any Person;

(d) all assets used by Seller in performing corporate, support, administrative and other services from locations outside of the Territory;

(e) all assets relating to the Benefit Plans, except for those assets transferred pursuant to Section 7.10;

(f) all information technology and communications equipment used in connection with any business of Seller other than the Business, which for the avoidance

of doubt may also be used in connection with the Business and the operation of the Purchased Assets, such as network resources and integrated systems of Seller to which the IT Assets may connect or with which the IT Assets may communicate;

(g) (i) all agreements, contracts and understandings set forth on Schedule 2.2(g), (ii) all Material Contracts existing as of the date hereof that are not set forth on Schedule 5.9(a) as of the date hereof, unless otherwise elected by Buyer, and (iii) except as otherwise provided in Section 7.1(b), any Business Agreement that is entered into after the date hereof that, if existing on the date hereof, would be required to be set forth on Schedule 5.9(a) as a Material Contract (all of the foregoing, the " Retained Agreements ");

(h) any assets that have been disposed of by Seller in the ordinary course of business or otherwise in compliance with this Agreement after the date hereof and prior to the Closing;

(i) all books and records other than the Documents;

(j) the Seller Marks and any other Intellectual Property or rights therein;

(k) any refund or credit related to Taxes paid by or on behalf of Seller, whether such refund is received as a payment or as a credit against future Taxes payable (except to the extent such Tax payments are charged to Buyer pursuant to Section 3.4 hereof);

(l) except to the extent expressly provided in Section 2.1(h), all Claims of Seller against any Person;

(m) all insurance policies, and rights thereunder, including any such policies and rights in respect of the Purchased Assets or the Business;

(n) the rights of Seller arising under or in connection with this Agreement, any certificate or other document delivered in connection herewith, and any of the transactions contemplated hereby and thereby; and

(o) the assets and other rights set forth on Schedule 2.2(o).

Section 2.3 Assumed Obligations . On the Closing Date, Buyer will deliver to Seller the Bill of Sale pursuant to which Buyer will specifically assume, as of the Effective Time, the following liabilities and obligations of Seller (the " Assumed Obligations "):

(a) any trade accounts payable or other accrued and unpaid current expenses in respect of goods and services incurred principally by or for the Business in the ordinary course of business, to the extent included in the FERC Accounts used for calculation of the Adjustment Amount in accordance with Appendix A ;

(b) all liabilities and obligations of Seller with respect to over-recovered purchased gas cost adjustment charges (subject to Section 9.2(a)(iv)), and all customer

deposits, customer advances for construction, deferred credits, regulatory liabilities and other similar items, in each case principally related to the Business, to the extent included in the FERC Accounts used for calculation of the Adjustment Amount in accordance with Appendix A ;

(c) all obligations of Seller under any Regulatory Order applicable to the Business or the Purchased Assets, other than (i) payment obligations of Seller arising in respect of periods prior to the Effective Time, except to the extent included in the FERC Accounts used for calculation of the Adjustment Amount in accordance with Appendix A ; and (ii) obligations imposed on Seller (rather than on Buyer as Seller's successor with respect to the Business) under any Regulatory Order issued specifically with respect to the transactions contemplated by this Agreement;

(d) all liabilities and obligations of Seller arising in respect of the period on or after the Effective Time under the Business Agreements, the Transferable Permits and any other agreements or contractual rights, in each case to the extent assigned to Buyer pursuant to the terms of this Agreement;

(e) all liabilities and obligations associated with the Purchased Assets or the Business in respect of Taxes to the extent Buyer is expressly liable therefor pursuant to Section 3.4 or Section 7.8;

(f) all liabilities and obligations for which Buyer is expressly responsible pursuant to Section 7.10;

(g) all liabilities accruing or arising from and after the Effective Time out of or relating to the conduct or operation of the Business from and after the Effective Time or the ownership or use of the Purchased Assets from and after the Effective Time; and

(h) all liabilities accruing, arising out of or relating to the conduct or operation of the Business or the ownership or use of the Purchased Assets prior to the Effective Time to the extent that Buyer is entitled to recover the same through the rates of the operating Business after the Effective Time (" Recoverable Liabilities ").

Section 2.4 Excluded Liabilities . Seller acknowledges that the sole liabilities and obligations being assumed by Buyer are the Assumed Obligations and Seller shall retain all other liabilities and obligations, including (collectively, the " Excluded Liabilities "):

(a) any liabilities or obligations of Seller to the extent related to any Excluded Assets;

(b) any liabilities or obligations of Seller in respect of Indebtedness;

(c) any liabilities or obligations in respect of Taxes of Seller or any Tax Affiliate of Seller, or any liability of Seller for unpaid Taxes of any Person under Treasury Regulation section 1.1502-6 (or similar provision of state, local, or foreign law) as a transferee or successor, by contract or otherwise, except for Taxes for which Buyer is expressly liable pursuant to Section 3.4 or Section 7.8;

(d) any obligations of Seller or any of its Affiliates for wages, vacation pay, other paid time off, employment Taxes, bonuses, other incentive compensation, commissions, expense reimbursement, or retention or severance pay to the extent attributable to the period prior to the Effective Time or which may become payable as a result of the Closing;

(e) except as otherwise expressly provided in Section 7.10, any liabilities under or relating to any Benefit Plan at any time maintained, contributed to or required to be contributed to by Seller or any of its Affiliates, or under which Seller or any Affiliate has or may incur liability, or any contributions, benefits or liabilities therefor, or any liability with respect to Seller's or any of Seller's Affiliate's withdrawal or partial withdrawal from or termination of any Benefit Plan;

(f) except for the Recoverable Liabilities, any liabilities or obligations arising from any Claim (including any workers' compensation claim) involving the Purchased Assets or the Business filed or arising from an Actionable Incident occurring prior to the Effective Time, including any such Claims or Actionable Incidents disclosed in the Seller Disclosure Schedules; and

(g) any liabilities or obligations of Seller arising under or in connection with this Agreement, any certificate or other document delivered in connection herewith, and any of the transactions contemplated hereby and thereby.

Section 2.5 Intercompany Accounts. Prior to the Effective Time, Seller shall cause all intercompany payables, receivables and loans between the Business, on the one hand, and Seller and its Affiliates, on the other hand, to be settled or cancelled; provided, however, that the foregoing shall not apply to any Business Agreement entered into prior to the Effective Time between Seller and Atmos Energy Marketing, LLC, to which Buyer consents in writing pursuant to Section 7.1(b), relating to the provision of certain gas supply services.

ARTICLE III
PURCHASE PRICE

Section 3.1 Purchase Price. Subject to the terms and conditions of this Agreement, the aggregate purchase price (the "Purchase Price") for the Purchased Assets shall be an amount in cash equal to $140,660,000.00, increased by the Adjustment Amount if the Adjustment Amount is a positive number, or decreased by the Adjustment Amount if the Adjustment Amount is a negative number. The Adjustment Amount will be determined in accordance with Appendix A.

Section 3.2 Determination of Purchase Price.

(a) No later than five (5) Business Days prior to the Closing Date, Seller will prepare and deliver to Buyer a good faith estimate of the Purchase Price, calculated in accordance with Appendix A, together with reasonable supporting documentation and worksheets. Within two (2) Business Days following receipt by Buyer of such estimate, Buyer may in good faith object in writing to Seller's estimate, in which case the Parties shall endeavor to reconcile their differences in good faith by negotiation prior to the Closing Date; provided that, in the event the Parties are unable to reconcile their

differences, Seller's estimate of the Purchase Price shall prevail. The amount of Seller's estimate of the Purchase Price (or the estimate of the Purchase Price to which the Parties agree) (the " Closing Payment Amount ") shall be paid to Seller at the Closing.

(b) Within sixty (60) days after the Closing Date, Seller will prepare and deliver to Buyer a revised calculation of the Purchase Price, calculated in good faith in accordance with Appendix A , together with worksheets and supporting documentation (the " Post-Closing Adjustment Statement "). Seller agrees that Buyer shall have a reasonable right of consultation with Seller in connection with Seller's preparation of the Post-Closing Adjustment Statement and related information, and will provide Buyer with access to its books, records, information, and employees as Buyer may reasonably request. In the event that Buyer raises any objections or disagreements with any methodology used or determination made by Seller during the preparation of the Post-Closing Adjustment Statement, the Parties will attempt in good faith to resolve such objection or disagreement prior to delivery of the Post-Closing Adjustment Statement by Seller to Buyer. No action or inaction by Buyer under this Section 3.2(b) shall prejudice any rights of Buyer under Section 3.2(c) or otherwise.

(c) The amounts determined by Seller as set forth in the Post-Closing Adjustment Statement will be final, binding, and conclusive for all purposes unless, and only to the extent, that within thirty (30) days after Seller has delivered the Post-Closing Adjustment Statement Buyer notifies Seller of any dispute with respect to matters set out in the Post-Closing Adjustment Statement. Any such notice of dispute delivered by Buyer (an " Adjustment Dispute Notice ") will identify with specificity each item in the Post-Closing Adjustment Statement with respect to which Buyer disagrees, the basis of such disagreement, and Buyer's position with respect to such disputed item; provided that the disagreement may be based for purposes of this Section 3.2 only on mathematical errors or amounts reflected in the Post-Closing Adjustment Statement not being calculated in accordance with Appendix A and the accounting principles specified therein.

(d) If Buyer delivers an Adjustment Dispute Notice in compliance with Section 3.2(c) and Seller and Buyer are unable to reach a resolution with respect to all disputed items within thirty (30) days of delivery of the Adjustment Dispute Notice, Seller and Buyer will submit any items remaining in dispute for determination and resolution to the Independent Accounting Firm. The Independent Accounting Firm will be instructed to determine and resolve any such remaining disputed items in accordance with the accounting principles used in the preparation of the Division Balance Sheets and Division Income Statements, as appropriate depending on the item at issue, and report to the Parties, within thirty (30) days after such submission, of the Independent Accounting Firm's determination and resolution. The report of the Independent Accounting Firm will be final, binding, and conclusive on the Parties for all purposes. The fees and disbursements of the Independent Accounting Firm will be allocated between Seller and Buyer so that Buyer's share of such fees and disbursements will be in the same proportion that the aggregate amount of any such remaining disputed items so submitted to the Independent Accounting Firm that is unsuccessfully disputed by Buyer (as finally determined by the Independent Accounting Firm) bears to the total amount of such disputed amounts initially submitted to the Independent Accounting Firm.

(e) Within five (5) days following the final determination of the Purchase Price pursuant to Section 3.2(c) or Section 3.2(d) (as so determined, the " Final Purchase Price "), (i) if the Final Purchase Price is greater than the Closing Payment Amount, Buyer will pay the difference to Seller; or (ii) if the Final Purchase Price is less than the Closing Payment Amount, Seller will pay the difference to Buyer. Any amount paid under this Section 3.2(e) will be paid with interest for the period commencing on the Closing Date through the date of payment, calculated at the Prime Rate in effect on the Closing Date. Any amount paid under this Section 3.2(e) shall be paid in cash by wire transfer of immediately available funds to the account specified by the Party receiving payment. Neither the determination of the Final Purchase Price nor any payment thereof shall be deemed to waive or limit in any respect any representation or warranty or rights in respect thereof under this Agreement.

Section 3.3 Allocation of Purchase Price . The sum of the Purchase Price and the Assumed Obligations will be allocated among the Purchased Assets on a basis consistent with section 1060 of the Code and the Treasury Regulations thereunder. The Parties will work together in good faith to agree upon such allocation in conjunction with the determination of the Final Purchase Price. In the event that such agreement has not been reached within thirty (30) days following the determination of the Final Purchase Price, the allocation will be determined by the Independent Accounting Firm, and such determination will be binding on the Parties. Each Party will pay one-half of the fees and expenses of the Independent Accounting Firm in connection with such determination. Each Party will report the transactions contemplated by this Agreement for federal Income Tax and all other Tax purposes in a manner consistent with such allocation. Each Party will provide the other promptly with any other information required to complete Form 8594 under the Code. Each Party will notify the other, and will provide the other with reasonably requested cooperation, in the event of an examination, audit, or other proceeding regarding the allocations provided for in this Section 3.3.

Section 3.4 Prorations .

(a) For purposes of determining the Purchase Price, personal property and real property Taxes, fees with respect to any Transferable Permits, rents under any leases of real or personal property, or other similar expenses, that are not due or assessed until after the Effective Time but which are attributable in whole or in part to any period commencing prior to the Effective Time, and any other amounts that by the terms of this Agreement are to be allocated between the Parties, will be prorated as of the Effective Time, with Seller liable to the extent such items relate to any period prior to the Effective Time, and Buyer liable to the extent such items relate to any period from and after the Effective Time. If the actual amounts to be prorated are not known, Seller shall include an itemized estimate in the Post-Closing Adjustment Statement based upon the most recent available rates, assessments, valuations, or other data, and the Parties shall adjust the amounts paid at the Closing to reflect such prorations. Any prorations shall be made so as to avoid duplication of any amounts, and will be adjusted to properly take into account any amounts thereof used in determining the Purchase Price.

(b) The proration of all items under this Section 3.4 will be recalculated by Buyer within a reasonable period of time following the date upon which the actual amounts become available to Buyer. Buyer will notify Seller of such recalculated amounts, and will provide Seller with all documentation relating to such recalculations, including tax statements and other notices from third parties. The Parties will make such payments to each other as are necessary to reconcile any estimated amounts prorated as of the Effective Time with the final amounts to be prorated. Seller and Buyer agree to furnish each other with such documents and other records as may be reasonably requested in order to confirm all proration calculations made pursuant to this Section 3.4.

Section 3.5 Unbilled Revenues . On and prior to the Closing Date, Seller shall read all customer meters in their normal cycle and in due course render the related bills to its customers served by the Business. Seller shall also read each daily read transportation customer meter (collectively, the " Large Volume Meters ") on the day immediately preceding the Closing Date. Seller shall provide Buyer with the last meter reading from each of the Large Volume Meters made on the day immediately preceding the Closing Date as soon as practicable after the Closing Date. After the Closing Date, Buyer shall read the customer meters for their first time, in the normal cycle, and in due course render bills for service during the period between Seller's last reading in the normal cycle and Buyer's first reading in the normal cycle to the customers served by the Business. Buyer shall determine the volume of gas sold by Seller prior to the Closing Date through Large Volume Meters by Seller's meter readings on the day immediately preceding the Closing Date. Buyer shall determine by allocation the volumes of gas sold through all meters other than Large Volume Meters, by Seller prior to the Closing Date, and by Buyer on and after the Closing Date and prior to its first meter reading, through meters without charts. Such allocation shall be consistent with Seller's past practices for unbilled revenues. The receivables related to the volume of gas allocable to Seller under this Section 3.5 but not yet billed to customers served by the Business shall be defined as " Unbilled Revenues ." " Billed Revenues " shall mean all outstanding bills to customers served by the Business that have not been paid as of the Closing Date less (i) any offset that results from the difference between installment payments and gas consumed and (ii) allowance for bad debt, which shall be calculated consistent with Seller's past practices.

ARTICLE IV
THE CLOSING

Section 4.1 Time and Place of Closing . Upon the terms and subject to the satisfaction of the conditions contained in Article VIII of this Agreement, the closing of the purchase and sale of the Purchased Assets and assumption of the Assumed Obligations (the " Closing ") will take place at the offices of Seller in Dallas, Texas, beginning at 10:00 A.M. (Central time) on the first Business Day of the calendar month following the calendar month during which the conditions set forth in Article VIII (other than conditions to be satisfied by deliveries at the Closing) have been satisfied or waived, or at such other place or time as the Parties may agree. The date on which the Closing occurs is referred to herein as the " Closing Date ." The purchase and sale of the Purchased Assets and assumption of the Assumed Obligations will be effective as of 12:01 A.M. (Central time) on the Closing Date (the " Effective Time ").

Section 4.2 Closing Payment. At the Closing, Buyer will pay or cause to be paid to Seller the Closing Payment Amount, by wire transfer of immediately available funds or by such other means as may be agreed upon by Seller and Buyer.

Section 4.3 Seller's Closing Deliveries. At or prior to the Closing, Seller will deliver the following to Buyer:

(a) the certificate contemplated by Section 8.2(d);

(b) the Bills of Sale, duly executed by Seller and Building Seller, as applicable;

(c) one or more deeds of conveyance of the parcels of Real Property with respect to which Seller (or, in the case of the Additional Real Property, Building Seller) holds fee interests, substantially in the form of the Limited Warranty Deed, duly executed and acknowledged by Seller or Building Seller, as applicable, and in recordable form;

(d) one or more instruments of assignment or conveyance, substantially in the form of the Assignments of Easements, as are necessary to transfer the Easements, duly executed and acknowledged by Seller and in recordable form;

(e) all such other instruments of assignment or conveyance as are reasonably requested by Buyer in connection with the transfer of the Purchased Assets to Buyer in accordance with this Agreement;

(f) all consents, waivers or approvals obtained by Seller from third parties in connection with this Agreement;

(g) terminations or releases of all Encumbrances, other than Permitted Encumbrances, on the Purchased Assets; and

(h) such other agreements, documents, instruments, and writings as are required to be delivered by Seller on or prior to the Closing Date pursuant to this Agreement.

Section 4.4 Buyer's Closing Deliveries. At or prior to the Closing, Buyer will deliver the following to Seller:

(a) the certificate contemplated by Section 8.3(c);

(b) the Bills of Sale, duly executed by Buyer;

(c) all such other documents, instruments, and undertakings as are reasonably requested by Seller in connection with the assumption by Buyer of the Assumed Obligations in accordance with this Agreement;

(d) all consents, waivers, or approvals obtained by Buyer from third parties in connection with this Agreement; and

(e) such other agreements, documents, instruments and writings as are required to be delivered by Buyer on or prior to the Closing Date pursuant to this Agreement.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF SELLER

Except as set forth in the Seller Disclosure Schedules, Seller hereby represents and warrants to Buyer, as of the date hereof and, except to the extent expressly made only as of an earlier date, as of the Closing (giving effect, solely for purposes of Article IX hereof, to any Schedule Update):

Section 5.1 Organization and Good Standing . Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of Texas and the Commonwealth of Virginia and has all requisite corporate power and authority to own, lease, and operate the Purchased Assets and to carry on the Business as presently conducted. Seller is duly qualified or licensed to do business as a foreign corporation and is in good standing in each jurisdiction in which the conduct of the Business, or the ownership or operation of any Purchased Assets, by Seller makes such qualification necessary, except, in each case, for any such failures that would not, individually or in the aggregate, have a Material Adverse Effect.

Section 5.2 Authority and Enforceability . Seller has all corporate power and authority necessary to execute and deliver, and to perform its obligations under, and, subject to the satisfaction of the closing conditions, to consummate the transactions contemplated by, this Agreement and the Ancillary Agreements. The execution, delivery and performance of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by the board of directors of Seller, and no other corporate proceedings on the part of Seller are necessary to authorize this Agreement or any Ancillary Agreement or to consummate the transactions contemplated hereby or thereby. This Agreement has been duly and validly executed and delivered by Seller, and constitutes a valid and binding agreement of Seller, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, or other similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity. At the Closing, each of the Ancillary Agreements to which Seller is contemplated to be a party will be duly and validly executed and delivered by Seller and will constitute a valid and binding agreement of Seller, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, or other similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity.

Section 5.3 No Conflicts; Consents . Except as set forth on Schedule 5.3 , neither the execution, delivery and performance by Seller of this Agreement or any Ancillary Agreement, nor the consummation of the transactions contemplated hereby or thereby, will:

(a) violate or conflict with any of Seller's Governing Documents;

(b) violate any Law or Order applicable to Seller or any of the Purchased Assets, except for any such violations of Law or Order that would not have a Material Adverse Effect or that arise as a result of any facts or circumstances relating to Buyer or any of its Affiliates;

(c) other than the Seller Required Regulatory Approvals and, to the extent provided in Section 7.1(g), the LNG Facility Regulatory Determination, require any declaration, filing, or registration by Seller or any of its Affiliates with, or notice by Seller or any of its Affiliates to, or authorization, consent, or approval with respect to Seller or any of its Affiliates of, any Governmental Entity, except for any such declarations, filings, registrations, notices, authorizations, consents, or approvals (i) the failure of which to obtain or make would not have a Material Adverse Effect or (ii) that arise as a result of any facts or circumstances relating to Buyer or any of its Affiliates; or

(d) violate, conflict with, result in a breach of, require any consent or approval of, or (with or without notice or lapse of time or both) constitute a default, give rise to any right of modification, acceleration, payment, cancellation or termination, or result in the creation or imposition of any Encumbrance upon any of the Purchased Assets (i) under or pursuant to any Business Agreement, Permit, Environmental Permit, or any other loan agreement, note, bond, mortgage, indenture, or other material instrument or agreement to which Seller or any of its Affiliates is a party or by which Seller or any of its Affiliates or any of the Purchased Assets may be bound, except for any such violations, conflicts, breaches, consents, approvals, defaults or other occurrences that would not have a Material Adverse Effect or that arise as a result of any facts or circumstances relating to Buyer or any of its Affiliates, or (ii) under or pursuant to any Material Contract.

Section 5.4 Governmental Filings . Except as set forth on Schedule 5.4 , since October 1, 2009, Seller has filed or caused to be filed with the Applicable Commission and FERC all material forms, statements, reports, and documents (including all exhibits, amendments, and supplements thereto) required by Law or Order to be filed by Seller with the Applicable Commission or FERC with respect to the Business, the Purchased Assets, or the Assumed Obligations. As of the respective dates on which such forms, statements, reports, and documents were filed (but giving effect to any subsequent amendment thereof prior to the date hereof), each complied in all material respects with all requirements of any Law or Order applicable thereto in effect on such date and were true and correct in all material respects.

Section 5.5 Financial Information .

(a) Schedule 5.5(a) sets forth the balance sheet of the Business (including the LNG Facility) as of September 30, 2011 (the " Division Balance Sheets ") and the income statements for the Business (including the LNG Facility) for the 12-month period ended September 30, 2011, and the nine-month period ended June 30, 2012 (the " Division Income Statements "). The Division Balance Sheets and the Division Income Statements were prepared in accordance with principles used in the preparation of the financial statements of the applicable state-specific division in connection with the submission of such financial statements to the Applicable Commission (except that with respect to the interim financial statements, certain items that are not customarily allocated by Seller at the state level, such as income taxes and long-term debt, are excluded), and fairly present, in all material respects, the financial condition and results of operation of the Business (including the LNG Facility) as of the dates thereof or for the periods covered thereby.

(b) Except as set forth on Schedule 5.5(b) , neither Seller nor any of its Affiliates has any indebtedness or liability, absolute or contingent, related to the Purchased Assets or the Business of a nature required by GAAP to be reflected in a balance sheet relating solely to the Business, other than liabilities, obligations or contingencies (i) that are accrued or reserved against in the Division Balance Sheets, (ii) that were incurred in the ordinary course of business since September 30, 2011, or (iii) that would not have, individually or in the aggregate, a Material Adverse Effect.

(c) Appendix B fairly presents, as if the Effective Time were June 30, 2012, the assets and liabilities required to be included in the calculation of the Adjustment Amount pursuant to Appendix A (assuming, solely for purposes of this hypothetical calculation, that the Retiree Plan Assumptions are as set forth on Schedule 7.10(f)), and such assets and liabilities are of a nature reasonably believed by Seller to be includable in or required to be credited against rate base or amounts otherwise recoverable through the rates and tariffs of the Business pursuant to, and are calculated in accordance with, the rules and standards of the Applicable Commissions prevailing as of the date thereof.

Section 5.6 Changes . Except as set forth on Schedule 5.6 , since September 30, 2011, the Business has been operated, in all material respects, in the ordinary course of business consistent with past practice (except as otherwise contemplated by this Agreement), and no change or event has occurred which, either individually or in the aggregate, has resulted or, with the passage of time, would result in a Material Adverse Effect.

Section 5.7 Scope of Purchased Assets . The Purchased Assets include no assets other than those used in the operation of the Business as currently conducted by Seller and, together with the Excluded Assets identified in subsections (a) through (o) of Section 2.2 and Buyer's rights under this Agreement and the Ancillary Agreements, constitute all of the material assets required by Seller for the conduct of the Business in substantially the same manner as currently conducted by Seller. Except as otherwise described in Section 2.1A, no Affiliate of Seller holds any interest in or otherwise has any rights with respect to any of the Purchased Assets.

Section 5.8 Title . Upon consummation of the transactions contemplated by this Agreement and receipt of all consents and approvals disclosed on Schedule 5.3 , Seller (or, in the case of the Additional Real Property, Building Seller) will have assigned, transferred and conveyed to Buyer good and transferable title to the Purchased Assets, free and clear of all Encumbrances (other than Permitted Encumbrances).

Section 5.9 Material Contracts .

(a) Schedule 5.9(a) lists all of the following Business Agreements (the " Material Contracts "):

(i) each agreement, ordinance, or other grant of any municipal, town or county franchise relating to the Business (the " Franchises "), except for such Franchises, the absence of which would not, individually or in the aggregate, have a Material Adverse Effect;

(ii) all agreements between Seller and any of its Affiliates with respect to the Business, Purchased Assets or Assumed Obligations, including all such agreements for the provision of any commodities, goods, or services;

(iii) all agreements between Seller and one or more Business Employees that provides for (A) employment other than on an at-will basis, (B) bonus or incentive compensation, or (C) any retention, severance or change of control payment;

(iv) all collective bargaining agreements or other agreements with any labor union, employees' association or other employee representative of a group of Business Employees (" Collective Bargaining Agreements ");

(v) all leases, subleases, licenses or other agreements by which any right to use or occupy any interest in real property is granted by or to Seller, except for such leases, subleases, licenses or other agreements, the existence or absence of which would not, individually or in the aggregate, have a Material Adverse Effect and that do not individually involve expenditures in excess of $150,000 in any year;

(vi) all agreements that individually involve expenditures (whether by or to Seller) in excess of $150,000 in any year;

(vii) all agreements for or relating to Indebtedness, or pursuant to which any Encumbrance is granted in or to any of the Purchased Assets;

(viii) all agreements providing for the extension of credit by Seller, other than (A) the extension of credit to vendors in the ordinary course of business consistent with past practice, and (B) normal employee advances and other customary extensions of credit in the ordinary course that are not material in amount;

(ix) all agreements granting to any Person any right or option to purchase or otherwise acquire any of the Purchased Assets, including rights of first option, rights of first refusal, or other preferential purchase rights;

(x) all agreements restricting the right of Seller to compete with any Person or in any line of business or geographic area; and

(xi) all partnership, joint venture and joint ownership agreements, and all similar material agreements (however named) involving a sharing of assets, profits, losses, costs or liabilities.

(b) Seller has made available to Buyer copies of all Material Contracts, together with all amendments, waivers, or other changes thereto, which are correct and complete in all material respects. Except as set forth on Schedule 5.9(b), (i) each Material Contract is a valid and binding obligation of Seller, enforceable against it in accordance with its terms, and, to Seller's Knowledge, is a valid and binding obligation of each other party thereto, enforceable against it in accordance with its terms, in each case except as the same may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to creditors' rights generally, and (ii) neither Seller nor, to Seller's Knowledge, any other party thereto is (or, upon the passage of time or the giving of notice, or both, would be) in material default under or breach of any Material Contract.

(c) All agreements entered into or otherwise utilized by Seller for the purchase, supply, transmission, transportation, storage and delivery of natural gas or other energy commodities, or for the management of price or other risks associated therewith, in each case that relate principally to the Business, have been approved by or otherwise satisfy all requirements of the Applicable Commissions.

(d) Seller has all Franchises and other rights required under applicable Law to provide natural gas distribution service to retail distribution customers located within the Territory, except for such Franchises, the absence of which would not, individually or in the aggregate, have a Material Adverse Effect.

(e) Schedule 5.9(e) sets forth a list of each contact and agreement, other than Business Agreements to be assigned to Buyer hereunder, under which expenditures allocable to the Business exceed $250,000 in any year or that is otherwise material to the operation of the Business.

Section 5.10 Legal Proceedings. Except as set forth on Schedule 5.10, there are no pending or, to Seller's Knowledge threatened, material Claims relating to the Business, the Purchased Assets, or the Assumed Obligations.

Section 5.11 Compliance with Law; Orders; Permits.

(a) Except as set forth on Schedule 5.11(a), Seller (and, with respect to the Additional Real Property, Building Seller) is, and to Seller's Knowledge at all times since October 1, 2009 has been, in compliance with all Laws, Orders and Permits applicable to the Purchased Assets or the Business, except for violations which would not, individually or in the aggregate, have a Material Adverse Effect.

(b) Except for Regulatory Orders of general applicability or as set forth on Schedule 5.11(b), Seller is not subject to any outstanding Orders that would reasonably be expected to impose any material restriction or materially burdensome requirement on the Purchased Assets or the Business following the Closing.

(c) Except as set forth on Schedule 5.11(c), Seller (and, with respect to the Additional Real Property, Building Seller) possesses all Permits necessary to own and operate the Business and the Purchased Assets as currently operated, all of such Permits are in full force and effect, and no appeal or other proceeding is pending or, to Seller's Knowledge, threatened to revoke any such Permits, except where the failure to have such Permit, such failure to be in effect, or such appeals or proceedings would not, individually or in the aggregate, have a Material Adverse Effect.

Section 5.12 Environmental Matters. The representations and warranties contained in this Section 5.12 are the only representations and warranties being made with respect to compliance with or liability under Environmental Laws or with respect to any environmental, health or safety matter related to the Business, the Purchased Assets or Seller's ownership or operation thereof. Except as would not, individually or in the aggregate, have a Material Adverse Effect:

(a) To Seller's Knowledge, no Environmental Permits are necessary for Seller (or, with respect to the Additional Real Property, Building Seller) to operate the Business as it is currently being operated, and to Seller's Knowledge, the Purchased Assets, the Business, and Seller (with respect to the Purchased Assets and the Business) and Building Seller (with respect to the Additional Real Property) are and, at all times since October 1, 2009 have been, in compliance in all material respects with the requirements of all Environmental Laws.

(b) Except as set forth on Schedule 5.12(b), neither Seller nor any Affiliate of Seller has, since October 1, 2009, entered into or been subject to any consent decree or agreement, been subject to any Order, or received any written notice, report, or other information regarding any actual or alleged violation of Environmental Laws or any liabilities or potential liabilities, including any investigatory, remedial, or corrective obligations, arising under Environmental Laws, in each case relating to the ownership or operation of the Business or the Purchased Assets.

(c) Except as set forth on Schedule 5.12(c), (i) to Seller's Knowledge there is and has been no Release from, in, on, or beneath any of the Real Property that could form a basis for an Environmental Claim, and (ii) there are no written Environmental Claims pending or, to Seller's Knowledge, threatened that relate to the Purchased Assets or the Business or, to Seller's Knowledge, that relate to any property or assets previously used in connection with the ownership or operation of the Business or Purchased Assets.

Section 5.13 Taxes . Except as set forth on Schedule 5.13 :

(a) All Tax Returns relating to the Business or the Purchased Assets required to be filed by or on behalf of Seller (and, with respect to the Additional Real Property, Building Seller) have been filed in a timely manner, and all Taxes required to be shown on such Tax Returns have been paid in full. There are no audits or other examinations pending or, to Seller's Knowledge, threatened relating to any Taxes relating to the Business or the Purchased Assets. Neither Seller nor, with respect to the Additional Real Property, Building Seller has granted any waiver of any statute of limitations regarding, or any extension of any period for the assessment of, any Tax relating to the Business or the Purchased Assets.

(b) Seller has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee or independent contractor of the Business, and all forms W-2 and 1099 required with respect thereto have been properly completed and timely filed.

(c) Neither Seller nor, with respect to the Additional Real Property, Building Seller is a party to any Tax allocation or sharing agreement relating to the Business or the Purchased Assets.

Section 5.14 Labor Matters . Except to the extent set forth on Schedule 5.14 : (i) Seller is, and at all times since October 1, 2009 has been, in material compliance with all Laws applicable to the Business Employees respecting employment and employment practices, terms and conditions of employment, and wages and hours; (ii) Seller has not received written notice of any unfair labor practice complaint against Seller pending before the National Labor Relations Board with respect to any of the Business Employees; (iii) Seller has not received notice that any representation petition respecting the Business Employees has been filed with the National Labor Relations Board; (iv) Seller is in material compliance with its obligations under any applicable Collective Bargaining Agreements; (v) no arbitration proceeding arising out of or under any Collective Bargaining Agreement is pending or, to Seller's Knowledge, threatened against Seller; and (vi) there is no labor strike, slowdown, work stoppage, or lockout actually pending or, to Seller's Knowledge, threatened involving the Business Employees.

Section 5.15 Employee Benefits .

(a) Schedule 5.15(a) lists each employee benefit plan (as such term is defined in section 3(3) of ERISA) and each other plan, program, or arrangement providing benefits to employees that is maintained by, contributed to, or required to be contributed to by Seller or any of its ERISA Affiliates as of the date hereof on account of current Business Employees or persons who have retired or may retire from the Business (each, a " Benefit Plan ").

(b) With respect to each Benefit Plan, Seller has made available to Buyer copies of each of the following documents: (i) each Benefit Plan (including all amendments thereto); (ii) the annual report and actuarial report, if required under ERISA or the Code, with respect to each such Benefit Plan for the last plan year ending

prior to the date hereof; (iii) the most recent summary plan description, together with each summary of material modifications, if required under ERISA, with respect to such Benefit Plan; and (iv) the most recent determination letter received from the United States Internal Revenue Service with respect to each Benefit Plan that is intended to be qualified under Section 401(a) of the Code.

(c) Except as set forth on Schedule 5.15(c) :

(i) Each Benefit Plan that is intended to be qualified under section 401(a) of the Code has received a determination from the Internal Revenue Service that such Benefit Plan is so qualified, and each trust that is intended to be exempt under section 501(a) of the Code has received a determination letter that such trust is so exempt. Nothing has occurred since the date of such determination that would be reasonably expected to materially adversely affect the qualified or exempt status of such Benefit Plan or trust, nor will the consummation of the transactions provided for by this Agreement have any such effect.

(ii) Each Benefit Plan has been maintained, funded, and administered in material compliance with its terms and the terms of any applicable Collective Bargaining Agreements, and in material compliance with all applicable Laws, including ERISA and the Code. There are no pending or, to Seller's Knowledge, threatened claims by or on behalf of any of the Benefit Plans, by any Business Employee or any beneficiary thereof covered under any such Benefit Plan or otherwise involving any such Benefit Plan (other than routine claims for benefits) that would result in liability to Buyer.

(iii) Seller has no obligation to provide post-retirement health or life insurance coverage other than as required under Section 4980B of the Code. Except for any obligation to provide post-retirement benefits under any Collective Bargaining Agreement, Seller has the right, at any time and without liability, to amend or terminate post-retirement medical and life benefits, and to adjust premiums or cost-sharing provisions. No written or otherwise binding representation has been made to any Business Employees promising continuation of life, medical or dental coverage beyond the Continuation Period or the existing term of any Collective Bargaining Agreement, as applicable.

(iv) No liability under Title IV or section 302 of ERISA has been incurred by Seller or any ERISA Affiliate that has not been satisfied in full. Any Benefit Plan subject to Title IV of ERISA or any trust established thereunder has satisfied the minimum funding standards of Section 412 of the Code and Section 302 of ERISA, whether or not waived, as of the last day of the most recent fiscal year of each such Benefit Plan ended prior to the Closing Date. There has been no "reportable event" (as such term is defined in Section 4043(c) of ERISA) in connection with any Benefit Plan other than reportable events for which notice is waived under applicable regulations. No Benefit Plan subject to Title IV of ERISA is a "multiemployer pension plan," nor is any Benefit Plan subject to Title IV of ERISA a plan described in section 4063(a) of ERISA.

(v) All contributions required by Law to be made to the Benefit Plans for all periods ending prior to the Closing Date will be paid by Seller to the Benefit Plans within the time required by Law.

(d) Except as set forth on Schedule 5.15(d) or as otherwise expressly provided for in Section 7.10, the consummation of the transactions contemplated hereby will not accelerate the vesting or the time of payment, or increase the amount, of any compensation or benefits of any Business Employee.

Section 5.16 Insurance. The Purchased Assets are insured with reputable insurers in such amounts and against such risks and losses as are customary in the gas utility industry, and neither Seller nor, with respect to the Additional Real Property, Building Seller has received any written notice of cancellation or termination with respect to any material insurance policy of Seller or Building Seller providing coverage in respect of the Purchased Assets.

Section 5.17 Brokers and Finders. No broker, finder, or other Person is entitled to any brokerage fees, commissions, or finder's fees for which Buyer could become liable or obligated in connection with the transactions contemplated hereby by reason of any action taken by Seller or any of its Affiliates.

Section 5.18 Exclusivity of Representations and Warranties. Neither Seller nor any of its Affiliates or Seller's Representatives is making any representation or warranty of any kind or nature whatsoever, oral or written, express or implied (including, but not limited to, any relating to financial condition or results of operations of the Business or maintenance, repair, condition, design, performance, value, merchantability or fitness for any particular purpose of the Purchased Assets), except as expressly set forth in this Article V and the Seller Disclosure Schedules, and Seller hereby disclaims any such other representations or warranties.

ARTICLE VI
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller, as of the date hereof and, except to the extent expressly made only as of an earlier date, as of the Closing:

Section 6.1 Organization and Good Standing. Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the State of Georgia and has all requisite corporate power and authority to own its assets and to carry on its business as presently conducted. As of the Closing, Buyer will be duly qualified or licensed to do business as a foreign corporation and is in good standing in each jurisdiction in which the conduct of the Business, or the ownership or operation of any of the Purchased Assets, by Buyer makes such qualification necessary, except, in each case, for any such failures that would not, individually or in the aggregate, have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis.

Section 6.2 Authority and Enforceability . Buyer has all corporate power and authority necessary to execute and deliver, and to perform its obligations under, and, subject to the satisfaction of the closing conditions, to consummate the transactions contemplated by, this Agreement and the Ancillary Agreements. The execution, delivery and performance of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by the board of directors of Buyer, and no other corporate proceedings on the part of Buyer are necessary to authorize this Agreement or any Ancillary Agreement or to consummate the transactions contemplated hereby or thereby. This Agreement has been duly and validly executed and delivered by Buyer, and constitutes a valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, or other similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity. At the Closing, each Ancillary Agreement to which Buyer is contemplated to be a party will be duly and validly executed and delivered by Buyer and will constitute a valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, or other similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity.

Section 6.3 No Conflicts; Consents . Neither the execution, delivery and performance by Buyer of this Agreement or any Ancillary Agreement, nor the consummation of the transactions contemplated hereby or thereby, will:

(a) violate or conflict with any of Buyer's Governing Documents;

(b) violate any Law or Order applicable to Buyer, except for any such violations that would not have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis or arise as a result of any facts or circumstances relating to Seller or its Affiliates;

(c) other than the Buyer Required Regulatory Approvals and, to the extent provided in Section 7.1(g), the LNG Facility Regulatory Determination, require any declaration, filing, or registration by Buyer or any of its Affiliates with, or notice by Buyer or any of its Affiliates to, or authorization, consent, or approval with respect to Buyer or any of its Affiliates of, any Governmental Entity, except for any such declarations, filings, registrations, notices, authorizations, consents, or approvals (i) the failure of which to obtain or make would not have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis or (ii) that arise as a result of any facts or circumstances relating to Seller or its Affiliates; or

(d) violate, conflict with, result in a breach of, require any consent or approval of, or (with or without notice or lapse of time or both) constitute a default, give rise to any right of modification, acceleration, payment, cancellation or termination under or pursuant to any loan agreement, note, bond, mortgage, indenture, or other material instrument or agreement to which Buyer or its Affiliates is a party or by which

Buyer or any of its Affiliates or any of their assets may be bound, except for any such violations, conflicts, breaches, consents, approvals, defaults or other occurrences that would not have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis or arise as a result of any facts or circumstances relating to Seller or its Affiliates.

Section 6.4 Financial Capability . Buyer (a) will have at the Closing sufficient funds available to pay the Purchase Price and any fees, costs and expenses incurred by Buyer in connection with the transactions contemplated by this Agreement; (b) has, and at the Closing will have, the resources and capabilities (financial or otherwise) to perform its other obligations hereunder; and (c) has not incurred, and prior to the Closing will not incur, any obligation, commitment, restriction, or liability of any kind which would impair or adversely affect such resources and capabilities. Notwithstanding anything to the contrary contained herein, the Parties acknowledge and agree that it shall not be a condition to the obligations of Buyer to consummate the transactions contemplated hereby that Buyer have sufficient funds for payment of the Purchase Price.

Section 6.5 Brokers and Finders . No broker, finder, or other Person is entitled to any brokerage fees, commissions, or finder's fees for which Seller or its Affiliate could become liable or obligated in connection with the transactions contemplated hereby by reason of any action taken by Buyer or any of its Affiliates.

Section 6.6 Legal Proceedings . There are no pending or, to Buyer's knowledge, threatened Claims that would, individually or in the aggregate, have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis.

Section 6.7 Regulation as a Utility . Buyer is not subject to regulation as a public utility or public service company (or similar designation) by the United States, any state of the United States, any foreign country or any municipality or any political subdivision of the foregoing.

Section 6.8 Investigation by Buyer; No Knowledge of Breach . Buyer has performed all due diligence that it has deemed necessary to perform concerning the Business, the Purchased Assets, and the Assumed Obligations in connection with its decision to enter into this Agreement and the Ancillary Agreements and to consummate the transactions contemplated hereby and thereby and acknowledges that Buyer and Buyer's Representatives have been provided access to the personnel, properties, premises and records of Seller for such purpose. In entering into this Agreement, Buyer has relied solely upon its own investigation and analysis, and Buyer:

(a) acknowledges that none of Seller or any of its Affiliates or any of Seller's Representatives makes or has made any representation or warranty, either express or implied, as to the accuracy or completeness of any of the information provided or made available to Buyer or Buyer's Representatives, except that the foregoing limitations shall not apply with respect to Seller to the specific representations and warranties set forth in Article V of this Agreement, but always subject to the limitations and restrictions contained herein;

(b) agrees, to the fullest extent permitted by applicable Law, that none of Seller or any of its Affiliates or any of Seller's Representatives shall have any liability or responsibility whatsoever to Buyer on any basis based upon any information provided or made available, or statements made, to Buyer or Buyer's Representatives (including any forecasts or projected information), except that the foregoing limitations shall not apply with respect to Seller to the extent Seller has liability for indemnification pursuant to Article IX for the breach of the specific representations and warranties set forth in Article V of this Agreement, but always subject to the limitations and restrictions contained herein;

(c) acknowledges that, except as expressly set forth in this Agreement, there are no representations or warranties of any kind, express or implied, with respect to the Business, the Purchased Assets or the Assumed Obligations; and

(d) without making specific inquiry into any matter, represents that Buyer has no actual knowledge as of the date hereof of a breach of or inaccuracy in any representation, warranty, covenant or agreement contained in this Agreement.

ARTICLE VII
COVENANTS OF THE PARTIES

Section 7.1 Conduct of the Business .

(a) Except (i) as contemplated in this Agreement or required by applicable Law or Order; (ii) for actions approved by Buyer in writing (which approval shall not be unreasonably withheld, conditioned, or delayed); (iii) in connection with necessary repairs due to breakdown or casualty, or other actions taken in response to a business emergency or other unforeseen operational matters; or (iv) as otherwise described on Schedule 7.1 , during the period from the date of this Agreement to the Effective Time, Seller will (and, with respect to the Additional Real Property, will cause Building Seller to) operate the Purchased Assets and the Business in the ordinary course consistent with its past practice and will use commercially reasonable efforts to preserve intact the Business, and to preserve the goodwill and relationships with customers, suppliers, and others having business dealings with the Business and will not (and, with respect to the Additional Real Property, will cause Building Seller not to), without the prior written consent of Buyer:

(i) create, incur, assume, or suffer to exist any Encumbrance upon the Purchased Assets, except for Permitted Encumbrances;

(ii) except as set forth in Section 7.1(g), sell, lease (as lessor), transfer, or otherwise dispose of any of the Purchased Assets, other than (A) the use or sale of inventory in the ordinary course of business, or (B) the disposal of Purchased Assets having an aggregate value of less than $250,000 or that are no longer useful in the Business;

(iii) make any material change in the levels of Inventory customarily maintained by Seller with respect to the Business;

(iv) assign, relinquish any material rights under, or amend in any material respect any of the Material Contracts;

(v) increase or decrease the number of, fail to use commercially reasonable efforts to fill, or transfer any employees from, the positions of employment in which Business Employees are employed;

(vi) enter into, adopt, or amend in any material respect any agreement with one or more Business Employees, or take any action to affect a material change in any Collective Bargaining Agreement;

(vii) grant any increase in the compensation of, or grant any bonus or retention or severance pay to, Business Employees, except (A) for increases in compensation and bonuses in the ordinary course of business and consistent with past practice, (B) for bonuses and retention and severance pay that will be fully paid by Seller, and (C) to the extent required pursuant to the terms of any Collective Bargaining Agreement existing on the date hereof; provided, in each case, that Seller informs Buyer prior thereto; or

(viii) agree or commit to take any action which would be a violation of the restrictions set forth in this Section 7.1(a).

(b) Seller shall reasonably consult with Buyer prior to entering into any Business Agreement that, if existing as of the date hereof, would be required to be set forth on Schedule 5.9(a) as a Material Contract, and shall promptly provide to Buyer a copy of any such agreement. Schedule 5.9(a) shall be deemed supplemented to include such agreement if (i) Buyer consents in writing thereto (which consent shall not be unreasonably withheld, conditioned, or delayed), or (ii) such agreement is an agreement for the provision of commodities, goods or services by any third party (other than an Affiliate) entered into in the ordinary course of business consistent with past practice that may be terminated by Buyer, without penalty, on no more than ninety (90) days prior written notice following the Closing. Such Business Agreements shall otherwise constitute Retained Agreements, notwithstanding any other provision of this Agreement, and the failure of such Business Agreements to be set forth on Schedule 5.9(a) shall not constitute a breach by Seller of any representation or warranty in this Agreement.

(c) During the period from the date hereof through the Closing, Seller shall make reasonable and prudent capital investment in the distribution assets of the Business materially in accordance with its existing capital investment program described on Schedule 7.1(c), and as otherwise required by Law.

(d) Seller shall keep Buyer apprised of, and regularly consult with Buyer concerning, the matters known to Seller that Seller reasonably expects to result in a significant increase in operating expenses and/or a significant decrease in revenue for the Business or to otherwise materially affect the Business, the Purchased Assets, or the Assumed Obligations.

(e) Within five (5) Business Days after the date hereof, a committee comprised of one or more persons designated by Seller and one or more persons designated by Buyer (collectively, the " Transition Committee ") will be established to examine transition issues relating to or arising in connection with plans for integration of the Business, the Purchased Assets or the Assumed Obligations upon the Closing or other matters that either Seller or Buyer believes are reasonably likely to significantly affect the Business, the Purchased Assets or the Assumed Obligations following the Closing. The Transition Committee shall meet on a regular basis to (i) review current Business procedures; (ii) develop a specific implementation plan to ensure the continued processing of all regular business transactions and assist in the migration of files and data upon the Closing; and (iii) coordinate the preparation and filing of all applications and other materials required to obtain the Required Regulatory Approvals. Without limiting the obligations of the Parties set out hereunder, it is intended that Seller and Buyer each will, through the Transition Committee, keep the other apprised of the status of matters relating to completion of the transactions contemplated hereby. Members of the Transition Committee shall have no authority to bind either Party and shall not make or commit to make any concessions, agreements or other undertakings with or to any Governmental Entity or other Person.

(f) The Parties shall cooperate in the planning and preparation for, and the implementation of, the transition to Buyer of data, files, knowledge, functions and responsibilities relating to the operation of the Business, as necessary for the commencement and continuance by Buyer, without interruption, of the conduct of the Business, operation of the Purchased Assets, and performance of the Assumed Obligations upon the Closing. In addition to the foregoing, each Party agrees to use commercially reasonable efforts to comply with such conditions as may be required by any Applicable Commission with regard to the transition to Buyer of the operations of the Business, provided that the foregoing shall not limit the rights of the Parties under Section 7.7(c) and Article VIII with regard to any Burdensome Condition.

(g) (i) Prior to the Closing, Seller shall have the right to market for sale and sell the LNG Facility to any Person, without the consent of Buyer, provided that Seller shall obtain, prior to any such sale of the LNG Facility, definitive guidance from the Applicable Commission regarding the rate and regulatory treatment of the sale (including any resulting Regulatory Liabilities) on the Business (the " LNG Facility Sale Determination ") and, provided further, that any such sale shall be completed in accordance with that certain Order Adopting Stipulation of the Georgia Public Service Commission dated September 20, 2011. Notwithstanding any other provision of this Agreement, (A) any agreement entered into by Seller for the sale of the LNG Facility that closes prior to the Closing shall be a Retained Agreement, and (B) upon the completion of any sale of the LNG Facility prior to the Closing by Seller in accordance with this Section 7.1(g), (x) the LNG Facility shall constitute an Excluded Asset, and (y) any and all liabilities (other than Regulatory Liabilities) in connection with or arising out of the ownership, operation, sale or transfer of the LNG Facility shall constitute Excluded Liabilities.

(ii) If a sale of the LNG Facility by Seller is not consummated prior to the Closing in accordance with this Section 7.1(g), Seller may elect, in its sole discretion, to treat the LNG Facility as an Excluded Asset for all purposes under this Agreement, provided that (A) Seller shall have obtained, prior to the Closing, definitive guidance from the Applicable Commission regarding the rate and regulatory treatment of such exclusion (including any resulting Regulatory Liabilities) on the Business (the " LNG Facility Exclusion Determination "), or (B) if an LNG Facility Exclusion Determination has not been obtained prior to Closing, Seller shall indemnify and hold harmless Buyer from and against any and all Regulatory Liabilities that are imposed on Buyer as a result of the treatment of the LNG Facility as an Excluded Asset, as if such Regulatory Liabilities were Excluded Liabilities hereunder. If pursuant to Seller's election the LNG Facility constitutes an Excluded Asset, any agreement entered into by Seller for the sale of the LNG Facility shall remain a Retained Agreement, and any and all liabilities (other than Regulatory Liabilities, subject to the foregoing clause (B)) in connection with or arising out of the ownership, operation, sale or transfer of the LNG Facility shall constitute Excluded Liabilities.

(iii) Seller shall not dispose of all or any part of the LNG Facility prior to the Closing other than in accordance with this Section 7.1(g) unless otherwise agreed by Buyer in writing. For the avoidance of doubt, the Parties acknowledge that (A) the net property, plant and equipment comprising the LNG Facility (the " LNG Facility PPE ") is not included in the Base Net PPE Amount and, therefore, that in the event of the sale or exclusion of the LNG Facility pursuant to this Section 7.1(g), no amount in respect of the LNG Facility PPE shall be deducted for purposes of determining the Net PPE Adjustment; and (B) any Regulatory Liabilities imposed by the Applicable Commission in connection with any such sale or exclusion shall be included in the determination of the Net Other Regulatory Amount (except as provided in Section 7.1(g)(ii)(B)). The Parties shall discuss and cooperate in good faith to permit the timely receipt of any LNG Facility Regulatory Determination required or desired in connection with any sale or exclusion of the LNG Facility pursuant to this Section 7.1(g).

(iv) If a sale of the LNG Facility by Seller is not consummated prior to the Closing in accordance with this Section 7.1(g), and Seller has not elected in accordance with this Section 7.1(g) to treat the LNG Facility as an Excluded Asset, the LNG Facility shall be a Purchased Asset for all purposes of this Agreement; provided, however, that notwithstanding any other provision of this Agreement to the contrary, in the event that the LNG Facility constitutes a Purchased Asset: (A) the amount of the LNG Facility PPE that shall be included in the Closing Net PPE Amount (and which, therefore, will serve to increase the Net PPE Adjustment) shall be equal to the net amount of the LNG Facility PPE that is included in rate base for ratemaking purposes as of the Closing; and (B) any agreement entered into by Seller for the sale of the LNG Facility shall remain a Retained Agreement unless Buyer and Seller have agreed in writing prior to Closing that such an agreement shall constitute a Purchased Asset and Assumed Obligation upon the Closing.

Section 7.2 Access .

(a) To the extent permitted by applicable Law, between the date of this Agreement and the Closing Date, Seller will, during ordinary business hours and upon reasonable notice, (i) give Buyer and Buyer's Representatives reasonable access to the Purchased Assets; (ii) permit Buyer to make such reasonable inspections thereof as Buyer may reasonably request; (iii) furnish Buyer with such financial and operating data and other information with respect to the Business as Buyer may from time to time reasonably request; and (iv) furnish Buyer with a copy of each material report, schedule, or other document principally relating to the Business filed or submitted by Seller with, or received by Seller from, any Governmental Entity; provided, however, that (A) any such investigation will be conducted in such a manner as not to interfere unreasonably with the operation of the Business or any other Person; (B) Seller shall not be required to take any action which would constitute or result in a waiver of the attorney-client privilege; and (C) Seller shall not be required to supply Buyer with any information which Seller is under a legal obligation not to supply. Buyer will indemnify and hold harmless Seller from and against any Losses incurred by Seller, its Affiliates or their Representatives by any action of Buyer or Buyer's representatives while present on any of the Purchased Assets or other premises to which Buyer is granted access hereunder (including restoring any such premises to the condition substantially equivalent to the condition such premises were in prior to any such investigation). Notwithstanding anything in this Section 7.2 to the contrary, (x) Buyer will not have access to personnel and medical records if such access could, in Seller's good faith judgment, subject Seller to risk of liability or otherwise violate the Health Insurance Portability and Accountability Act of 1996 and (y) any investigation of environmental matters by or on behalf of Buyer will be limited to visual inspections and site visits commonly included in the scope of "Phase 1" level environmental inspections, and Buyer will not have the right to perform or conduct any other sampling or testing at, in, on, or underneath any of the Purchased Assets.

(b) For a period of three (3) years after the Closing Date, each Party and its Representatives will have reasonable access to all of the books and records relating to the Business or the Purchased Assets, including all Transferred Employee Records, in the possession of the other Party, and to the employees of the other Party, to the extent that such access may reasonably be required by such Party in connection with the Assumed Obligations or the Excluded Liabilities, or other matters relating to or affected by the operation of the Business and the Purchased Assets. Such access will be afforded by the applicable Party upon receipt of reasonable advance notice and during normal business hours, and will be conducted in such a manner as not to interfere unreasonably with the operation of the business of any Party or its respective Affiliates. The Party exercising the right of access hereunder will be solely responsible for any costs or expenses incurred by either Party in connection therewith. If the Party in possession of such books and records desires to dispose of any such books and records prior to the expiration of such three-year period, such Party will, prior to such disposition, give the other Party a reasonable opportunity at such other Party's expense to segregate and take possession of such books and records as such other Party may select.

Section 7.3 Confidentiality .

(a) For a period of two (2) years following the Closing or the termination of this Agreement, Buyer will, and will cause its Affiliates and Buyer's Representatives to, hold all Confidential Information in strict confidence and not disclose any Confidential Information to any Person other than its Affiliates and Buyer's Representatives; provided, however, that upon the Closing, the provisions of this Section 7.3 will expire with respect to any information principally related to the Purchased Assets or the Business. " Confidential Information " means all information in any form heretofore or hereafter obtained from Seller in connection with Buyer's evaluation of the Business or the Purchased Assets or the negotiation of this Agreement, whether pertaining to financial condition, results of operations, methods of operation or otherwise, other than information which is in the public domain through no violation of this Agreement or the Confidentiality Agreement by Buyer, its Affiliates, or Buyer's Representatives.

(b) Notwithstanding the foregoing, Buyer may disclose Confidential Information to the extent that such information is required to be disclosed by Buyer by Law or in connection with any proceeding by or before a Governmental Entity, including any disclosure, financial or otherwise, required to comply with the rules of any securities commission or exchange. In the event that Buyer believes any such disclosure is required, Buyer will give Seller notice thereof as promptly as possible and, at Seller's expense, will cooperate with Seller in seeking any protective orders or other relief as Seller may reasonably request.

(c) If the transactions contemplated hereby are not consummated, Buyer will promptly return to Seller or destroy all copies of any Confidential Information, including any materials prepared by Buyer or Buyer's Representatives incorporating or reflecting Confidential Information, and an officer of Buyer shall certify in writing compliance by Buyer with the foregoing; provided, however, that the foregoing shall not apply to computer back-up tapes or similar electronic archival storage.

(d) The provisions of this Section 7.3 supersede the Confidentiality Agreement.

Section 7.4 Notices of Events . Each Party shall, promptly after obtaining knowledge thereof, give written notice to the other Party of any event or condition that causes, or will cause, any representation or warranty of such Party to be inaccurate or that will result in the non-fulfillment of any of the conditions to the consummation of the transactions hereunder. Except as expressly provided in Section 7.1(b) and Section 7.16, neither such notice nor the receiving Party's resulting knowledge of the matters disclosed therein shall be deemed to waive or limit in any respect any representation or warranty, rights in respect thereof, or conditions to the consummation of the transactions under this Agreement.

Section 7.5 Expenses . Buyer shall bear sole responsibility for all filing fees of either Party incurred in connection with requesting or obtaining the CFIUS Approval. Except as provided by the foregoing, Buyer and Seller shall bear, in equal proportions, responsibility for payment of all other filing, recording, transfer, or other fees or charges of any nature in

connection any Required Regulatory Approvals or otherwise payable pursuant to any provision of any Law, Order or Franchise in connection with the sale, transfer, and assignment by Seller or its Affiliates of the Purchased Assets and the Assumed Obligations to Buyer or its Affiliates. In addition, the Parties shall share equally the fees and expenses of such legal counsel as the Parties shall mutually agree will have primary responsibility for the preparation and prosecution of any and all applications and proceedings with respect to the Required Regulatory Approval of each Applicable Commission. Except as provided in the foregoing or to the extent otherwise specifically provided herein, and irrespective of whether the transactions contemplated hereby are consummated, all other costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby will be borne by the Party incurring such costs and expenses.

Section 7.6 Further Assurances .

(a) Subject to the terms and conditions of this Agreement, each of the Parties will use commercially reasonable efforts (which shall not include the payment by Buyer or Seller of any amounts or the reduction of amounts owed to Seller in connection with obtaining any consent required by this Agreement) to take, or cause to be taken, all action, and to do, or cause to be done, all things necessary, proper, or advisable under applicable Law to consummate and make effective the transactions contemplated hereby, including using commercially reasonable efforts to obtain satisfaction of the conditions precedent to each Party's obligations hereunder. Neither Party will, and each Party will cause its Affiliates not to, in each case without the prior written consent of the other Party, take any action which would reasonably be expected to prevent or materially impede, interfere with or delay the transactions contemplated by this Agreement.

(b) Notwithstanding anything in this Agreement or any Ancillary Agreement to the contrary, this Agreement and the Ancillary Agreements shall not constitute an agreement to transfer or assign any contract, agreement, permit, claim or right or any benefit or obligation arising thereunder or resulting therefrom if an attempted assignment thereof, without the consent of a third party, would constitute a breach or other contravention under any agreement or Law to which Seller is a party or by which it is bound, or in any way adversely affect the rights of Seller or, upon transfer, Buyer under such contract, agreement, permit, claim or right. Seller will use its commercially reasonable efforts to obtain, promptly following the date hereof, any and all consents of third parties required to assign to Buyer Seller's rights under the Business Agreements. Buyer agrees to cooperate with Seller in Seller's efforts to obtain any consents of third parties required to assign to Buyer Seller's rights under the Business Agreements, including the submission of such financial or other information concerning Buyer and the execution of any assumption agreements or similar documents reasonably requested by a third party; provided, however, that notwithstanding the terms of any such agreement or document, no such agreement or document shall, as between the Parties, be deemed to alter the character of any liability or obligation as an Assumed Obligation or Excluded Liability hereunder or otherwise modify any of the rights or obligations of the Parties hereunder with respect thereto. To the extent that, notwithstanding its commercially reasonable efforts, Seller is unable to obtain any such required consent

prior to the Closing, and as a result thereof Buyer shall be prevented by such third party from receiving the rights and benefits with respect to such Purchased Asset intended to be transferred hereunder, or if any attempted assignment would adversely affect the rights of Seller thereunder so that Buyer would not in fact receive all such rights or Seller would forfeit or otherwise lose the benefit of rights that Seller is entitled to retain, Seller and Buyer shall cooperate in any lawful and commercially reasonable arrangement, as Seller and Buyer shall agree, under which Buyer would, to the extent practicable, obtain the economic claims, rights and benefits under such asset and assume the economic burdens and obligations with respect thereto in accordance with this Agreement, including by subcontracting, sublicensing or subleasing to Buyer. Without in any way limiting the conditions to the Closing set forth in Article VIII, Buyer agrees that other than liability arising from a failure to comply with this Section 7.6 or a breach of Seller's representations and warranties set forth in Article V hereof, Seller shall not have any liability to Buyer arising out of the failure to obtain any such consent that may be required in connection with the transactions contemplated by this Agreement or the Ancillary Agreements or because of any circumstances resulting therefrom.

(c) With respect to vehicles, equipment or other personal property that is used principally for the Business and that is leased by Seller pursuant to a personal property lease that cannot be assigned to Buyer, Seller will, to the extent requested by Buyer and to the extent Seller is reasonably able to do so upon commercially reasonable terms, prior to the Effective Time purchase the assets leased under such lease that are used principally for the Business, in which case such assets will be included in the Purchased Assets. Absent the foregoing, Seller shall use its commercially reasonable efforts to identify substitute assets owned by Seller and Buyer shall have the option to include in the Purchased Assets such substitute assets in lieu of the corresponding leased assets.

(d) Upon the Closing, Seller and Buyer shall enter into such arrangements as necessary to transfer to Buyer the rights, benefits, obligations and liabilities existing at the Closing with respect to futures, options, and other derivative transactions not for physical delivery to the extent such transactions are utilized by Seller to manage gas supply price risk otherwise borne by customers of the Business, which may include Buyer entering into transactions with identical terms to those in the existing transactions for the remaining term thereof. To the extent necessary in connection with the foregoing, the mark-to-market value of any such transaction existing at the Closing shall be determined in accordance with the usual and customary practice employed by Seller in its hedging programs for the Business.

(e) Seller agrees to cooperate with any efforts by Buyer to obtain, at Buyer's sole cost and expense, (i) title insurance policies in respect of the Real Property, insuring title to the applicable Real Property as vested in Buyer; (ii) all surveys desired by Buyer in respect of the Real Property; and (iii) all estoppel certificates and non-disturbance agreements desired by Buyer in respect of any real property leases included in the Purchased Assets.

(f) From time to time on or after the Closing Date, Seller will, at Buyer's expense, execute and deliver such documents to Buyer as Buyer may reasonably request in order to more effectively consummate the transactions contemplated hereby. From time to time after the date hereof, Buyer will, at Seller's expense, execute and deliver such documents to Seller as Seller may reasonably request in order to more effectively consummate the transactions contemplated hereby. Following the Closing, each Party will promptly remit to the other any payments such Party receives that are in satisfaction of any rights or assets belonging to the other Party.

Section 7.7 Governmental Approvals .

(a) Within 45 days following the date hereof, Seller and Buyer will each file or cause to be filed (i) with each Applicable Commission, joint applications for the approval of the transactions contemplated hereby, seeking expedited treatment on the basis of, among any other matters, anticipated changes in Seller's customer information technology platforms in 2013; and (ii) with the United States Department of the Treasury, Committee on Foreign Investment, all filings and submissions contemplated to be made or effected by them pursuant to the Exon-Florio Amendment. In addition, within four (4) months following the date hereof, Seller and Buyer will each file or cause to be filed, with the Federal Trade Commission and the United States Department of Justice, Antitrust Division, any notifications required to be filed under the HSR Act with respect to the transactions contemplated hereby, and shall therein request early termination of the waiting period under the HSR Act.

(b) Seller and Buyer will, and will cause their respective Affiliates to, cooperate with each other and use commercially reasonable efforts to (i) promptly prepare and file all necessary applications, notices, petitions, and filings, and execute all agreements and documents, to the extent required by Law, Order or this Agreement for consummation of the transactions contemplated by this Agreement (including the Required Regulatory Approvals), (ii) obtain the transfer to Buyer of all Transferable Permits and the reissuance to Buyer of all Permits that are not Transferable Permits, and (iii) obtain the consents, approvals, and authorizations of all Governmental Entities to the extent required by Law or Order for consummation of the transactions contemplated by this Agreement (including the Required Regulatory Approvals). Each Party will, and will cause its Affiliates to, consult and cooperate with the other Party as to the appropriate time of filing all such notifications, furnish to the other Party such necessary information and reasonable assistance in connection with the preparation of such filings, and respond promptly to any requests for additional information made in connection therewith by any Governmental Entity. Seller and Buyer each will have the right to review in advance all characterizations of the information relating to it or to the transactions contemplated by this Agreement which appear in any filing made by the other Party or any of its Affiliates in connection with the transactions contemplated hereby.

(c) Notwithstanding the foregoing or any other provision of this Agreement, neither Party shall be obligated to settle any proceeding with respect to the transactions contemplated by this Agreement, or any intervention therein, or to consent or agree to or

otherwise take any action: (w) that individually or in the aggregate, would have a material adverse effect on such Party or any of its Affiliates; (x) that would have a Material Adverse Effect; (y) that constitutes or would result in a Burdensome Condition; or (z) if the effect (or the absence of effect) of such action upon the Purchase Price (including the Adjustment Amount) is not otherwise agreed upon in writing by both Parties, acting in good faith.

(i) As used herein, the term " Burdensome Condition " means a material adverse diminution in the benefits to such Party of the transactions contemplated by this Agreement, including, to the extent in the aggregate resulting in (A) a material adverse diminution in such benefits, (B) a reduction in the authorized rates and tariffs of the Business, (C) a restriction on the ability to put into effect new rates and tariffs, (D) a net increase in regulatory liabilities or net decrease in regulatory assets, (E) additional service requirements not covered in rates, or otherwise, that in any case is not taken into account in determining the Adjustment Amount under Section 3.2 hereof or otherwise cured (including by payment or reduction of consideration) by the other Party.

(d) To the fullest extent possible, in connection with any communications, meetings, or other contacts, oral or written, with any Governmental Entity in connection with the transactions contemplated hereby, each Party shall (and will cause its Affiliates to): (i) inform the other Party in advance of any such communication, meeting, or other contact which such Party or any of its Affiliates proposes or intends to make, including the subject matter, contents, intended agenda, and other aspects of any of the foregoing; (ii) consult and cooperate with the other Party, and to take into account the comments of such other Party in connection with any of the matters covered by Section 7.7(b); (iii) permit for Representatives of the other Party to participate to the maximum extent possible in any such communications, meetings, or other contacts; (iv) notify the other Party of any oral communications with any Governmental Entity relating to any of the foregoing; and (v) provide the other Party with copies of all written communications with any Governmental Entity relating to any of the foregoing.

(e) Seller and Buyer will cooperate with each other and promptly prepare and file notifications with, and request Tax clearances from, federal, state and local taxing authorities in jurisdictions in which a portion of the Purchase Price may be required to be withheld or in which Buyer would otherwise be liable for any Tax liabilities of Seller pursuant to such federal, state and local Tax Law (other than any such liabilities which under the terms hereof are to be paid by Buyer).

Section 7.8 Tax Matters .

(a) All transfer, documentary, recording, notarial, sales, use, registration, stamp and other similar taxes, fees and expenses (including, but not limited to, all applicable real estate transfer Taxes, and including any penalties, interest and additions to any such tax) (" Transaction Taxes ") incurred in connection with this Agreement and the transactions contemplated hereby shall be borne by Buyer, regardless of whether the Tax authority seeks to collect such Taxes from Seller or Buyer. Buyer and Seller shall

cooperate in timely making and filing all Tax Returns as may be required to comply with the provisions of laws relating to such Transaction Taxes. To the extent permitted by applicable Law, Buyer will file all necessary Tax Returns and other documentation with respect to all Transaction Taxes, and, if required by applicable Law, Seller will join in the execution of any such Tax Returns or other documentation. Seller shall give prompt written notice to Buyer of any proposed adjustment or assessment of any Transaction Taxes with respect to the transaction, or of any examination of said transaction in a sales, use, transfer or similar Tax audit. In any proceedings, whether formal or informal, Seller shall permit Buyer to participate in and control the defense of such proceeding and shall take all actions and execute all documents required to allow such participation. Seller shall not negotiate a settlement or compromise of any Transaction Taxes without the prior written consent of Buyer, which consent shall not be unreasonably withheld or delayed.

(b) Seller will be responsible for the preparation and timely filing of all Tax Returns reflecting Taxes payable by Seller and the timely payment of all Taxes shown to be due on such returns. Buyer will be responsible for the preparation and timely filing of all Tax Returns reflecting Taxes payable by Buyer and the timely payment of all Taxes shown to be due on such returns. Any Tax Return that reflects Taxes to be prorated in accordance with Section 3.4 will be subject to the approval of the Party not preparing such return, which approval will not be unreasonably withheld or delayed. Each Party will make any such Tax Return prepared by it available for the other Party's review and approval no later than twenty (20) Business Days prior to the due date for filing such Tax Return. Within fifteen (15) Business Days after receipt and approval of such Tax Return, the approving Party will pay to the Party preparing the Tax Return the amount of such prorated Taxes shown as due on such approved Tax Return for which such approving Party is responsible under Section 3.4.

(c) Buyer and Seller will provide each other with such assistance as may reasonably be requested by the other Party in connection with the preparation of any Tax Return, any audit or other examination by any taxing authority, or any judicial or administrative proceedings relating to liability for Taxes, and each Party will retain and provide the other with any records or information which may be relevant to such return, audit or examination or proceedings. Any information obtained pursuant to this Section 7.8(c) or pursuant to any other Section hereof providing for the sharing of information in connection with the preparation of, or the review of, any Tax Return or other schedule relating to Taxes will be kept confidential by the Parties, except to the extent that any disclosure thereof is required by applicable Law or Governmental Entity.

(d) Prior to the Closing, the Parties shall cooperate with each other and use their commercially reasonable efforts to establish the consideration for or value of real property interests conveyed pursuant to this Agreement for purposes of any documentary transfer tax payable as a result of the transactions contemplated by this Agreement.

Section 7.9 Employees .

(a) Schedule 7.9(a) sets forth a list of the Business Employees as of the date hereof. In the event that any Business Employee ceases to be employed by Seller and its Affiliates, Seller (i) by delivery of written notice thereof to Buyer, shall promptly update Schedule 7.9(a) to remove from such list the name of such person, and (ii) shall use commercially reasonable efforts to fill such position with a person of comparable qualifications, skill and experience reasonably acceptable to Buyer. Upon such replacement, Schedule 7.9(a) shall be updated to include the name of such person. Seller shall not otherwise modify Schedule 7.9(a) without the prior written consent of Buyer.

(b) By such date as may be reasonably requested by Seller (and no later than twenty (20) Business Days prior to the anticipated Closing Date), Buyer will give Qualifying Offers of employment to each of the Business Employees. As used herein, a " Qualifying Offer " means an offer by Buyer to continue employment with the Business (i) at a level of base pay at least equal to such employee's base pay in effect immediately prior to the Closing Date, (ii) with a primary work location within a thirty (30) mile radius from such employee's primary work location immediately prior to the Closing Date, and (iii) with benefits that, together with wages, are in the aggregate substantially comparable to the aggregate benefits and wages in effect for such employee immediately prior to the Closing Date. All Qualifying Offers of employment made by Buyer pursuant to this Section 7.9(b) will be made in accordance with all applicable Laws, will be conditioned only on the occurrence of the Closing, and will include such additional information as shall be mutually agreed by Seller and Buyer. As of the Closing Date, all Business Employees shall be deemed to be employees of Buyer, unless at least five (5) Business Days prior to the Closing Date such Business Employee has failed to accept in writing Buyer's Qualifying Offer of employment. Buyer shall keep Seller reasonably apprised as to the status of all such offers. Following acceptance of such offers, Buyer will provide written notice thereof to Seller, and Seller will provide Buyer with access to the Transferred Employee Records. Each such person who becomes employed by Buyer pursuant to this Section 7.9(b) is referred to herein as a " Transferred Employee ."

(c) [Reserved]

(d) Seller will reasonably cooperate with Buyer's efforts to encourage the Business Employees to accept employment with Buyer, and with Buyer's efforts to fill positions reasonably necessary for the operation of the Business following the Closing. Prior to the Closing, neither Seller nor any of its Affiliates shall transfer or reassign any Business Employees to positions outside of the Business. Upon the Closing, Seller and its Affiliates will terminate the employment of all Business Employees with Seller and its Affiliates (subject to and in accordance with any Collective Bargaining Agreement) and, for a period of eighteen (18) months following the Closing, Seller will not, and will cause its Affiliates not to, solicit for employment any such Business Employees who are still employed by Buyer or any other employees of Buyer or otherwise encourage any such person to terminate employment with Buyer.

Section 7.10 Employee Benefits .

(a) Seller or its Affiliates will pay or cause to be paid to all Transferred Employees all compensation to which such Transferred Employees are entitled upon or prior to the Effective Time, including all vacation days that are accrued but unused as of the Effective Time. Seller shall be responsible for all liabilities and obligations associated with or arising with respect to employee benefits provided by Seller to the Transferred Employees upon or prior to the Closing, regardless of whether such liabilities or obligations must be satisfied before or after the Effective Time. In no event shall Buyer be responsible for the payment of any severance benefits as a result of the termination of employment of Transferred Employees or any other Person by Seller or any of its Affiliates.

(b) As of the Effective Time and for a period expiring at the end of the first full calendar year following the Closing (the " Continuation Period "), Buyer will cause the Transferred Employees to be covered by Buyer-sponsored benefit plans that provide benefits which, together with wages, are in the aggregate substantially comparable to the benefits and wages in effect for the Transferred Employees immediately prior to the Closing Date, including pension and other post-employment benefits that, in the aggregate, are materially similar to the pension and other post-retirement benefits in effect for the Transferred Employees immediately prior to the Closing Date. The form and terms of any particular benefit plan offered by Buyer shall be as determined by Buyer, subject to the foregoing and the other provisions of this Section 7.10.

(c) Buyer will recognize the service and seniority of each of the Transferred Employees recognized by Seller for all benefits purposes, including eligibility for, vesting and accrual of, and determination of the levels of such benefits. However, service will not be recognized to the extent it would result in duplication of benefits for the same period of service.

(d) As soon as practicable after, and in any event within ninety (90) days after, and effective as of, the Closing Date (i) Buyer shall establish or designate, or cause to be established or designated, a defined benefit pension plan and trust intended to qualify under Section 401(a) and Section 501(a) of the Code (" Buyer's Pension Plan ") and (ii) upon receipt by Seller of written evidence of the adoption or designation of Buyer's Pension Plan and the trust thereunder by Buyer and either (A) the receipt by Buyer of a copy of a favorable determination letter issued by the Internal Revenue Service with respect to Buyer's Pension Plan or (B) other evidence reasonably satisfactory to Seller that the terms of Buyer's Pension Plan and its related trust qualify under Section 401(a) and Section 501(a) of the Code, Seller shall direct the trustees of Seller's Pension Account Plan (" Seller's Pension Plan ") to transfer assets having a value as of the actual date of such transfer (the " Actual Transfer Date ") equal to the amount with respect to all Transferred Employees, determined as of the Closing Date by the enrolled actuary of Seller's Pension Plan (" Seller's Actuary "), in accordance with Section 4044 of ERISA, Treasury Regulation Section 1.414(l)-1(h) governing *de minimus* transfers and the other requirements of Section 414(l) of the Code and the regulations thereunder, and interest and other assumptions mutually agreed upon by

Seller's Actuary and Buyer's actuary (the " Pension Plan Assumptions "), with any disputes to be resolved by an actuary mutually agreed upon by Seller's Actuary and Buyer's actuary (such amount, the " Asset Transfer Amount ") from the trust(s) under Seller's Pension Plan to the trust under Buyer's Pension Plan. Buyer's actuary shall have the right to review all such determinations and related work papers. For illustrative purposes, as of the date hereof, Seller's Actuary believes that the Pension Plan Assumptions should be as set forth in Schedule 7.10(d) .

The Asset Transfer Amount shall be adjusted to reflect benefit payments to Transferred Employee-Participants and assumed investment return (based upon the Pension Plan Assumptions), with respect to the period between the Closing Date and the Actual Transfer Date. All determinations by Seller's Actuary under this Section 7.10(d) shall be final and binding, absent manifest error. At the time of transfer of the Asset Transfer Amount in accordance with this Section 7.10 (d), Buyer and Buyer's Pension Plan shall assume all liabilities for all accrued benefits as of the Closing Date, including all ancillary benefits, under Seller's Pension Plan in respect of all Transferred Employees, and each of Seller and Seller's Pension Plan shall be relieved of all liabilities for such benefits. Upon the transfer of the Asset Transfer Amount in accordance with this Section 7.10(d), Buyer agrees to indemnify and hold harmless Seller, its Affiliates and their respective Affiliates and Representatives from and against any and all costs, damages, losses, expenses, or other liabilities arising out of or related to Buyer's Pension Plan, in respect of all Transferred Employees, including benefits accrued by such Transferred Employees prior to the Closing Date that are provided by Buyer's Pension Plan, and Seller shall have no further obligation with respect to such assumed obligations. Buyer and Seller shall provide each other such records and information as may be necessary or appropriate to carry out their obligations under this Section 7.10(d) or for the purposes of administration of Buyer's Pension Plan, and they shall cooperate in the filing of documents required by the transfer of assets and liabilities described herein. Notwithstanding anything contained herein to the contrary, no such transfer shall take place until the 31st day following the filing of all required Forms 5310 in connection therewith.

(e) Seller shall fully vest all Transferred Employees in their account balances under Seller's Retirement Savings Plan (" Seller's 401(k) Plan "), effective as of the Closing Date. Effective as of the Closing Date, Buyer shall maintain or designate, or cause to be maintained or designated, a defined contribution plan and related trust intended to be qualified under Sections 401(a), 401(k) and 501(a) of the Code (the " Buyer's 401(k) Plan "). Effective as of the Closing Date, the Transferred Employees shall cease participation in Seller's 401(k) Plan, and shall commence participation in Buyer's 401(k) Plan. Buyer's 401(k) Plan shall provide for the receipt from the Transferred Employees of "eligible rollover distributions" (as such term is defined under Section 402 of the Code), including rollovers of outstanding plan loans under Seller's 401(k) Plan (and all assets and liabilities associated therewith). As soon as practicable following the Closing Date, Buyer shall provide Seller with such documents and other information as Seller shall reasonably request to assure itself that Buyer's 401(k) Plan is tax-qualified and provides for the receipt of eligible rollover distributions. Each Transferred Employee shall be given the opportunity to receive a distribution of his or

her account balance under Seller's 401(k) Plan and shall be given the opportunity to elect a direct rollover of such account balance, including the rollover of any outstanding plan loans, to Buyer's 401(k) Plan, subject to and in accordance with the provisions of such plan and applicable Law. Seller and Buyer shall cooperate in order to facilitate any such distribution or rollover and to effect an eligible rollover distribution for those Transferred Employees who elect to rollover their account balances directly to the Buyer's 401(k) Plan. With respect to each Transferred Employee who elects to effect an eligible rollover distribution of his or her account balances to Buyer's 401(k) Plan and has an outstanding plan loan under Seller's 401(k) Plan as of the Closing Date, Seller and Buyer shall cooperate to take such steps as may be necessary to (i) name the trustee of the Buyer's 401(k) Plan as the obligee of such loan, (ii) obtain an executed written acknowledgement from such Transferred Employee that Buyer's 401(k) Plan will be the obligee of such loan, and (iii) permit any such Transferred Employee to make timely loan service payments to Buyer's 401(k) Plan through payroll deductions by Buyer (or its applicable Affiliate) on or after completion of the eligible rollover distribution. On and after the Closing Date and prior to the completion by any Transferred Employee of an eligible rollover distribution which includes the rollover of an outstanding plan loan, Buyer and Seller shall cooperate to permit such Transferred Employee to make timely loan service payments to Seller's 401(k) Plan through payroll deductions by Buyer (or its applicable Affiliate).

(f) As of the Closing Date, the Transferred Employees shall cease to be eligible to participate in Seller's post-retirement health and welfare benefit plans, and Buyer shall assume, or cause to be assumed, all obligations and liabilities for post-retirement health and life insurance benefits under the applicable post-retirement health or welfare benefit plan of Seller (" Seller's Retiree Plan ") as of the Closing Date with respect to each Transferred Employee. During the Continuation Period (i) the eligibility criteria under such benefit plan of Buyer shall be the same as the eligibility criteria under Seller's Retiree Plan immediately prior to the Closing Date and (ii) such benefits (including cost of coverage) provided under the benefit plan of Buyer shall be substantially equivalent to those provided under Seller's Retiree Plan immediately prior to the Closing Date. The accumulated benefit obligation of Seller with respect to the Transferred Employees under Seller's Retiree Plan (i) shall be calculated in accordance with assumptions mutually agreed upon by Seller's Actuary and Buyer's actuary (the " Retiree Plan Assumptions "), with any disputes to be resolved by an actuary mutually agreed upon by Seller's Actuary and Buyer's actuary, and (ii) shall be reflected in the calculation of the OPEB Adjustment Amount pursuant to Appendix A . For illustrative purposes, as of the date hereof, Seller's Actuary believes that the Retiree Plan Assumptions should be as set forth on Schedule 7.10(f) .

(g) Buyer will waive or cause the waiver of all limitations under its health and life insurance welfare benefit plans as to pre-existing conditions and actively-at-work exclusions and waiting periods for the Transferred Employees. All health care expenses incurred by Transferred Employees or any eligible dependent thereof, including any alternate recipient pursuant to qualified medical child support orders, in the portion of the calendar year preceding the Closing Date that were qualified to be taken into account for purposes of satisfying any deductible or out-of-pocket limit under any Seller health care

plans will be taken into account for purposes of satisfying any deductible or out-of-pocket limit under the health care plan of Buyer for such calendar year. Seller's Benefit Plans that are welfare plans shall retain all liabilities for claims incurred prior to the Closing Date.

(h) Effective as of the Closing Date, Buyer shall have in effect, or cause to be in effect, flexible spending reimbursement accounts under a cafeteria plan qualified under Section 125 of the Code (" Buyer's Cafeteria Plan "). Each Transferred Employee who participated as of the Closing Date (collectively, the " Cafeteria Plan Participants ") in a plan maintained by Seller that is qualified under Section 125 of the Code (" Seller's Cafeteria Plan ") shall participate in Buyer's Cafeteria Plan effective as of the Closing Date. During the period from the Closing Date until the last day of the plan year of Seller's Cafeteria Plan that commenced immediately prior to the Closing Date, Buyer shall continue, or shall cause to be continued, the salary reduction elections made by the Cafeteria Plan Participants as in effect as of the Closing Date, and each Cafeteria Plan Participant shall be entitled to reimbursement from such participant's flexible spending reimbursement accounts under Buyer's Cafeteria Plan on the same terms and conditions as would have been applicable to such participant had such participant continued to be employed by Seller during such period. As soon as practicable following the Closing Date, Seller shall cause to be transferred from Seller's Cafeteria Plan to Buyer's Cafeteria Plan the excess, if any, of the aggregate accumulated contributions to the flexible spending reimbursement accounts made by Cafeteria Plan Participants prior to the Closing during the year in which the Closing occurs over the aggregate reimbursement payouts paid to the Cafeteria Plan Participants for such year from such accounts. From and after the Closing, Buyer shall assume, or cause to be assumed, and be solely responsible for all unreimbursed claims made by the Cafeteria Plan Participants under Seller's Cafeteria Plan that were incurred for the plan year of Seller's Cafeteria Plan that commenced prior to the Closing, or that are incurred anytime thereafter.

(i) If Buyer terminates the employment of any Transferred Employee within the Continuation Period for any reason other than misconduct, Buyer will provide such Transferred Employee with severance benefits that are at least as generous to such Transferred Employee as the severance benefits to which such Transferred Employee would have been entitled had the employee remained covered under Seller's severance arrangement in effect as of the date hereof and terminated employment without reemployment by a successor employer. The terms of Seller's severance arrangement in effect as of the date hereof are set forth on Schedule 7.10(i) .

(j) Seller will be responsible, with respect to the Business, for performing and discharging all requirements under the WARN Act and under applicable Law for the notification of its employees of any "employment loss" within the meaning of the WARN Act which occurs on or prior to the Closing Date.

(k) Seller will be responsible for providing COBRA Continuation Coverage to any current and former employees of Seller, or to any qualified beneficiaries of such employees, who become entitled to COBRA Continuation Coverage on or before the Closing, including those for whom the Closing occurs during the COBRA election

period. Buyer will be responsible for extending and continuing to extend COBRA Continuation Coverage to all Transferred Employees (and their qualified beneficiaries) who become entitled to such COBRA Continuation Coverage following the Closing.

(l) Individuals who would otherwise be Transferred Employees but who on the Closing Date are not actively at work due to a short term leave of absence covered by the Family and Medical Leave Act or are not actively at work due to military leave or other authorized leave of absence of a period of less than one year from the date hereof, including short-term disability, will be treated as Transferred Employees on the date that they are able to return to work (provided that such return to work occurs within the authorized period of their leaves following the Closing Date or otherwise within the period prescribed by the applicable statute for such leave) and perform the essential functions of their jobs with or without reasonable accommodation. In no event shall an individual on long-term disability as of the Effective Time or an authorized leave of absence for a period exceeding one year from the Effective Time (other than applicable military leave) be eligible to become a Transferred Employee, and Buyer shall not be liable for any costs or responsibilities associated with respect to such individual.

(m) Seller hereby acknowledges that, for FICA and FUTA tax purposes, Buyer qualifies as a successor employer with respect to the Transferred Employees. In connection with the foregoing, the Parties agree to follow the "Alternative Procedures" set forth in Section 5 of Revenue Procedure 2004-53, 2004-2 C.B. 320. In connection with the application of the "Alternative Procedures," (i) Seller and Buyer each shall report on a predecessor-successor basis as set forth in such Revenue Procedure, (ii) provided that Seller provides to Buyer all necessary payroll records for the calendar year that includes the Closing Date, Seller shall be relieved from furnishing Forms W-2 to employees of Seller who become employees of Buyer, and (iii) provided that Seller provides to Buyer all necessary payroll records for the calendar year that includes the Closing Date, Buyer shall assume the obligations of Seller to furnish such Forms W-2 to such employees for the full calendar year in which the Closing occurs.

Section 7.11 Loss and Damage . In the event that any loss, damage, impairment, confiscation or condemnation occurs to any of the Purchased Assets prior to the Effective Time that results in any property or asset ceasing to be used and useful in the Business as of the time of the Closing, such property or asset shall be an Excluded Asset and the book value thereof shall be deducted in the adjustment of the Purchase Price. If Seller elects to do so, Seller shall repair, replace or restore the Purchased Assets as soon as reasonably possible to their prior condition. In the event that prior to the Closing any such repair, replacement or restoration is not completed, and Seller has not undertaken in a written agreement reasonably acceptable to Buyer to cause such assets to be repaired, replaced or restored to their prior condition following the Closing at Seller's expense, then notwithstanding any other provision of this Agreement, the Purchase Price will be reduced by the cost of such replacement, restoration or repair as reasonably estimated by Buyer and Seller; provided, however, that in the event that the cost of such replacement, restoration or repair is subsequently recovered by Buyer through rates or the proceeds of insurance or otherwise, Buyer shall pay to Seller the amount of such recovery.

Section 7.12 Transitional Use of Signage . Following the Closing, Buyer shall, as soon as practicable, but in no event later than sixty (60) days following the Closing Date, cease to (a) make any use of any Seller Marks, and (b) hold itself out as having any affiliation with Seller or any of its Affiliates. In furtherance thereof, as soon as practicable but in no event later than sixty (60) days following the Closing Date, Buyer shall remove, strike over, or otherwise obliterate all Seller Marks from the Purchased Assets and all other assets and materials owned or used by Buyer, including any vehicles, business cards, schedules, stationery, packaging materials, displays, signs, promotional materials, manuals, forms, websites, email, computer software, and other materials and systems. Any use by Buyer of any of the Seller Marks as permitted in this Section 7.12 is subject to Buyer's compliance with the quality control requirements and guidelines in effect for the Seller Marks as of the Closing Date (as may be amended by Seller from time to time following the Closing). Buyer shall not use the Seller Marks in a manner that may reflect negatively on such Seller Marks or on Seller or its Affiliates.

Section 7.13 Litigation Support . In the event and for so long as either Party is actively contesting or defending any third-party Claim in connection with (a) any transaction contemplated under this Agreement or (b) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act, or transaction involving the Business, the other Party will cooperate with the contesting or defending Party and its counsel in the contest or defense, make available its personnel, and provide such testimony and access to its books and records as is reasonably necessary in connection with the contest or defense, all at the sole cost and expense of the contesting or defending Party (unless the contesting or defending Party is entitled to indemnification therefor under Article IX hereof).

Section 7.14 Notification of Customers . As soon as practicable following the Closing, Seller and Buyer will cause to be sent to customers of the Business written notice that such customers have been transferred from Seller to Buyer. Such notice will contain such information as is required by Law and approved by Buyer and Seller, which approval will not be unreasonably withheld or delayed.

Section 7.15 Public Statements . Each Party will, and will cause its Affiliates to, consult with the other Party prior to issuing, and will consider in good faith any comments by the other Party to or in respect of, any public announcement, statement, or other disclosure with respect to this Agreement or the transactions contemplated hereby, except as may be required by Law or the rules of any securities commission or exchange.

Section 7.16 Supplements to Seller Disclosure Schedules . From time to time prior to the Closing, except as provided in Section 7.1(b), Seller shall supplement or amend the Seller Disclosure Schedules as promptly as necessary to properly reflect matters arising after the date hereof or, in the case of matters that are based on Seller's Knowledge, matters that first come to Seller's Knowledge after the date hereof, that, in any case, if existing on the date hereof would constitute a breach of any of Seller's representations and warranties hereunder if not set forth on, or described in, the Seller Disclosure Schedules (" Schedule Update "); provided, however, that any such Schedule Update shall be disregarded for purposes of the satisfaction of the conditions to Closing and shall not be deemed to cure a breach of any covenant or agreement set forth in this Agreement. In the event that Seller provides written notice to Buyer prior to the Closing that such matters, individually or in the aggregate, constitute a Material Adverse Effect and the

Closing nevertheless occurs, any breach of any representation or warranty made by Seller which would exist absent such Schedule Update will be deemed cured and all rights of Buyer with respect to such breach shall be deemed waived, except as provided in Section 7.1(b).

ARTICLE VIII
CONDITIONS TO CLOSING

Section 8.1 Conditions to Each Party's Closing Obligations . The respective obligations of each Party to effect the transactions contemplated hereby are subject to the fulfillment or joint waiver by the Parties on or prior to the Closing Date of the following conditions:

(a) the waiting period under the HSR Act, including any extension thereof, applicable to the consummation of the transactions contemplated hereby shall have expired or been terminated; and

(b) no Order (whether temporary, preliminary or permanent) which prevents the consummation of the transactions contemplated hereby shall have been issued and remain in effect (each Party agreeing to use its commercially reasonable efforts to have any such Order lifted) and no Law shall have been enacted which directly or indirectly prohibits the consummation of the transactions contemplated hereby.

Section 8.2 Conditions to Buyer's Closing Obligations . The obligation of Buyer to effect the transactions contemplated hereby is subject to the fulfillment or waiver by Buyer on or prior to the Closing Date of the following additional conditions:

(a) no change or event shall have occurred since the date hereof that individually or in the aggregate, has had or would have a Material Adverse Effect;

(b) Seller shall have performed and complied in all material respects with the covenants and agreements contained in this Agreement which are required to be performed and complied with by Seller on or prior to the Closing Date;

(c) the representations and warranties of Seller set forth in Article V of this Agreement shall be true and correct, disregarding any materiality or Material Adverse Effect qualifications therein, as of the Effective Time as though made at and as of the Effective Time (except to the extent that any such representation or warranty speaks as of a particular date, in which case such representation or warranty will be true and correct only as of such date), except for any failure or failures of such representations and warranties to be true and correct that would not, individually or in the aggregate, result in a Material Adverse Effect;

(d) Buyer shall have received a certificate from Seller, signed on its behalf by a senior executive officer of Seller and dated the Closing Date, to the effect that the conditions set forth in Sections 8.2(b) and 8.2(c) have been satisfied;

(e) the Required Regulatory Approvals shall have been obtained and shall have become Final Regulatory Orders, shall not impose a Burdensome Condition on Buyer, and shall not or would not have a Material Adverse Effect or a material adverse effect on Buyer and its Affiliates, taken as a whole;

(f) except as would not, individually or in the aggregate, result in a Material Adverse Effect or a material adverse effect on Buyer and its Affiliates, taken as a whole, all consents and approvals of third parties (other than the Required Regulatory Approvals) required in connection with the consummation of the transactions contemplated hereby shall have been obtained;

(g) all Encumbrances (other than Permitted Encumbrances) on the Purchased Assets shall have been released;

(h) Buyer shall have received the other items to be delivered pursuant to Section 4.3; and

(i) a FERC waiver effectuating the transfer of transportation capacity pricing and service to Buyer will be obtained prior to the Closing, or, if a waiver is not obtained prior to the Closing, the Parties shall have otherwise ensured that the transportation capacity pricing and service to which Seller is currently entitled is preserved through the transaction.

Section 8.3 Conditions to Seller's Closing Obligations . The obligation of Seller to effect the transactions contemplated hereby is subject to the fulfillment or waiver by Seller on or prior to the Closing Date of the following additional conditions:

(a) Buyer shall have performed and complied in all material respects with the covenants and agreements contained in this Agreement which are required to be performed and complied with by Buyer on or prior to the Closing Date;

(b) the representations and warranties of Buyer set forth in Article VI shall be true and correct, disregarding any materiality or material adverse effect qualifications therein, as of the Effective Time as though made at and as of the Effective Time (except to the extent that any such representation or warranty speaks as of a particular date, in which case such representation or warranty will be true and correct only as of such date), except for any failure or failures of such representations and warranties to be true and correct that do not, individually or in the aggregate, cause such representations and warranties of Buyer to be materially inaccurate taken as a whole or have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis;

(c) Seller shall have received a certificate from Buyer, signed on its behalf by a senior executive officer of Buyer and dated the Closing Date, to the effect that the conditions set forth in Sections 8.3(a) and 8.3(b) have been satisfied;

(d) the Required Regulatory Approvals shall have been obtained and shall have become Final Regulatory Orders, shall not impose a Burdensome Condition on Seller, and shall not or would not result in a material adverse effect on Seller and its Affiliates, taken as a whole;

(e) except as would not, in the aggregate, result in a material adverse effect on Seller and its Affiliates, taken as a whole, all consents and approvals of third parties (other than the Required Regulatory Approvals) required in connection with the consummation of the transactions contemplated hereby shall have been obtained; and

(f) Seller shall have received the other items to be delivered pursuant to Section 4.4.

ARTICLE IX
INDEMNIFICATION

Section 9.1 Survival of Representations, Warranties, and Certain Covenants . The representations and warranties contained in this Agreement and the covenants and agreements contained in this Agreement which by their terms are to be performed prior to or at the Closing will survive the Closing and will expire fourteen (14) months after the Closing Date, except that the representations and warranties in Sections 5.1, 5.2, 5.8, 5.17, 6.1, 6.2, and 6.5 will survive indefinitely, and the representations and warranties in Section 5.13 will survive until thirty (30) days following the expiration of the applicable statute of limitations.

Section 9.2 Indemnification .

(a) Subject to Section 9.1 and Section 9.4 hereof, from and after the Closing, Seller will indemnify, defend, and hold harmless Buyer and its Affiliates (the " Buyer Indemnitees ") from and against any and all Claims and Losses (each, an " Indemnifiable Loss ") incurred or suffered by any Buyer Indemnitee to the extent resulting from or arising out of:

(i) any breach by Seller of any of the representations and warranties of Seller contained in this Agreement, disregarding any materiality or Material Adverse Effect qualifications therein, or of any covenant or agreement of Seller contained in this Agreement which by its terms is to be performed prior to or at the Closing;

(ii) any breach by Seller of any covenant or agreement of Seller contained in this Agreement not covered by Section 9.2(a)(i);

(iii) the Excluded Liabilities; or

(iv) any liability to credit, offset or refund to customers in any manner any amount as a result of any final determination, approval or disallowance by an Applicable Commission with regard to purchased gas cost recovery amounts (however designated) attributable to any period prior to the Effective Time, except to the extent deducted in the determination of the Adjustment Amount pursuant to Section 3.2.

(b) Subject to Section 9.1 and Section 9.4 hereof, from and after the Closing, Buyer will indemnify, defend, and hold harmless Seller and its Affiliates (the " Seller

Indemnitees ") from and against any and all Indemnifiable Losses incurred or suffered by any Seller Indemnitee to the extent resulting from or arising out of:

(i) any breach by Buyer of any of the representations and warranties of Buyer contained in this Agreement, disregarding any materiality or Material Adverse Effect qualifications therein, or of any covenant or agreement of Buyer contained in this Agreement which by its terms is to be performed prior to the Closing;

(ii) any breach by Buyer of any covenant or agreement of Buyer contained in this Agreement not covered by Section 9.2(b)(i); or

(iii) the Assumed Obligations.

Section 9.3 Indemnification Procedures .

(a) Third Party Claims . If any Person entitled to receive indemnification under this Agreement (an " Indemnitee ") receives notice of the assertion or commencement of any Claim by any Person that is neither a Party to this Agreement nor an Affiliate of a Party to this Agreement (a " Third Party Claim ") for which the Indemnitee claims a right to indemnification hereunder from the other Party (the " Indemnifying Party "), the Indemnitee will promptly give written notice of such Third Party Claim to the Indemnifying Party. Such notice will describe the nature of the Third Party Claim in reasonable detail and indicate the estimated amount, if practicable, of the Indemnifiable Loss that has been or may be sustained by the Indemnitee, and the Indemnitee shall provide the Indemnifying Party with such other information with respect to the Third Party Claim as the Indemnifying Party may reasonably request. The Indemnifying Party, at its sole cost and expense, will have the right, upon written notice to the Indemnitee, to assume the defense of the Third Party Claim, provided, that (i) the Indemnifying Party, within thirty (30) days after the receipt of notice thereof, notifies in writing the Indemnitee of its intent to defend such Third Party Claim and expressly confirms in writing its unqualified obligation to indemnify and hold harmless the Indemnitee for the full amount of any Loss that is reasonably likely to result from such Third Party Claim; (ii) the claim solely seeks (and continues to seek) monetary damages; and (iii) the defense of such claim by counsel selected by the Indemnifying Party will not, in the reasonable judgment of counsel to the Indemnitee, create a conflict or potential conflict of interest between such parties.

(b) Defense of Third Party Claims . If the Indemnifying Party assumes the defense of a Third Party Claim pursuant to Section 9.3(a), the Indemnifying Party will appoint counsel reasonably acceptable to the Indemnitee for the defense of such Third Party Claim, will diligently pursue such defense, and will keep the Indemnitee reasonably informed with respect to such defense. The Indemnitee shall cooperate with the Indemnifying Party and its counsel, including permitting reasonable access to books, records, and personnel, in connection with the defense of any Third Party Claim. The Indemnitee will have the right to participate in such defense, including appointing separate counsel, but the costs of such participation shall be borne solely by the

Indemnitee. The Indemnifying Party will have full authority, in consultation with the Indemnitee, to make all decisions and determine all actions to be taken with respect to the defense and settlement of the Third Party Claim; provided, however, that the Indemnifying Party shall not pay, compromise, settle, or otherwise dispose of such Third Party Claim without the prior written consent of the Indemnitee unless such settlement involves only the payment of money, such payment is made in full solely by the Indemnifying Party without recourse to the Indemnitee, and such settlement does not impose any obligations or restrictions on the Indemnitee of any nature. In no event will the Indemnifying Party have authority to agree, without the consent of the Indemnitee, to any relief binding on the Indemnitee other than the payment of money damages by the Indemnifying Party without recourse to the Indemnitee.

(c) Failure to Assume Defense . Whether or not the Indemnifying Party assumes the defense of a Third Party Claim, the Indemnitee shall not admit any liability with respect to, or settle, compromise or discharge, or offer to settle, compromise or discharge, such Third Party Claim without the Indemnifying Party's prior written consent (which consent shall not be withheld unless the Indemnifying Party confirms in writing its unqualified obligation to indemnify and hold harmless the Indemnitee for the full amount of any Loss that is reasonably likely to result from such Third Party Claim).

(d) Direct Losses . Any claim by an Indemnitee on account of an Indemnifiable Loss that does not result from a Third Party Claim (a " Direct Loss ") will be asserted by giving the Indemnifying Party prompt written notice thereof, stating the nature of such Loss in reasonable detail and indicating the estimated amount, if practicable. The Indemnitee shall provide the Indemnifying Party with such other information with respect to the Direct Loss as the Indemnifying Party may reasonably request and shall cooperate with the Indemnifying Party and its counsel, including permitting reasonable access to books, records, and personnel, in connection with determining the validity of any claim for indemnity by the Indemnitee and in otherwise resolving such matters. The Indemnifying Party will have a period of twenty (20) Business Days within which to respond to such claim of a Direct Loss. If the Indemnifying Party rejects such claim, or does not respond within such period, the Indemnitee may seek enforcement of its rights to indemnification under this Agreement.

(e) Delay . A failure to give timely notice as provided in this Section 9.3 will affect the rights or obligations of a Party hereunder only to the extent that, as a result of such failure, the Party entitled to receive such notice was actually prejudiced as a result of such failure. Notwithstanding the foregoing, no claim for indemnification made after expiration of the applicable survival period with respect to the representation, warranty or covenant on which such claim is based set forth in Section 9.1 will be valid.

Section 9.4 Limitations on Indemnification .

(a) A Party may assert a claim for indemnification hereunder only to the extent the Indemnitee gives notice of such claim to the Indemnifying Party in accordance with Section 9.3 prior to the expiration of the applicable survival period with respect to the representation, warranty or covenant on which such claim is based, if any, set forth in Section 9.1.

(b) Notwithstanding any other provision of this Article IX:

(i) Except as provided in Section 9.4(b)(iii), in no event shall either Party be liable for indemnification pursuant to Section 9.2(a)(i), Section 9.2(a)(iv) or Section 9.2(b)(i) hereof (A) for any item or items arising out of the same facts, events or circumstances where the Indemnifiable Loss relating thereto is less than $100,000 and (B) in respect of each individual item where the Indemnifiable Loss relating thereto is equal to or greater than $100,000, unless and until the aggregate of all Indemnifiable Losses which are incurred or suffered by the Buyer Indemnitees or the Seller Indemnitees, respectively, exceeds 2% of the Purchase Price, in which case the Buyer Indemnitees or the Seller Indemnitees, as applicable, shall be entitled, subject to Section 9.4(b)(ii), to indemnification for (x) 50% of all such Indemnifiable Losses up to 2% of the Purchase Price and (y) all such Indemnifiable Losses in excess of 2% of the Purchase Price. All Indemnifiable Losses arising under Section 9.2(a)(iv) shall be deemed to be a single item for purposes of the foregoing.

(ii) Except as provided in Section 9.4(b)(iii), neither Seller nor Buyer shall be required to make payments for indemnification pursuant to Section 9.2(a)(i) or Section 9.2(b)(i), respectively, in an aggregate amount in excess of twelve and one-half percent (12.5%) of the Purchase Price.

(iii) The limitations specified in Section 9.4(b)(i) and Section 9.4(b)(ii) shall not apply to Indemnifiable Losses arising out of any breach of any of the representations and warranties in Section 5.1, 5.2, 5.8, 5.13, 5.17, 6.1, 6.2, or 6.5, but in no case shall either Seller or Buyer be required to make payments for indemnification pursuant to Section 9.2(a)(i) or Section 9.2(b)(i), respectively, in an aggregate amount in excess of one hundred percent (100%) of the Purchase Price.

(c) Notwithstanding anything contained in this Agreement to the contrary, except for the representations and warranties expressly contained in Article V and the Seller Disclosure Schedules, neither Seller nor any other Person is making any other express or implied representation or warranty of any kind or nature whatsoever (including with respect to Seller, the Business, the Purchased Assets, the Assumed Obligations or the transactions contemplated by this Agreement), and Seller hereby disclaims any other representations or warranties, whether made by such Party or its Affiliates, officers, directors, employees, agents, or representatives, including the implied warranty of merchantability and any implied warranty of fitness for a particular purpose.

(d) In the event that Buyer proceeds to the Closing notwithstanding written notice from Seller prior to the Closing that any breach by Seller of any representation or warranty in this Agreement, individually or in the aggregate with any other breaches of

Seller's representations and warranties in this Agreement, constitutes a Material Adverse Effect, no Buyer Indemnitees shall have any claim or recourse against Seller or any of its Affiliates with respect to such breach, under this Article IX or otherwise.

(e) In addition to the other limitations set forth in this Article IX, with respect to any claim for indemnification regarding any breach of any representation and warranty set forth in Section 5.12: (i) to the extent applicable, Seller's indemnification obligation shall be limited to the cost of the least restrictive standard or remedy acceptable to each applicable Governmental Entity under applicable Environmental Law (including engineering or institutional controls) based on the industrial use of the relevant facility or property, proximity of commercial and residential areas, and all other relevant factors; provided, that the use of such standards or engineering or institutional controls does not materially interfere with operations at the affected facility and (ii) if any contamination at any Real Property that is subject to indemnity by Seller is exacerbated due to the negligence, gross negligence or willful misconduct of Buyer after the Closing Date, to the extent such exacerbation increases the cost of the investigation or remediation of such contamination, Seller shall not be responsible for any such increase in costs.

Section 9.5 Mitigation .

(a) An Indemnitee will use commercially reasonable efforts to mitigate any Indemnifiable Losses, including commercially reasonable efforts to recover all Indemnifiable Losses from insurers of such Indemnitee under applicable insurance policies or through the rate recovery process so as to reduce the amount of any Indemnifiable Loss hereunder; provided, however, that the foregoing shall not require the maintenance of any insurance. In the event the Indemnitee shall fail to use such commercially reasonable efforts, then notwithstanding anything in this Agreement to the contrary, the Indemnifying Party shall not be required to indemnify the Indemnitee for that portion of Indemnifiable Losses that would reasonably have been expected to have been avoided if the Indemnitee had used such commercially reasonable efforts.

(b) The amount of any Indemnifiable Loss will be reduced to the extent of any insurance proceeds, rate recovery or other payments actually received from an insurer or other third party with respect to an Indemnifiable Loss, net of all costs of recovery (including any demonstrably resulting increase in the cost of insurance). If the amount of any Indemnifiable Loss, at any time subsequent to the making of an indemnity payment in respect thereof, is reduced by recovery, settlement, or payment under or pursuant to any insurance coverage, by rate recovery or by recovery, settlement, or payment by or against any other Person, the amount of such reduction (net of all costs of recovery), will be repaid by the Indemnitee to the Indemnifying Party reasonably promptly following actual receipt or credit of such amounts.

(c) The amount of any Indemnifiable Loss will be reduced to the extent of any Tax benefit available to the Indemnitee or its Affiliates arising in connection with the accrual, incurrence or payment of any such Indemnifiable Loss.

(d) The amount of any Indemnifiable Loss will be reduced to the extent that the Indemnitee received a benefit from the reflection of such matter in the calculation of the Adjustment Amount or any other adjustment to the Final Purchase Price, if any, as finally determined pursuant to Section 3.2.

(e) Upon making any indemnity payment, the Indemnifying Party will, to the extent of such indemnity payment, be subrogated to all rights of the Indemnitee against any third party in respect of the Indemnifiable Loss to which the indemnity payment relates; provided, however, that (i) the Indemnifying Party is then in compliance with its obligations under this Agreement in respect of such Indemnifiable Loss, and (ii) until the Indemnitee recovers full payment of its Indemnifiable Loss, any and all claims of the Indemnifying Party against any such third party on account of said indemnity payment will be subordinated to the Indemnitee's rights against such third party.

Section 9.6 Tax Treatment of Indemnity Payments . Seller and Buyer agree to treat any indemnity payment made pursuant to this Article IX as an adjustment to the Purchase Price for federal, state, and local income Tax purposes.

Section 9.7 No Consequential Damages . Notwithstanding anything to the contrary elsewhere in this Agreement (other than this Section 9.7) or provided for under any applicable Law, no Party will be liable to the other Party, either in contract or in tort, for any consequential, incidental, indirect, special, or punitive damages of the other Party, including business interruption, loss of future revenue, profits or income, or loss of business reputation or opportunity, relating to the breach or alleged breach hereof or otherwise, whether or not the possibility of such damages has been disclosed to the other Party in advance or could have been reasonably foreseen by such other Party, and, in particular, no "multiple of profits," "multiple of cash flow," "multiple of assets" or similar valuation methodology shall be used in calculating the amount of any Indemnifiable Losses. The exclusion of consequential, incidental, indirect, special, and punitive damages as set forth in the preceding sentence does not apply to any such damages sought by third parties against Buyer or Seller, as the case may be, in connection with Losses that may be indemnified pursuant to this Article IX after the Closing.

Section 9.8 Exclusive Remedy . Except for injunctive relief and as provided in Section 7.2(a), the Parties acknowledge and agree that, from and after the Closing, the sole and exclusive remedy for any breach or inaccuracy, or alleged breach or inaccuracy, of any representation or warranty in this Agreement or any breach or failure to perform, or alleged breach or failure to perform, any covenant or agreement in this Agreement, or any other claim based upon, arising out of or relating to this Agreement and/or the transactions contemplated hereby, will be indemnification in accordance with this Article IX. In furtherance of the foregoing, Seller and Buyer hereby waive, on behalf of themselves and the other Seller Indemnitees and Buyer Indemnitees, respectively, to the fullest extent permitted by applicable Law, any and all other rights, claims, and causes of action (including rights of contribution, rights of recovery arising out of or relating to any Environmental Laws, claims for breach of contract, breach of representation or warranty, negligent misrepresentation and all other claims for breach of duty) that may be based upon, arise out of, or relate to the Business, the Purchased Assets, the Excluded Assets, the Assumed Obligations, the Excluded Liabilities, this Agreement, the negotiation, execution, or performance of this Agreement (including any tort or breach of

contract claim or cause of action based upon, arising out of, or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), or the transactions contemplated hereby, known or unknown, foreseen or unforeseen, which exist or may arise in the future, that it may have against the other arising under or based upon any Law, common law, or otherwise.

ARTICLE X
TERMINATION AND OTHER REMEDIES

Section 10.1 Termination .

(a) This Agreement may be terminated at any time prior to the Closing Date by mutual written consent of Seller and Buyer.

(b) This Agreement may be terminated by Seller or Buyer if the Closing has not occurred on or before eight (8) months following the date of this Agreement (the " Termination Date "); provided that the right to terminate this Agreement under this Section 10.1(b) will not be available to a Party whose failure to fulfill any obligation under this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before the Termination Date. Notwithstanding the foregoing, (i) if eight (8) months following the date of this Agreement the conditions to the Closing set forth in Section 8.2(e) or Section 8.3(d) have not been fulfilled or consents necessary for the assignment of the Ft. Benning Contract have not been received, but all other conditions to the Closing have been fulfilled or are capable of being fulfilled at the Closing, then the Termination Date will be the day which is sixteen (16) months following the date of this Agreement.

(c) This Agreement may be terminated by either Seller or Buyer if (i) any Required Regulatory Approval has been denied by the applicable Governmental Entity and all appeals of such denial have been taken and have been unsuccessful, or (ii) one or more courts of competent jurisdiction in the United States or any State has issued an Order permanently restraining, enjoining, or otherwise prohibiting the Closing, and such Order has become final and non-appealable.

(d) This Agreement may be terminated by Buyer or by Seller if (i) any Required Regulatory Approval or other Order shall have been issued by any Governmental Entity with terms, conditions or adverse requirements which would cause the condition set forth in Section 8.2(e) or in Section 8.3(d), respectively, not to be satisfied, (ii) such condition has not been waived by Buyer or Seller, respectively, and (iii) all appeals of such Required Regulatory Approval or Order have been taken and have been unsuccessful.

(e) This Agreement may be terminated by Buyer if there has been a breach by Seller of any representation, warranty, or covenant made by it in this Agreement which has prevented the satisfaction of any condition to the obligations of Buyer to effect the Closing and such breach has not been cured by Seller or waived by Buyer within twenty (20) Business Days after all other conditions to the Closing have been satisfied or are capable of being satisfied.

(f) This Agreement may be terminated by Seller if there has been a breach by Buyer of any representation, warranty, or covenant made by it in this Agreement which has prevented the satisfaction of any condition to the obligations of Seller to effect the Closing and such breach has not been cured by Buyer or waived by Seller within twenty (20) Business Days after all other conditions to Closing have been satisfied or are capable of being satisfied.

Section 10.2 Procedure and Effect of Termination .

(a) In the event that a Party having the right to terminate this Agreement desires to terminate this Agreement, such Party shall give the other Party written notice of such termination, specifying the basis for such termination, and this Agreement will terminate and the transactions contemplated hereby will be abandoned, without further action by either Party, whereupon the liabilities of the Parties hereunder will terminate, except as otherwise expressly provided in this Section 10.2.

(b) The obligations of the Parties under Article XI, and Sections 5.17, 6.5, 7.3, 7.5, and 7.15 and this Section 10.2 (and any definitions in Article I referenced in any of the foregoing) will survive the termination of this Agreement. Except if the basis for such termination is that a Party has breached its obligation to consummate the Closing in accordance with Article IV (provided that the conditions to the obligation of such Party under Article VIII hereof to consummate the Closing have been satisfied, other than conditions to be satisfied by deliveries at the Closing), such termination shall be the sole remedy of the Parties hereto with respect to breaches of any covenant, agreement, representation or warranty contained in this Agreement and neither Party hereto nor any of its Affiliates or Representatives shall have any liability or further obligation to the other Party or any of its Affiliates or Representatives pursuant to this Agreement, except with respect to the obligations specified in the preceding sentence; provided that nothing herein shall relieve any Party from liability for any willful and material breach of any representation, warranty, covenant or agreement of such Party contained in this Agreement.

(c) Upon any termination of this Agreement, all filings, applications and other submissions made pursuant to this Agreement, to the extent practicable, will within a commercially reasonable time thereafter be withdrawn by the filing Party from the Governmental Entity or other Person to which they were made.

ARTICLE XI
MISCELLANEOUS PROVISIONS

Section 11.1 Amendment . Except as provided in Section 7.1(b), Section 7.9(a), and Section 7.16, this Agreement may be amended, modified, or supplemented only by written agreement of Seller and Buyer.

Section 11.2 Waivers and Consents . Except as otherwise provided in this Agreement, any failure of either Party to comply with any obligation, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement, or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

Section 11.3 Notices . All notices and other communications hereunder will be in writing and will be deemed given (i) when received, if delivered personally, (ii) when sent, if sent by facsimile transmission (provided that the sender receives confirmation of successful transmission), or (iii) when received, if mailed by overnight courier or certified mail (return receipt requested), postage prepaid, in each case, to the Party being notified at such Party's address indicated below (or at such other address for a Party as is specified by like notice):

(a) If to Seller, to:

Atmos Energy Corporation
Attn: Chief Financial Officer
Attn: General Counsel
5430 LBJ Freeway
1800 Three Lincoln Centre
Dallas, Texas 75240
Fax: (972) 855-3080

with a copy (which shall not constitute notice) to:

Gibson, Dunn & Crutcher LLP
Attn: Richard Russo, Esq.
1801 California Street, Suite 4200
Denver, Colorado 80202-2642
Fax: (303) 313-2838

(b) if to Buyer, to:

Liberty Energy (Georgia) Corp.
c/o Algonquin Power & Utilities Corp.
Attn: Chief Executive Officer
2845 Bristol Circle
Oakville, Ontario, Canada L6H 7H7
Fax: (905) 465-4514

with a copy (which shall not constitute notice) to:

Husch Blackwell LLP
Attn: James G. Goettsch, Esq.
4801 Main Street, Suite 1000
Kansas City, Missouri 64112
Fax: (816) 983-8080

Section 11.4 Assignment. This Agreement and all of the provisions hereof will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interests, or obligations hereunder may be assigned by either Party without the prior written consent of the other Party. Notwithstanding the foregoing, Buyer shall be permitted to assign its rights and obligations under this Agreement to one or more wholly-owned, direct or indirect Subsidiaries with prior written notice to Seller; provided, however, that no such assignment shall relieve Buyer of, or constitute a discharge of, Buyer's liabilities and obligations under this Agreement, nor shall any such assignment relieve Algonquin of, or constitute a discharge of, Algonquin's liabilities and obligations under the Guaranty.

Section 11.5 No Third Party Beneficiaries. No provision of this Agreement is intended to or shall be deemed to confer any rights or remedies upon any Person other than the Parties, except for the rights of Affiliates of the Parties under Article IX hereof. Without limiting the foregoing, no provision of this Agreement creates any rights in any employee or former employee of Seller (including any beneficiary or dependent thereof) in respect of continued employment or resumed employment, and no provision of this Agreement creates any rights in any such Persons in respect of any benefits that may be provided, directly or indirectly, under any employee benefit plan or arrangement.

Section 11.6 Governing Law. This Agreement (as well as any claim or controversy arising out of or relating to this Agreement or the transactions contemplated hereby) shall be governed by and construed in accordance with the Laws of the State of New York, without regard to the conflicts of laws rules thereof that would otherwise require the Laws of another jurisdiction to apply.

Section 11.7 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction will not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

Section 11.8 Entire Agreement. This Agreement will be a valid and binding agreement of the Parties only if and when it is fully executed and delivered by the Parties, and until such execution and delivery no legal obligation will be created by virtue hereof. This Agreement and the Ancillary Agreements, together with the Appendices, Schedules and Exhibits hereto and thereto and the certificates and instruments delivered hereunder or in accordance herewith, embodies the entire agreement and understanding of the Parties hereto in respect of the transactions contemplated by this Agreement. This Agreement and the Ancillary Agreements supersede all prior agreements and understandings between the Parties with respect to such transactions contemplated hereby. Neither this Agreement nor any Ancillary Agreement shall be deemed to contain or imply any restriction, covenant, representation, warranty, agreement or undertaking of either Party with respect to the transactions contemplated hereby or thereby other than those expressly set forth herein or therein or in any document required to be delivered hereunder or thereunder.

Section 11.9 Delivery. This Agreement, and any certificates and instruments delivered hereunder or in accordance herewith, may be executed in multiple counterparts (each of which will be deemed an original, but all of which together will constitute one and the same instrument), and may be delivered by facsimile transmission, with such facsimile signature constituting an original for all purposes.

Section 11.10 Waiver of Jury Trial. EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE ANCILLARY AGREEMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

Section 11.11 Submission to Jurisdiction. Each of the Parties irrevocably agrees that any legal action or proceeding arising out of or relating to this Agreement brought by the other Party or its successors or assigns shall be brought and determined in any New York State or federal court sitting in the City of New York (or, if such court lacks subject matter jurisdiction, in any appropriate New York or federal court), and each of the Parties hereby irrevocably submits to the exclusive jurisdiction of the aforesaid courts for itself and with respect to its property, generally and unconditionally, with regard to any such action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby. Each of the Parties agrees not to commence any action, suit or proceeding relating hereto except in the courts described above in New York, other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in New York as described herein. Each of the Parties further agrees that notice as provided herein shall constitute sufficient service of process and the Parties further waive any argument that such service is insufficient. Each of the Parties hereby irrevocably and unconditionally waives, and agrees not to assert, by way of motion or as a defense, counterclaim or otherwise, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, (a) any claim that it is not personally subject to the jurisdiction of the courts in New York as described herein for any reason, (b) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (c) that (i) the suit, action or proceeding in any such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper or (iii) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

Section 11.12 Specific Performance. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each of the Parties shall be entitled to specific performance of the terms hereof, including an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in any New York State or federal court sitting in the City of New York (or, if such court lacks subject matter jurisdiction, in any appropriate New York State or federal court), this being in addition to any other remedy to which it is entitled at law or in equity. Each of the parties hereby further waives (a) any defense in any action for specific performance that a remedy at law would be adequate and (b) any requirement under any Law to post security as a prerequisite to obtaining equitable relief.

Section 11.13 Disclosure Generally . Notwithstanding anything to the contrary contained in the Seller Disclosure Schedules or in this Agreement, the information and disclosures contained in any Seller Disclosure Schedule shall be deemed to be disclosed and incorporated by reference with respect to any other representation or warranty of Seller for which applicability of such information and disclosure is reasonably apparent on its face. The fact that any item of information is disclosed in any Seller Disclosure Schedule shall not be construed to mean that such information is required to be disclosed by this Agreement. Such information and the dollar thresholds set forth herein shall not be used as a basis for interpreting the terms "material" or "Material Adverse Effect" or other similar terms in this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized officers as of the date first above written.

ATMOS ENERGY CORPORATION

By: /s/ FRED E. MEISENHEIMER
Name: Fred E. Meisenheimer
Title: Senior Vice President and
Chief Financial Officer

LIBERTY ENERGY (GEORGIA) CORP.

By: /s/ IAN ROBERTSON
Name: Ian Robertson
Title: President

By: /s/ DAVID BRONICHESKI
Name: David Bronicheski
Title: Secretary and Treasurer

APPENDIX A
ADJUSTMENT AMOUNT

1. Adjustment Amount. The "Adjustment Amount" will be the sum of the following amounts: the Net PPE Adjustment, plus the Net Other Regulatory Amount, plus the Working Capital Amount, minus the OPEB Adjustment Amount. As used herein:

   (a) "Net PPE Adjustment" means the positive or negative amount obtained by subtracting the Base Net PPE Amount from the Closing Net PPE Amount. As used in the foregoing:

      (i) "Base Net PPE Amount" means $128,145,000.

      (ii) "Closing Net PPE Amount" means the Value as of the Effective Time of the net property, plant and equipment included in the Purchased Assets as of the Effective Time, determined in accordance with the rules and regulations of the Applicable Commission; provided, however, that the foregoing (A) shall not include the Additional Real Property, and (B) with respect to the LNG Facility, shall be governed by Section 7.1(g) of the Agreement.

   (b) "Net Other Regulatory Amount" means the amount obtained by subtracting Regulatory Liabilities from Regulatory Assets. For purposes of the foregoing:

      (i) "Regulatory Assets" means the Value as of the Effective Time of the FERC Accounts related to deferred charges and other rights to recover amounts from customers through rates and charges in future periods (together with any interest or return thereon), that result specifically from ratemaking action by an Applicable Commission (whether pursuant to an increase in rate base for ratemaking purposes or pursuant to an authorized recovery or credit mechanism), that are included in the Purchased Assets as of the Effective Time, determined in accordance with the rules and regulations of the Applicable Commission (and excluding any amounts included in the Closing Net PPE Amount). Regulatory Assets shall not include any regulatory asset established in favor of Buyer for the amortization of liabilities in respect of any pension or postretirement benefits other than pensions.

      (ii) "Regulatory Liabilities" means the Value as of the Effective Time of the FERC Accounts related to liabilities to refund or credit amounts to customers through rates and charges in future periods (together with any interest or return thereon), that result specifically from ratemaking action by the Applicable Commission (whether pursuant to a decrease or offset to rate base for ratemaking purposes or pursuant to an authorized recovery or credit mechanism), that are included in the Assumed Obligations as of the Effective Time or are imposed on Buyer by any Applicable Commission

for rate purposes in connection with the approval of the transaction (and excluding any amounts included in the Closing Net PPE Amount); provided, however, that without limiting the rights of Buyer under the Agreement with regard to any Burdensome Condition, the Parties agree that in the event of any rate base decrease or offset assumed by or imposed on Buyer in respect of or in substitution for accumulated deferred income taxes (" ADIT ") of Seller, the amount of such rate base decrease or offset in respect of ADIT shall not constitute a Regulatory Liability for purposes of the foregoing and shall not otherwise affect the calculation of the Adjustment Amount or the Purchase Price.

(c) " Working Capital Amount " means the amount obtained by subtracting Current Liabilities and an amount equal to $414,000 from Current Assets. For purposes of the foregoing:

(i) " Current Assets " means the Value as of the Effective Time of the FERC Accounts related to current assets that are included in the Purchased Assets as of the Effective Time, determined in accordance with the rules and regulations of the Applicable Commission (and excluding any amounts included in the Closing Net PPE Amount or in the Net Other Regulatory Amount).

(ii) " Current Liabilities " means the Value as of the Effective Time of the FERC Accounts related to current liabilities that are included in the Assumed Obligations as of the Effective Time, determined in accordance with the rules and regulations of the Applicable Commission (and excluding any amounts included in the Closing Net PPE Amount or in the Net Other Regulatory Amount). As used herein, "Current Liabilities" includes any amounts specified in Section 2.3(a) or 2.3(b) of the Agreement that are not included in the Closing Net PPE Amount or in the Net Other Regulatory Amount, and any prepayments under the Ft. Benning Contract.

(d) " OPEB Adjustment Amount " means the amount of the accumulated other post-retirement benefit obligation of Seller with respect to the Transferred Employees, determined in accordance with the Retiree Plan Assumptions (and excluding any amounts included in the Net Other Regulatory Amount or Working Capital Amount).

2. Accounting Principles . For purposes of this Appendix A :

(a) The " Value " of an item shall be the book value thereof, as determined in accordance with GAAP and applicable FERC Accounting Rules, as modified by the rules and regulations of the Applicable Commission.

(b) " FERC Accounting Rules " means the requirements of FERC with respect to and in accordance with the Uniform System of Accounts established by FERC in effect as of the date hereof.

(c) " FERC Accounts " means the accounts maintained by Seller with respect to the Business in accordance with the FERC Accounting Rules, as modified by the rules and regulations of the Applicable Commission.

(d) All determinations and calculations will be made and performed in a manner to avoid double counting of any item, to the extent that any such item is otherwise accounted for in such determination or calculation.

APPENDIX B
SAMPLE CALCULATION OF ADJUSTMENT AMOUNT

As of June 30, 2012

Net PPE Adjustment*	$ -0-
Plus: Net Other Regulatory Amount	69,956
Plus: Working Capital Amount	7,498,456
Less: OPEB Adjustment Amount**	(3,500,000)
Adjustment Amount	$ 4,068,052

* Excludes any price adjustment pursuant to Section 7.1(g).

** This sample calculation uses the actuarial principles set forth on Schedule 7.10(f) with respect to the retiree medical plan liability. The actual OPEB Adjustment Amount as of the Closing Date will be calculated using the Retiree Plan Assumptions determined in accordance with Section 7.10(f) of the Agreement with respect to all Transferred Employees only, and not with respect to retirees as of the Closing Date.

Exhibit 1.1-A(i)
Form of Assignment of Recorded Instruments

THIS SPACE FOR RECORDER'S USE ONLY

Date: _____, 201_

ASSIGNMENT OF RECORDED INSTRUMENTS

GRANTOR:	Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia
GRANTEE:	Liberty Energy (Georgia) Corp., a Georgia corporation
GRANTEE MAILING ADDRESS:	_____
	_____
LEGAL DESCRIPTION:	See Exhibit A, attached hereto.
ORIGINAL BOOK/PAGE:	See Exhibit A, attached hereto.

ASSIGNMENT OF RECORDED INSTRUMENTS

In consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia (" Assignor "), as grantor, with an address of 5430 LBJ Freeway, 1800 Three Lincoln Centre, Dallas, Texas 75240 has granted, sold, conveyed, transferred, and assigned, and by these presents does hereby grant, sell, convey, transfer, and assign unto Liberty Energy (Georgia) Corp., a Georgia corporation (" Assignee "), as grantee, with a mailing address of _____, with a copy to Algonquin Power & Utilities Corp., 2845 Bristol Circle, Oakville, Ontario, Canada L6H 7H7, Attn: General Counsel, on an AS-IS, WHERE-IS BASIS, WITH ALL FAULTS, without representation or warranty of any kind except as set forth in that certain Asset Purchase Agreement dated as of August 8, 2012, by and between Assignor and Assignee, all of Assignor's right, title, and interest in and to the Easements (as such term is defined in the Asset Purchase Agreement), leasehold interests, and other recorded instruments identified in the Asset Purchase Agreement, including the interests and rights described or set forth on Exhibit A attached hereto and by this reference made a part hereof.

This Assignment is being delivered pursuant to the Asset Purchase Agreement and will be construed consistently therewith. This Assignment is not intended to, and does not, in any manner enhance, diminish, or otherwise modify the rights and obligations of Assignor and Assignee under the Asset Purchase Agreement. To the extent that any provision of this Assignment conflicts or is inconsistent with the terms of the Asset Purchase Agreement, the terms of the Asset Purchase Agreement will govern.

TO HAVE AND TO HOLD the above-described premises unto Assignee and its successors and assigns, forever.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK]

IN WITNESS WHEREOF, Grantor has caused this Assignment to be executed by its duly authorized officer, the day and the year first above written.

ATMOS ENERGY CORPORATION, a corporation
incorporated in the State of Texas and the Commonwealth of Virginia

By: _____
Name: Louis P. Gregory
Title: Senior Vice President, General Counsel and Corporate Secretary

Attested, signed and delivered in the presence of:

_____
Witness

STATE OF TEXAS)
) ss.
COUNTY OF DALLAS)

On this _____day of _____, 201_, before me appeared Louis P. Gregory, to me personally known, who, being by me duly sworn did say that he is the Senior Vice President, General Counsel and Corporate Secretary of Atmos Energy Corporation, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed, as such officer, the within instrument on behalf of such corporation, and such person duly acknowledged the execution of the same to be the act and deed of such corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

_____
Notary Public
Jayne A. Zabala

My commission expires:

_____

WHEN RECORDED MAIL TO:

_____
_____
_____

_____County, Georgia

Page 3

Exhibit 1.1-A(ii)
Form of Assignment of Unrecorded Instruments

Date: _____, 201_

ASSIGNMENT OF UNRECORDED INSTRUMENTS—GEORGIA

In consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia (" Assignor "), as grantor, with an address of 5430 LBJ Freeway, 1800 Three Lincoln Centre, Dallas, Texas 75240 has granted, sold, conveyed, transferred, and assigned, and by these presents does hereby grant, sell, convey, transfer, and assign unto Liberty Energy (Georgia) Corp., a Georgia corporation (" Assignee "), as grantee, with a mailing address of _____, with a copy to Algonquin Power & Utilities Corp., 2845 Bristol Circle, Oakville, Ontario, Canada L6H 7H7, Attn: General Counsel, on an AS-IS, WHERE-IS BASIS, WITH ALL FAULTS, without representation or warranty of any kind except as set forth in that certain Asset Purchase Agreement dated as of August 8, 2012, by and between Assignor and Assignee, all of Assignor's right, title, and interest in and to the unrecorded Easements (as such term is defined in the Asset Purchase Agreement), leasehold interests, and other instruments identified in the Asset Purchase Agreement, in each case relating to interests and rights in the State of Georgia, including the interests and rights described or set forth on Exhibit A attached hereto and by this reference made a part hereof.

This Assignment is being delivered pursuant to the Asset Purchase Agreement and will be construed consistently therewith. This Assignment is not intended to, and does not, in any manner enhance, diminish, or otherwise modify the rights and obligations of Assignor and Assignee under the Asset Purchase Agreement. To the extent that any provision of this Assignment conflicts or is inconsistent with the terms of the Asset Purchase Agreement, the terms of the Asset Purchase Agreement will govern.

TO HAVE AND TO HOLD the above-described premises unto Assignee and its successors and assigns, forever.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed by its duly authorized officer, the day and the year first above written.

ATMOS ENERGY CORPORATION, a
corporation
incorporated in the State of Texas and the
Commonwealth of Virginia

By: _____
Name: Louis P. Gregory
Title: Senior Vice President, General Counsel
and
Corporate Secretary

Exhibit 1.1-B
Form of Bill of Sale, Assignment and Assumption Agreement [Seller]

BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement") is made as of _____, by and among Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia ("Seller"), and Liberty Energy (Georgia) Corp., a Georgia corporation ("Buyer").

RECITALS

A. Seller and Buyer have entered into that certain Asset Purchase Agreement, dated as of August 8, 2012 (the "Purchase Agreement"), pursuant to which Seller is to sell and Buyer is to purchase the Purchased Assets, and Seller is to assign and Buyer is to assume the Assumed Obligations. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement.

B. Seller and Buyer have agreed to execute and deliver this Agreement for the purpose of effecting (i) the transfer to and vesting in Buyer of title to the Purchased Assets other than the Additional Real Property and (ii) the assumption by Buyer of the Assumed Obligations other than to the extent related to the Additional Real Property, as set forth herein.

AGREEMENT

In consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Pursuant to and in accordance with the terms and conditions of the Purchase Agreement, Seller does hereby sell, convey, transfer, assign, deliver and vest in Buyer, its successors and assigns forever, all of its right, title and interest in and to the Purchased Assets other than the Additional Real Property, including (a) the Franchises listed on Exhibit A attached hereto and (b) the Vehicles and other items of equipment listed on Exhibit B attached hereto.

2. Pursuant to and in accordance with the terms and conditions of the Purchase Agreement, Seller hereby contributes, conveys, transfers and assigns to Buyer all of Seller's rights, duties and obligations under the Assumed Obligations other than to the extent related to the Additional Real Property, and Buyer hereby agrees to pay, discharge, perform or otherwise satisfy, and assumes and agrees to be bound by, the Assumed Obligations other than to the extent related to the Additional Real Property.

3. Nothing in this Agreement shall alter any liability or obligation of Seller or Buyer arising under the Purchase Agreement.

4. This Agreement and all of the provisions hereof shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective heirs, executors, administrators, successors and assigns.

5. This Agreement (as well as any claim or controversy arising out of or relating to this Agreement or the transactions contemplated hereby) shall be governed by and construed in accordance with the internal laws of the State of New York, without regard to the conflicts of laws rules thereof that would otherwise require the laws of another jurisdiction to apply.

6. The parties incorporate by reference Section 11.11 of the Purchase Agreement (Submission to Jurisdiction).

7. This Agreement may be executed in multiple counterparts (each of which will be deemed an original, but all of which together will constitute one and the same instrument), and may be delivered by facsimile transmission, with such facsimile signature constituting an original for all purposes.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SELLER:

ATMOS ENERGY CORPORATION

By: _____
Name:
Title:

BUYER:

LIBERTY ENERGY (GEORGIA) CORP.

By: _____
Name:
Title:

Signature Page to Bill of Sale, Assignment and Assumption Agreement

Exhibit A

Franchise Agreements

A-1

Exhibit B

Vehicles and Other Equipment

B-1

Exhibit 1.1-B
Form of Bill of Sale, Assignment and Assumption Agreement [Building Seller]

BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement") is made as of _____, by and among Atmos Power Systems, Inc., a Georgia corporation ("Building Seller"), and Liberty Utilities Co., a Delaware corporation ("Building Buyer").

RECITALS

C. Atmos Energy Corporation ("Seller") and Liberty Energy (Georgia) Corp. ("Buyer") have entered into that certain Asset Purchase Agreement, dated as of August 8, 2012 (the "Purchase Agreement"), pursuant to which Seller is to sell and Buyer is to purchase the Purchased Assets, and Seller is to assign and Buyer is to assume the Assumed Obligations. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement.

D. Seller and Buyer have agreed to cause Building Seller and Building Buyer, respectively, to execute and deliver this Agreement for the purpose of effecting (i) the transfer to and vesting in Building Buyer of title to the Additional Real Property and (ii) the assumption by Building Buyer of any Assumed Obligations to the extent related to the Additional Real Property, as set forth herein.

AGREEMENT

In consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Pursuant to and in accordance with the terms and conditions of the Purchase Agreement, Building Seller does hereby sell, convey, transfer, assign, deliver and vest in Building Buyer, its successors and assigns forever, all of its right, title and interest in and to the Additional Real Property.

2. Pursuant to and in accordance with the terms and conditions of the Purchase Agreement, Building Seller hereby contributes, conveys, transfers and assigns to Building Buyer all of Building Seller's rights, duties and obligations under any Assumed Obligations to the extent related to the Additional Real Property, and Buyer hereby agrees to pay, discharge, perform or otherwise satisfy, and assumes and agrees to be bound by, any Assumed Obligations to the extent related to the Additional Real Property.

3. Nothing in this Agreement shall alter any liability or obligation of Seller or Buyer arising under the Purchase Agreement.

4. This Agreement and all of the provisions hereof shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective heirs, executors, administrators, successors and assigns.

5. This Agreement (as well as any claim or controversy arising out of or relating to this Agreement or the transactions contemplated hereby) shall be governed by and construed in accordance with the internal laws of the State of New York, without regard to the conflicts of laws rules thereof that would otherwise require the laws of another jurisdiction to apply.

6. The parties incorporate by reference Section 11.11 of the Purchase Agreement (Submission to Jurisdiction).

7. This Agreement may be executed in multiple counterparts (each of which will be deemed an original, but all of which together will constitute one and the same instrument), and may be delivered by facsimile transmission, with such facsimile signature constituting an original for all purposes.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SELLER:

ATMOS POWER SYSTEMS, INC.

By: _____
Name:
Title:

BUYER:

LIBERTY UTILITIES CO.

By: _____
Name:
Title:

Exhibit 1.1-C
Form of Limited Warranty Deed

THIS SPACE FOR RECORDER'S USE ONLY

Date: _____, 20__

RECORDING REQUESTED BY:

Husch Blackwell LLP

AND WHEN RECORDED MAIL TO:

Husch Blackwell LLP
Attn: James G. Goettsch, Esq.
4801 Main Street, Suite 1000
Kansas City, MO 64112

LIMITED WARRANTY DEED

GRANTOR:	Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia
GRANTEE:	Liberty Energy (Georgia) Corp., a Georgia corporation
GRANTEE MAILING ADDRESS:	_____
	_____
LEGAL DESCRIPTION:	See Exhibit A, attached hereto.
ORIGINAL BOOK/PAGE:	_____

STATE OF TEXAS)
)ss
COUNTY OF DALLAS)

THIS INDENTURE, made on the _____day of _____, 201_, by and between Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia, Grantor, and Liberty Energy (Georgia) Corp., a Georgia corporation, Grantee, with a mailing address of _____, _____.

WHEREAS, Grantor and Grantee have signed that certain Asset Purchase Agreement dated as of August 8, 2012 (the "Agreement"), which Agreement provides for the conveyance of certain assets to Grantee, including, without limitation, the real estate lying, being, and situate in the County of _____and State of Georgia legally described on Exhibit A attached hereto (the "Property").

WITNESSETH: THAT GRANTOR, for and in consideration of the sum of Ten and 00/100 Dollars ($10.00), and other valuable consideration, to it in hand paid by Grantee, the receipt of which is hereby acknowledged, does by these presents, grant, bargain, sell and convey unto Grantee and its successors and assigns, the Property;

SUBJECT TO all Permitted Encumbrances, as defined in the Agreement.

TO HAVE AND TO HOLD, the Property aforesaid, on an AS-IS, WHERE-IS BASIS, WITH ALL FAULTS (subject to the representations and warranties in the Agreement), with all and singular the rights, members, privileges, appurtenances, and immunities thereto belonging or in anywise appertaining, to the only proper use, benefit and behoof of the said Grantee and unto its successors and assigns forever in FEE SIMPLE.

AND THE SAID Grantor will warrant and defend the title of the Property unto Grantee and unto its successors and assigns forever, against the lawful claims and demands of all persons whomsoever, lawfully claiming the same by, through, or under the party of the Grantor, except as hereinafter stated; PROVIDED, HOWEVER, that notwithstanding the foregoing, Grantee shall not be entitled to recover any remedies otherwise available to Grantee for any breach of the foregoing warranties unless such remedies are available to Grantee under the Agreement (and then only to the extent and subject to all limitations provided in the Agreement); and PROVIDED, FURTHER, that the terms of the Agreement shall govern in the event of any inconsistency between the terms of the Agreement and the terms of this Indenture.

IN WITNESS WHEREOF, Grantor has caused this Indenture to be executed by its duly authorized officer, the day and the year first above written.

ATMOS ENERGY CORPORATION, a corporation incorporated in the State of Texas and the Commonwealth of Virginia

[SEAL]

By: _____
Name:
Title:

Attested, signed, sealed and delivered in the presence of:

_____
Witness

STATE OF GEORGIA)
)ss.
COUNTY OF
_____)

On this _____day of _____, 20__, before me appeared _____, to me personally known, who, being by me duly sworn did say that he is the _____of Atmos Energy Corporation, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed, as such officer, the within instrument on behalf of such corporation, and such person duly acknowledged the execution of the same to be the act and deed of such corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

_____
Notary Public

_____
Print or Type Name

My commission expires:

_____

EXHIBIT A

Legal Description

5

DISCLOSURE SCHEDULES

to the

ASSET PURCHASE AGREEMENT

by and between

ATMOS ENERGY CORPORATION

as Seller

and

LIBERTY ENERGY (GEORGIA) CORP.

as Buyer

Dated as of August 8, 2012

These disclosure schedules (" Disclosure Schedules") are referred to in, and are part of, the Asset Purchase Agreement, dated as of August 8, 2012 (the " Agreement "), by and between Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia (" Seller "), and Liberty Energy (Georgia) Corp., a Georgia corporation (" Buyer").

Capitalized terms used but not otherwise defined herein have the meanings set forth in the Agreement. Reference to any document, contract or agreement, including the Agreement (collectively, a " Document ") herein is qualified in its entirety by the text of the Document, as amended, supplemented or modified (to the extent provided), which is deemed to include all exhibits, schedules, annexes and other documents attached thereto, or referenced in such Document as constituting part of the terms of such Document, to the extent provided.

Any item disclosed in these Disclosure Schedules is deemed to be disclosed and incorporated by reference with respect to any other representation or warranty of Seller in the Agreement for which applicability of such information and disclosure is reasonably apparent on its face.

The fact that any item of information is disclosed in these Disclosure Schedules shall not be construed to mean that such information is required to be disclosed by the Agreement. Such information shall not be used as a basis for interpreting the terms "material" or "Material Adverse Effect" or other similar terms in the Agreement. The inclusion of any item in these Disclosure Schedules is not an admission or acknowledgement of any liability or obligation with respect to any third Person.

Items disclosed herein are not necessarily limited to the matters required by the Agreement to be disclosed in these Disclosure Schedules. Such additional information is provided for informational purposes only. Nothing in these Disclosure Schedules shall be deemed to expand the scope or effect, or change the meaning of any representation, warranty or covenant in the Agreement.

SCHEDULE 1.1-A

BUYER REQUIRED REGULATORY APPROVALS

GEORGIA PUBLIC SERVICE COMMISSION

Approval by the Georgia Public Service Commission of the joint application of the Parties for the approval of the transactions contemplated by the Agreement, including:

(a) Authorization of Buyer to provide regulated gas distribution service in the applicable jurisdiction upon and following the Closing at the same rates, charges, terms and conditions as set forth in the then current tariffs of Seller with respect to the Business on file with the Georgia Public Service Commission, including the issuance or approval of the transfer to Buyer of all certificates of public convenience and necessity and other licenses, authorizations, waivers and approvals previously granted by the Commission to Seller and required for Buyer to operate the Business as currently operated by Seller.

(b) Approval of the assumption and transfer to Buyer of, and authorization to record and recover in accordance with the terms and conditions then applicable to Seller, the Regulatory Assets and Regulatory Liabilities included in the Purchased Assets and Assumed Obligations, and to record and recover a regulatory asset or liability to reflect unfunded pension plan and post- retirement benefits other than pension obligations, if any, assumed by Buyer, to be amortized over the average remaining service period of employees of the Business expected to receive benefits under such plans.

(c) Approval to Buyer, to the extent required by applicable Law, for the issuance of all stocks, bonds or notes, or other evidence of debt for the purpose of financing the transactions contemplated by the Agreement and other purposes permitted by applicable Law.

(d) Authorization of the parties to enter into and perform in accordance with the terms of all other documents reasonably necessary and incidental to the performance of the transactions contemplated by the Agreement.

FERC:

Issuance of a NGA Section 7(f) Designation at the AL/GA border for the Fort Benning connection to Southern Natural Gas Pipeline in Alabama and a FERC capacity release waiver to expedite the release/assignment of FERC pipeline capacity on Southern Natural Gas and Transcontinental necessary for the provision of service in Georgia, and such other approvals from FERC as may be required by reason of the nature of the Purchased Assets.

SCHEDULE 1.1-C

PERMITTED ENCUMBRANCES

1. Unrecorded easements, discrepancies or conflicts in boundary lines, shortages in area and encroachments which an accurate and complete survey would disclose, that do not, individually or in the aggregate, materially interfere with Buyer's operation of the Business or use of any of the Purchased Assets in the manner currently used and do not secure any Excluded Liabilities.

2. All matters of record which would be disclosed by an abstract of title, title opinion or title insurance commitment, that do not, individually or in the aggregate, materially interfere with Buyer's operation of the Business or use of any of the Purchased Assets in the manner currently used and do not secure any Excluded Liabilities.

SCHEDULE 1.1-D

SELLER REQUIRED REGULATORY APPROVALS

GEORGIA

Georgia Public Service Commission

1. Joint application for approval of the sale of certain of its assets located in the State of Georgia to Liberty Energy (Georgia) Corp.
2. Once filed, order approving said sale will be pending.

FERC

FERC capacity release waiver to expedite the release/assignment of FERC pipeline capacity on Southern Natural Gas and Transcontinental necessary for the provision of service in Georgia.

SCHEDULE 1.1-E

SELLER'S KNOWLEDGE – LIST OF EMPLOYEES

Name	*Title*
Kevin Akers	President Kentucky/Mid-States Division
Ernie Napier	Vice President, Technical Services Kentucky/Mid-States Division
Mike Ellis	Vice President, Operations Kentucky/Mid-States Division
Kenny Malter	Vice President, Gas Supply
Pat Childers	Vice President, Rate & Regulatory Affairs
Louis Gregory	Senior Vice President, General Counsel & Corporate Secretary
Pace McDonald	Vice President, Tax
Doug Walther	Deputy General Counsel
Greg Waller	Manager, Rate & Regulatory Affairs

SCHEDULE 1.1-F

TERRITORY

1. The local natural gas distribution system comprising approximately 1313 miles of gas transmission and distribution mains and located in the following counties: Barrow, Chatahoochee, Hall, Harris, Jackson, Muscogee, and Oconee.

SCHEDULE 2.1(a)(i)

REAL PROPERTY AND REAL PROPERTY INTERESTS

1. OWNED OFFICE/WAREHOUSE STRUCTURES AND LAND :

Address	*Type*	*Office Size (sf)*	*Other Facility Size (sf)*	*Warehouse Size (sf)*	*Action Required*	*Status*
1109 Virginia St., Columbus	Other		2,080			
175 John W. Morrow Jr. Parkway, Gainesville	Combo	6,500		4,500		
2300 Victory Drive, Columbus *	Other		14,500			
23 rd Ave. at Andrews Rd., Columbus	Warehouse			144		
321 Edwards St., Ft. Benning	Warehouse			200		
424 Banks St., Gainesville	Warehouse			2,550		
47 th St. at Hamilton Rd., Columbus	Warehouse			900		
9151 Veterans Pkwy., Midland	Combo	2,800	5,060			
9159 Veterans Pkwy., Columbus	Office	1,850				
University Ave. at Oak Circle, Columbus	Warehouse			300		
Warm Springs Rd. at Rogers D, Columbus	Warehouse			96		
Williams Rd.at Whitesville Rd., Columbus	Warehouse			180		

* Lot 2 – 3.964 acres

2. LEASED OFFICE/WAREHOUSE SPACE:

Address	*Type*	*Office Size*	*Other Facility Size*	*Warehouse Size*	*Action Required*	*Status*
1046 W. Washington St., Gainesville	Office	15,006				
2300 Victory Drive, Columbus *	Combo	11,349		12,000		
Parkman Avenue, Columbus	Office	11,219				

* Lot 1 – 5.904 acres is sub-leased from Atmos Power Systems, Inc., successor-in-interest to UCG Leasing, Inc., which leases such property from the Development Authority of Columbus, Georgia pursuant to its Lease Agreement dated as of November 1, 1991. See Schedule 2.1A herein.

3. EASEMENTS AND RIGHTS-OF-WAY

a. All right, title and interest to all real property (and interests therein and appurtenances thereto), rights-of-way, leases, easements, licenses or other rights to use or have access, servitudes, distribution systems and assets, whether or not of record, including (without limitation) in the counties of Barrow, Chatahoochee, Hall, Harris, Jackson, Muscogee, and Oconee.

SCHEDULE 2.1(a)(ii)

ALL OTHER NATURAL GAS DISTRIBUTION UTILITY SYSTEM ASSETS

1. HIGH PRESSURE PIPELINE DISTRIBUTION SYSTEM

a. All personal property comprising approximately 1313 miles of pipeline of varying diameters from 2-inches to 16-inches, associated with the high pressure natural gas distribution system serving the primary markets of Columbus and Gainesville.

2. GAS DISTRIBUTION ASSETS

a. All personal property associated with the distribution system's provision of service, including, without limitation, compressors, pumps, motors, dehydrators, treaters, vessels, machinery, vehicles, trailers, fences, tools, lubricants, materials, supplies and spare-parts and computer hardware, and Seller's interest as lessee in any equipment leased by Seller, to the primary markets of Columbus and Gainesville.

SCHEDULE 2.1(i)

ASSETS AND OTHER RIGHTS

None.

SCHEDULE 2.1A

ADDITIONAL REAL PROPERTY

1. 2300 Victory Drive, Columbus (Lot 1—5.904 acres)*

   * Under the terms of its Lease Agreement with the Development Authority of Columbus, Georgia dated as of November 1, 1991, Building Seller, Atmos Power Systems, Inc., has an option to purchase this property until the expiration of the lease on July 1, 2013.

SCHEDULE 2.2(g)

ALL EXCLUDED AGREEMENTS, CONTRACTS, AND UNDERSTANDINGS

1. Agreements jointly used by the subject Business and other divisions of Seller:

Contractor	*Description*	*Effective Date*	*Term*
Bank of America	P-Card and Travel & Entertainment Card	12/9/2010	Ongoing
McJunkin	Pipe valves & fittings	2/21/2011	Three years
GE Capital Fleet Services	Master Lease Agreement; and related addendum*	1/15/1999	Ongoing
GE Capital Fleet Services	Master Services Agreement ; and related addendum*	1/15/1999	Ongoing
ARI Fleet LT and Automotive Rentals, Inc.	Lease and fleet management services agreement *	5/4/2010	Ongoing
Deere Credit, Inc.	Master Lease Agreement — Equipment leases*	3/10/2003	Two years
US Bank	Retail lockbox	12/16/2009	Three years
CheckFree	Walkin pay centers and e-bill handling	3/31/2006	Ongoing
BillMatrix	Credit Card payment processing	3/1/2011	Negotiating new contract, currently month-to-month
Western Union	Walk-in pay centers	3/31/1997	Ongoing
Fidelity Express	Walk-in pay centers	12/19/2003	Annual auto-renewal
Visa	Acceptance & promotional agreement	5/1/2011	Two years
Contract Callers, Inc.	Outside collection agency	1/1/2005	Ongoing
Professional Finance Co.	Outside collection agency	10/1/2005	Ongoing
Dynamic Recovery Services	Outside collection agency	4/1/2004	Ongoing
HHT Limited	Outside collection agency	5/6/2010	Ongoing
Kubra	Bill printing	7/30/2009	4/30/2013
Societe Generale	ISDA Master Agreement		Ongoing
Barclays Bank PLC	ISDA Master Agreement		Ongoing
CitiGroup Inc.	ISDA Master Agreement		Ongoing

Conoco Phillips	ISDA Master Agreement	Ongoing
Credit Agricole (formerly Calyon)	ISDA Master Agreement	Ongoing
Fifth Third Bank	ISDA Master Agreement	Ongoing
JPMorgan Chase Bank N.A.	ISDA Master Agreement	Ongoing
Wells Fargo Bank, National	ISDA Master Agreement	Ongoing
Shell Energy North America (US)	ISDA Master Agreement	Ongoing
Morgan Stanley	ISDA Master Agreement	Ongoing
BP Corporation North America Inc.	ISDA Master Agreement	Ongoing
BNP Paribas	ISDA Master Agreement	Ongoing
Royal Bank of Canada	ISDA Master Agreement	Ongoing
Bank of Montreal	ISDA Master Agreement	Ongoing
Credit Suisse	ISDA Master Agreement	Ongoing
Deutsche Bank Securities Inc.	ISDA Master Agreement	Ongoing
Goldman, Sachs & Co.	ISDA Master Agreement	Ongoing

* Assets that principally relate to the current operation of the Business that are leased under a lease, contract or agreement set forth on this Schedule 2.2(g) will be transferred to Buyer pursuant to an assignment or partial assignment of the lease schedule or lease of which they are a part (without assignment of the master lease agreement itself or any other lease thereunder); provided, however, that if such lease cannot be assigned to Buyer, such assets shall be subject to Section 7.6(c) of the Agreement.

2. Base NAESB Agreements.

Contract No.	*Description*	*Party*	*Term*
UCG-10835	Gas Supply Agreement – Base Contract (NAESB)	CenterPoint Energy Gas Marketing Company	Ongoing
UCG-10999	Gas Supply Agreement – Base Contract (NAESB)	OGE Energy Resources, Inc.	Ongoing

UCG-11074	Gas Supply Agreement – Base Contract (NAESB)	Tenaska Marketing Ventures	Ongoing
UCG-11105	Gas Supply Agreement – Base Contract (NAESB)	Coral Energy Resources, L.P.	Ongoing
UCG-11105	Gas Supply Agreement – Base Contract (NAESB)	Coral Energy Resources, L.P.	Ongoing
UCG-10835	Gas Supply Agreement – Base Contract (NAESB)	CenterPoint Energy Gas Marketing Company	Ongoing
UCG-10837	Gas Supply Agreement – Base Contract (NAESB)	ConocoPhillips Company	Ongoing
UCG-10999	Gas Supply Agreement – Base Contract (NAESB)	OGE Energy Resources, Inc.	Ongoing
UCG-11105	Gas Supply Agreement – Base Contract (NAESB)	Coral Energy Resources, L.P.	Ongoing
UCG-11313	Gas Supply Agreement – Base Contract (NAESB)	Laclede Energy Resources, Inc.	Ongoing

3. Radio Licenses.
   a. None.

SCHEDULE 2.2(o)

EXCLUDED ASSETS AND OTHER RIGHTS

None.

SCHEDULE 5.3

CONFLICTS AND/OR CONSENTS

See actions described under the "*Action Required*" columns in Schedule 2.1(a)(i) and Schedule 5.9(a).

SCHEDULE 5.4

EXCEPTIONS TO GOVERNMENTAL FILINGS

None.

SCHEDULE 5.5(a)

BALANCE SHEETS AND FINANCIAL STATEMENTS AS OF JUNE 30, 2012

[SEE FINANCIAL STATEMENTS PREVIOUSLY PROVIDED TO BUYER AS SET FORTH BELOW.]

1. Income Statements FY 2011 and October-June FY2012
2. Balance Sheet—9-30-2011

SCHEDULE 5.5(b)

INDEBTEDNESS OR LIABILITIES

None.

SCHEDULE 5.6

EXCEPTIONS TO NORMAL BUSINESS OPERATIONS

None.

SCHEDULE 5.9(a)

MATERIAL CONTRACTS

(i) FRANCHISE AGREEMENTS

GEORGIA

Municipality	*Term Date*	*Action Required Pre-Purchase*	*Transfer Consent Ordinance Number*	*Action Required Post-Purchase*
Columbus	3/31/2020	None	n/a	
Gainesville	7/26/2024	Consent	pending	
Hall County	1/10/2026	None	n/a	
Harris County	8/3/2017	None	n/a	
Jackson County	9/16/2017	None	n/a	
Oakwood	3/10/2036	None	n/a	
Waverly Hall	3/6/2013	None	n/a	

(ii) AGREEMENTS BETWEEN SELLER AND ANY OF ITS AFFILIATES

None.

(iii) AGREEMENTS BETWEEN SELLER AND ONE OR MORE BUSINESS EMPLOYEES

None.

(iv) COLLECTIVE BARGAINING AGREEMENTS

None.

(v) LEASES, SUBLEASES, LICENSES OR OTHER AGREEMENTS

2300 Victory Drive, Columbus (Lot 1 – 5.904 acres) is sub-leased from Building Seller, Atmos Power Systems, Inc., successor-in-interest to UCG Leasing, Inc., which leases such property from the Development Authority of Columbus, Georgia pursuant to that certain Lease Agreement dated November 1, 1991 with a termination date of July 1, 2013. Under the terms of the Lease Agreement, Atmos Power Systems, Inc. has an option to purchase this property until the expiration of the lease on July 1, 2013.

(vi) AGREEMENTS INVOLVING EXPENDITURES IN EXCESS OF $150,000 ANNUALLY

CONSTRUCTION AGREEMENTS

Contract No.	*Description*	*Party*	*Action Required*	*Status*
None	Pipeline Construction	Northern Pipeline Inc.	None	Active
None	Pipeline Construction	Benton – GA, Inc.	None	Active

NON-TARIFF CUSTOMER

Contract No.	*Description*	*Party*	*Action Required*	*Status*
DACA63-01-C-0009	Operating Contract *	Fort Benning	Successor in interest must be recognized by the government pursuant to 41 U.S.C. 15	

* Seller receives revenues pursuant to this agreement.

GAS SUPPLY, STORAGE & TRANSPORTATION CONTRACTS

Contract No.	*Description*	*Party*	*Action Required*	*Status*
FT-9012587M	Transportation Agreement – Gainesville Area	Transcontinental Gas Pipeline Corporation	Prior written consent or capacity release or FERC waiver	
FT #04196	Transportation Agreement – Gainesville Area	Transcontinental Gas Pipeline Corporation	Prior written consent or capacity release or FERC waiver	

FT #03046	Transportation Agreement – Gainesville Area	Transcontinental Gas Pipeline Corporation	Prior written consent or capacity release or FERC waiver
FT #04987	Transportation Agreement – Gainesville Area	Transcontinental Gas Pipeline Corporation	Prior written consent or capacity release or FERC waiver
FSNG239-11	Transportation Agreement – Columbus Area	Southern Natural Gas Company	Prior written consent or capacity release or FERC waiver
FSNG239-5&10	Transportation Agreement – Columbus Area	Southern Natural Gas Company	Prior written consent or capacity release or FERC waiver
FSNG239-2	Transportation Agreement – Columbus Area	Southern Natural Gas Company	Prior written consent or capacity release or FERC waiver
LNG 9076910	Storage Agreement – Gainesville Area	Transcontinental Gas Pipeline Corporation	Prior written consent or capacity release or FERC waiver
WSS 9076909	Storage Agreement – Gainesville Area	Transcontinental Gas Pipeline Corporation	Prior written consent or capacity release or FERC waiver
GSS 1000807	Storage Agreement – Gainesville Area	Transcontinental Gas Pipeline Corporation	Prior written consent or capacity release or FERC waiver
FS/ESS 1006569	Storage Agreement – Gainesville Area	Transcontinental Gas Pipeline Corporation	Prior written consent or capacity release or FERC waiver
SSNG164	Storage Agreement – Columbus Area	Southern Natural Gas Company	Prior written consent or capacity release or FERC waiver

1217203; 1217213	Transaction Confirmation	Hess	Prior written consent
Columbus, GA AMA Deal – Affiliate Transaction	Transaction Confirmation	Atmos Energy Marketing	Prior written consent

(vii) through (xi): None.

SCHEDULE 5.9(b)

EXCEPTIONS TO VALID AND BINDING OBLIGATIONS OF MATERIAL CONTRACTS

None.

SCHEDULE 5.9(e)

OTHER MATERIAL CONTRACTS NOT TO BE ASSIGNED TO BUYER

See Schedule 2.2(g).

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SCHEDULE 5.10

PENDING OR THREATENED CLAIMS

Threatened litigation regarding fire/explosion on May 31, 2012 at 392 Linwood Drive, Gainesville.

SCHEDULE 5.11(a)

EXCEPTIONS TO COMPLIANCE WITH LAWS, ORDERS, AND PERMITS

None.

SCHEDULE 5.11(b)

OUTSTANDING REGULATORY ORDERS

2012-13 Gas Supply Plan.

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SCHEDULE 5.11(c)

EXCEPTIONS TO MATERIAL PERMITS

None.

SCHEDULE 5.12(b)

ENVIRONMENTAL VIOLATIONS

None.

SCHEDULE 5.12(c)

ENVIRONMENTAL RELEASES

None.

SCHEDULE 5.13

TAX ISSUES

None.

SCHEDULE 5.14

EXCEPTIONS TO COMPLIANCE WITH ALL LABOR LAWS

None.

SCHEDULE 5.15(a)

EMPLOYEE BENEFIT PLANS

1. Accidental Death and Dismemberment (not subsidized)
2. Basic Life Insurance
3. Business Travel Accident Insurance
4. Company Provided Uniforms
5. Employee Assistance Program
6. Flexible Benefits Plan
7. Flexible Spending Account
8. Group Dental Plan
9. Group Medical Plan
10. Group Variable Universal Life (not subsidized)
11. Long-Term Disability Insurance
12. Pension Account Plan (plan closed to new entrants)
13. Retiree Medical Plan
14. Retirement Savings Plan
15. Retirement Savings Plan Fixed Annual Company Contribution
16. Service Award Program
17. Short-Term Disability Insurance
18. Time-Off Benefits
19. Education Assistance Program
20. Variable Pay Plan
21. Vision Plan (not subsidized)
22. Voluntary Benefits – Auto and Home Insurance (not subsidized)
23. Wellness Program
24. Workers' Compensation

SCHEDULE 5.15(c)

EXCEPTIONS TO QUALIFICATIONS OF EMPLOYEE BENEFITS UNDER SECTION 401(a)

None.

SCHEDULE 5.15(d)

EXCEPTIONS TO NON-ACCELERATION OF EMPLOYEE BENEFITS

None.

SCHEDULE 7.1

EXCEPTIONS TO CONDUCT OF BUSINESS IN ORDINARY COURSE

Prior to the Closing, Building Seller, Atmos Power Systems, Inc., intends to exercise its option to purchase the real property subject of the Lease Agreement dated as of November 1, 1991with the Development Authority of Columbus, Georgia, as more particularly described in Schedules 2.1A and 5.9(a) herein.

SCHEDULE 7.1(e)

CAPITAL INVESTMENTS PROGRAM

1. PROPOSED FY 2013 CAPITAL BUDGET TO BE PROVIDED TO BUYER (Which in the aggregate will be reasonably consistent with the FY 2012 Capital Budget.)

SCHEDULE 7.9(a)

LIST OF BUSINESS EMPLOYEES

GEORGIA

State Total: 64

Hire Date	*Job Name*	*Work Location*	*Grade*	*Pay Basis*
05-Feb-1985	Operations Supervisor	Columbus	5	Exempt Salary
28-Nov-2011	Sr Engineer	Columbus	6	Exempt Salary
09-Jul-1990	Sr Admin Assistant	Columbus	2	Non Exempt Hrly
06-Feb-1978	Sr Construction Operator	Columbus	2	Non Exempt Hrly
04-Jun-2012	Service Technician	Columbus	1	Non Exempt Hrly
03-Apr-1986	Distribution Operator	Columbus	3	Non Exempt Hrly
10-Sep-2007	Sr Construction Operator	Columbus	2	Non Exempt Hrly
22-Oct-2007	Service Technician	Columbus	1	Non Exempt Hrly
05-Oct-1971	Operations Assistant	Columbus	2	Non Exempt Hrly
22-Oct-1990	Sr Construction Operator	Columbus	2	Non Exempt Hrly
07-Jun-1976	Service Technician	Columbus	1	Non Exempt Hrly
08-May-1979	Corrosion Control Technician	Columbus	3	Non Exempt Hrly
30-Nov-1987	Sr MIC Tech	Columbus	3	Non Exempt Hrly
12-Jan-1972	Sr Construction Operator	Columbus	2	Non Exempt Hrly
10-Jul-1978	Sr Service Technician	Columbus	2	Non Exempt Hrly
08-May-1989	Distribution Operator	Columbus	3	Non Exempt Hrly
04-Feb-1985	Sr Service Technician	Columbus	2	Non Exempt Hrly
20-Oct-1980	Crew Leader	Columbus	3	Non Exempt Hrly
04-Dec-2000	Sr Service Technician	Columbus	2	Non Exempt Hrly
21-Sep-1992	Sr Service Technician	Columbus	2	Non Exempt Hrly
01-Aug-1983	Sr LNG Maintenance Tech	Columbus	3	Non Exempt Hrly
10-May-1982	Mgr Public Affairs	Columbus	6	Exempt Salary
06-Mar-1972	Engineer I	Columbus	5	Exempt Salary
23-May-1973	Operations Manager	Columbus	6	Exempt Salary
26-Aug-1991	Project Specialist	Columbus	4	Exempt Salary
18-Jan-1993	Sales Representative I	Columbus	5	Exempt Salary
26-Oct-1998	Sales Representative II	Columbus	4	Exempt Salary
07-Jan-2002	Sr Engineer	Columbus	6	Exempt Salary
15-Jan-1990	Operations Supervisor	Columbus	5	Exempt Salary
27-Jan-2007	Construction Operator	Columbus	1	Non Exempt Hrly
01-May-1986	Crew Leader	Columbus	3	Non Exempt Hrly
12-Feb-1990	Sr Construction Operator	Columbus	2	Non Exempt Hrly
18-May-1981	Sr Construction Operator	Columbus	2	Non Exempt Hrly

06-Mar-1989	Sr Construction Operator	Columbus	2	Non Exempt Hrly
06-Mar-1989	LNG Maintenance Technician	Columbus	2	Non Exempt Hrly
27-Jul-1976	Crew Leader	Columbus	3	Non Exempt Hrly
15-Mar-2004	Service Technician	Columbus	1	Non Exempt Hrly
23-Nov-1987	Corrosion Control Technician	Columbus	3	Non Exempt Hrly
09-Sep-1981	Sr Construction Operator	Columbus	2	Non Exempt Hrly
15-Jun-1987	Distribution Operator	Columbus	3	Non Exempt Hrly
29-Jul-1985	Construction Operator	Columbus	1	Non Exempt Hrly
02-Nov-1970	Operations Assistant	Columbus	2	Non Exempt Hrly
11-Feb-1985	Survey Specialist	Columbus	3	Non Exempt Hrly
22-Oct-2007	Service Technician	Columbus	1	Non Exempt Hrly
06-Mar-1989	Survey Specialist	Columbus	3	Non Exempt Hrly
01-Dec-1983	Sr Construction Operator	Columbus	2	Non Exempt Hrly
30-Nov-1987	Distribution Operator	Columbus	3	Non Exempt Hrly
05-Dec-1984	Sr Service Technician	Columbus	2	Non Exempt Hrly
06-Jul-2004	Sr Service Technician	Columbus	2	Non Exempt Hrly
07-Apr-1986	Sr Service Technician	Columbus	2	Non Exempt Hrly
30-Jun-2003	Sr Service Technician	Columbus	2	Non Exempt Hrly
07-Jul-1982	Project Specialist	Gainesville	4	Exempt Salary
01-Oct-2004	Operations Supervisor	Gainesville	5	Exempt Salary
04-Oct-2004	Operations Assistant	Gainesville	2	Non Exempt Hrly
09-Feb-1987	Distribution Operator	Gainesville	3	Non Exempt Hrly
18-Jan-1988	Sr Construction Operator	Gainesville	2	Non Exempt Hrly
01-May-1995	Meter Reader	Gainesville	1	Non Exempt Hrly
02-Nov-1981	Sr MIC Tech	Gainesville	3	Non Exempt Hrly
17-Sep-1979	Crew Leader	Gainesville	3	Non Exempt Hrly
11-Dec-1987	Sr Construction Operator	Gainesville	2	Non Exempt Hrly
15-Sep-1986	Distribution Operator	Gainesville	3	Non Exempt Hrly
01-Jun-1998	Sr Construction Operator	Gainesville	2	Non Exempt Hrly
30-Aug-1973	Crew Leader	Gainesville	3	Non Exempt Hrly
19-Dec-1992	Sr Service Technician	Gainesville	2	Non Exempt Hrly

SCHEDULE 7.9(c)

COLLECTIVE BARGAINING UNITS

None.

SCHEDULE 7.10(d)

PENSION PLAN ASSUMPTIONS

Transfer of Pension Liabilities and Assets

For purposes of determining the asset transfer amount:

Terminations Prior to Closing Date

Seller will retain the liability, and no assets will be transferred.

New Hires Prior to Closing

Employees will become participants in the Retirement Savings Plan and will not participate in the Pension Account Plan; no assets will be transferred.

Active Participants at Closing Date

Grandfathered Participants

- Assets transferred : Greater of (1) the Pension Account Plan account balance at Closing Date [1] or (2) the lump sum value of the Pension Account Plan grandfathered monthly benefit earned as of the Closing Date
- Assumptions : For the lump sum value of the grandfathered benefit, IRS 417(e) interest rates and mortality table in effect for lump sums payable as of the first of the month following the Closing Date

Non-grandfathered Participants

- Assets transferred : Pension Account Plan account balance at Closing Date [1]
- Assumptions : Not applicable

[1] Account balance will include a partial year of pay credits and interest credits if the transaction closes in the middle of a calendar year.

Adjustment Between Closing Date and Actual Transfer Date

For purposes of Section 7.9(e), the Interest Crediting Rate in effect in the Pension Account Plan during the period between Closing Date and Actual Transfer Date will be used for the adjustment.

SCHEDULE 7.10(f)

RETIREE PLAN ASSUMPTIONS

Transfer of Retiree Medical Liabilities and Assets

For purposes of determining the asset transfer amount, Seller will transfer based on financial reporting assumptions as this is the basis for rate recovery.

Discount Rate	Based on high quality corporate bond yields as of the Closing Date
Salary Increase	4.0% per year
Medical/Dental Plan Trend Rate:	
• Medical costs	8.00% in fiscal year 2012: reducing 0.5% per year, reaching 5.00% in fiscal year 2018 and after.
• Prescription drug costs	8.00% in fiscal year 2012: reducing 0.5% per year reaching 5.50% in fiscal year 2017 and after.
• Dental costs	6.00% in fiscal year 2011 and after
Mortality Table	RP2000 White Collar with mortality improvement projected to 2020 using Scale AA
Termination	Rates varying by age and service. Sample rates:

	Age 25	Age 40	Age 55
Rate	12.1%	4.7%	2.2%

Retirement — Rates varying by age:

Age	Rate
55-58	5%
59-60	10%
61	15%
62	40%
63-64	30%
65-69	50%
70	100%

Percentage Covering Spouses	70%
Spouses Ages	Wives 2 years younger than husbands
Participation Rates	95%
Other Assumptions	Other assumptions as used for the Seller's most recent financial statement disclosures as of September 30, 2012

SCHEDULE 7.10(i)

SEVERANCE ARRANGEMENTS

Seller has no formal severance policy, however Seller's general practice is 1.5 weeks pay for each full year of service (rounded down) – minimum five weeks, no maximum.

Seller also subsidizes COBRA coverage for the same amount of time as calculated above at a rate same as active-employee rates.

Exhibit 10.1

GUARANTY

THIS GUARANTY (this " Guaranty ") is made as of August 8, 2012, by Algonquin Power & Utilities Corp., a corporation organized under the Laws of Canada (the " Guarantor "), in favor of Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia (" Seller "). Capitalized terms used but not defined herein have the meanings given to such terms in the Asset Purchase Agreement (defined below).

1. Guaranty . To induce Seller to enter into that certain Asset Purchase Agreement, dated as of the date hereof, by and between Liberty Energy (Georgia) Corp., a Georgia corporation (" Buyer "), and Seller (as amended, supplemented or otherwise modified from time to time, the " Purchase Agreement "), and for other good and valuable consideration, Guarantor hereby absolutely, unconditionally and irrevocably guarantees to Seller the full and prompt payment, when due, of the Purchase Price (including any adjustment thereof, whenever due) and the full and prompt payment and performance of all other obligations of Buyer (and Buyer's successors and permitted assigns under the Purchase Agreement) to Seller to be performed prior to or upon Closing under the Purchase Agreement (collectively, the " Obligations "). All sums payable by Guarantor hereunder shall be paid in immediately available funds.

2. Nature of Guaranty . This is an unconditional guaranty of payment and performance and not of collectibility, and a separate action or actions may be brought and prosecuted against Guarantor to enforce this Guaranty, irrespective of whether any action is brought against Buyer or whether Buyer is joined in any such action or actions. Seller shall not be obligated to file any claim relating to the Obligations in the event that Buyer becomes subject to a bankruptcy, reorganization or similar proceeding, and the failure of Seller to so file shall not affect Guarantor's obligations hereunder. In the event that any payment by Buyer to Seller in satisfaction of any Obligation is rescinded or must otherwise be returned for any reason whatsoever, Guarantor shall remain liable hereunder with respect to such Obligation as if such payment had not been made.

3. Changes in Obligations; Certain Waivers .

(a) Guarantor agrees that Seller may at any time and from time to time, without notice to or further consent of Guarantor, extend the time for payment or performance of any of the Obligations, and may also make any agreement with Buyer for the extension, renewal, payment, compromise, discharge or release thereof, in whole or in part, or for any modification of the terms thereof or of any agreement between Seller and Buyer without in any way impairing or affecting Guarantor's obligations under this Guaranty. Guarantor agrees that the obligations of Guarantor hereunder shall not be released, modified or discharged, in whole or in part, by: (i) the failure of Seller to assert any claim or demand or to enforce any right or remedy against Buyer, Guarantor, or others; (ii) any change in the time, place or manner of payment or performance of any of the Obligations or any rescission, waiver, compromise, consolidation or other amendment or modification of any of the terms or provisions of the Purchase Agreement; (iii) the addition, substitution or release of any Person interested in the transactions contemplated by the Purchase Agreement; (iv) any change in the corporate existence, structure or ownership of Buyer or of any other Person interested in the transactions contemplated by the Purchase Agreement; (v) any voluntary or involuntary insolvency, bankruptcy, reorganization, liquidation,

dissolution, receivership, marshaling of assets, assignment for the benefit of creditors or other similar proceeding affecting Buyer or any other Person interested in the transactions contemplated by the Purchase Agreement; (vi) the existence of any claim, set-off or other right which Guarantor may have at any time against Seller, whether in connection with the Obligations or otherwise; (vii) the adequacy of any other means Seller may have of obtaining payment or performance of the Obligations; (viii) the value, genuineness, validity or enforceability of the Purchase Agreement or any other agreement or instrument referred to herein or therein; or (ix) any other act or omission that may in any manner or to any extent vary the risk of or to Guarantor or otherwise operate as a discharge of Guarantor as a matter of Law or equity (other than as a result of payment and performance of the Obligations in accordance with their terms).

(b) To the fullest extent permitted by Law, Guarantor hereby expressly waives any and all rights or defenses arising by reason of any Law which would otherwise require any election of remedies by Seller. Guarantor hereby waives promptness, diligence, notice of the acceptance of this Guaranty and of the Obligations, presentment, demand for payment, notice of non-performance, default, dishonor and protest, notice of any Obligations incurred and all other notices of any kind (other than notices required to be given under the Purchase Agreement), all defenses which may be available by virtue of any valuation, stay, moratorium Law or other similar Law now or hereafter in effect, any right to require the marshaling of assets of Buyer or any other Person interested in the transactions contemplated by the Purchase Agreement, all rights of subrogation, indemnification or contribution (whether arising by contract or operation of law, including, without limitation, any such right under bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights) arising prior to the satisfaction in full of the Obligations and all suretyship defenses generally. Guarantor acknowledges that it will receive substantial direct and indirect benefits from the transactions contemplated by the Purchase Agreement and that the waivers set forth in this Guaranty are knowingly made in contemplation of such benefits. Guarantor hereby covenants and agrees that it shall not institute, and shall cause its respective Affiliates not to institute, any proceedings asserting that this Guaranty is illegal, invalid or unenforceable in accordance with its terms, subject to (i) the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other similar Laws affecting creditors' rights generally, and (ii) general equitable principles (whether considered in a proceeding in equity or at Law).

4. No Waiver; Cumulative Rights . No failure on the part of Seller to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by Seller of any right, remedy or power hereunder preclude any other or future exercise of any right, remedy or power hereunder. Each and every right, remedy and power hereby granted to Seller or allowed it by Law or other agreement shall be cumulative and not exclusive of any other, and may be exercised by Seller at any time or from time to time.

5. Representations and Warranties . Guarantor hereby represents and warrants to Seller that:

(a) Guarantor is a corporation, duly organized, validly existing and in good standing under the Laws of Canada and has all necessary corporate power and authority to enter into and carry out its obligations hereunder;

(b) the execution, delivery and performance of this Guaranty have been duly authorized by all necessary action and do not contravene any provision of Guarantor's charter, articles or certificate of incorporation, bylaws or similar organizational documents or any law, regulation, rule, decree, order, judgment or contractual restriction binding on Guarantor or its assets, and do not and will not cause any security interest, lien or other Encumbrance to be created or imposed upon any of Guarantor's assets or property;

(c) all consents, approvals, authorizations, permits or filings with and notifications to, any governmental authority necessary for the due execution, delivery and performance of this Guaranty by Guarantor have been obtained or made and all conditions thereof have been duly complied with, and no other action by, and no notice to or filing with, any Governmental Entity is required in connection with the execution, delivery or performance of this Guaranty;

(d) this Guaranty has been duly and validly executed and constitutes a valid and legally binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms, subject to the effects of bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights generally and to general principles of equity; and

(e) Guarantor has the financial capacity to pay and perform its Obligations under this Guaranty, and to obtain all funds necessary for Guarantor to fulfill its Obligations under this Guaranty for so long as this Guaranty shall remain in effect in accordance with Section 8 hereof.

6. No Assignment; Amendment . This Guaranty shall not be assigned by operation of Law or otherwise. This Guaranty may be amended only by an instrument in writing executed by Guarantor and Seller.

7. Notices . All notices, requests and other communications hereunder shall be in writing and shall be deemed to have been given upon receipt if either (a) personally delivered, (b) sent by registered or certified mail, return receipt requested, as of the date such receipt indicates by signature, (c) sent by overnight delivery via a nationally recognized carrier, or (d) by facsimile with, and as of the date of, completed transmission being acknowledged: (i) to Seller at the addresses set forth in Section 11.3 of the Purchase Agreement; or (ii) to Guarantor at the following address (or in each case at such other address or facsimile number for Guarantor or Seller as shall be specified in a notice given in accordance with this Section 7):

Algonquin Power & Utilities Corp.
2845 Bristol Circle
Oakville, Ontario, Canada L6H 7H7
Attn: General Counsel
Facsimile: 905-465-4514

With a copy to (which shall not constitute notice):

Husch Blackwell LLP
4801 Main St., Suite 1000
Kansas City, MO 64112
Attn: James G. Goettsch, Esq.
Facsimile: 816-983-8080

8. Continuing Guaranty . This Guaranty shall remain in full force and effect and shall be binding on Guarantor, its successors and permitted assigns until all of the Obligations and all amounts payable under this Guaranty have been indefeasibly paid, observed, performed or satisfied in full and shall inure to the benefit of, and be enforceable by, Seller and its successors and permitted assigns. Notwithstanding the foregoing, this Guaranty shall terminate and Guarantor shall have no further obligations under this Guaranty upon the valid termination of the Purchase Agreement (other than those provisions of the Purchase Agreement that expressly survive such termination); provided that such termination does not arise as a result of any breach by Buyer of, or failure of Buyer to perform its obligations under, the Purchase Agreement.

9. Parties in Interest . This Guaranty is solely for the benefit of Seller and its successors and permitted assigns, and is not intended to, and shall not, confer any rights or remedies upon any other Person.

10. Governing Law. This Guaranty (as well as any claim or controversy arising out of or relating to this Guaranty) shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflicts of laws rules thereof that would otherwise require the laws of another jurisdiction to apply.

11. Submission to Jurisdiction . Guarantor irrevocably agrees that any legal action or proceeding arising out of or relating to this Guaranty brought by Seller or its successors or assigns shall be brought and determined in any New York State or federal court sitting in the City of New York (or, if such court lacks subject matter jurisdiction, in any appropriate New York or federal court), and Guarantor hereby irrevocably submits to the exclusive jurisdiction of the aforesaid courts for itself and with respect to its property, generally and unconditionally, with regard to any such action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby. Guarantor agrees not to commence any action, suit or proceeding relating thereto except in the courts described above in New York, other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in New York as described herein. Guarantor further agrees that notice as provided herein shall constitute sufficient service of process and the Parties further waive any argument that such service is insufficient. Guarantor hereby irrevocably and unconditionally waives, and agrees not to assert, by way of motion or as a defense, counterclaim or otherwise, in any action or proceeding arising out of or relating to this Guaranty or the transactions contemplated hereby, (a) any claim that it is not personally subject to the jurisdiction of the courts in New York as described herein for any reason, (b) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service

of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (c) that (i) the suit, action or proceeding in any such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper or (iii) this Guaranty, or the subject matter hereof, may not be enforced in or by such courts.

12. Severability . Any term or provision of this Guaranty that is invalid or unenforceable in any situation in any jurisdiction will not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

13. Delivery . This Guaranty may be delivered by facsimile or other electronic transmission, with such facsimile or other electronic signature constituting an original for all purposes.

14. Waiver of Jury Trial . GUARANTOR HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS GUARANTY.

[Signature page follows]

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be executed and delivered as of the date first written above by its officer thereunto duly authorized.

ALGONQUIN POWER & UTILITIES CORP.

By: /s/ IAN ROBERTSON
Name: Ian Robertson
Title: Chief Executive Officer

By: /s/ DAVID BRONICHESKI
Name: David Bronicheski
Title: Chief Financial Officer

Signature Page to Guaranty

ACCEPTED BY :

ATMOS ENERGY CORPORATION

By: /s/ FRED E. MEISENHEIMER
Name: Fred E. Meisenheimer
Title: Senior Vice President and
Chief Financial Officer

Signature Page to Guaranty

Exhibit 99.1

News Release

Analysts and Media Contact:
Susan Giles (972) 855-3729

Atmos Energy Corporation Reports Earnings for the Fiscal 2012 Third Quarter and Nine Months; Reaffirms Fiscal 2012 Guidance

DALLAS (August 8, 2012)—Atmos Energy Corporation (NYSE: ATO) today reported consolidated results for its fiscal 2012 third quarter and nine months ended June 30, 2012.

- Fiscal 2012 third quarter consolidated results, excluding net unrealized margins, were $29.3 million, or $0.32 per diluted share, compared with a loss of $0.7 million, or ($0.01) per diluted share in the prior-year quarter.
- After including noncash, unrealized net gains of $1.8 million, or $0.02 per diluted share, fiscal 2012 third quarter net income was $31.1 million, or $0.34 per diluted share. Net loss was $0.6 million, or ($0.01) per diluted share in the prior-year quarter, after including unrealized net gains of $0.1 million or $0.00 per diluted share.
- The fiscal 2011 third quarter net loss included a noncash charge of $6.1 million, or ($0.06) per diluted share, to impair certain natural gas gathering assets.
- For the three months ended June 30, 2012, regulated operations contributed $18.3 million, or $0.20 per diluted share, compared with $3.3 million of net income, or $0.03 per diluted share in the prior-year quarter.
- Nonregulated operations contributed net income of $12.8 million, or $0.14 per diluted share, compared with a net loss of $3.9 million, or ($0.04) per diluted share for the same three-month period last year.

For the nine months ended June 30, 2012, consolidated net income was $208.8 million, or $2.28 per diluted share, compared with net income of $205.6 million, or $2.25 per diluted share for the same period last year. Net income for the prior-year period included the positive impact of several one-time items totaling $6.5 million, or $0.07 per diluted share. Results from nonregulated operations include noncash, unrealized net gains of $7.1 million, or $0.08 per diluted share for the nine months ended June 30, 2012, compared with net losses of $1.4 million, or ($0.02) per diluted share for the prior-year period. For the current nine-month period, regulated operations contributed $198.5 million of net income, or $2.17 per diluted share, and nonregulated operations contributed $10.3 million of net income, or $0.11 per diluted share. For the current nine-month period, net income from regulated operations includes $6.9 million, or $0.07 per diluted share from discontinued operations, compared with $7.9 million, or $0.09 per diluted share for the same period last year.

"The rate and regulatory enhancements achieved in recent years have generated relatively stable and predictable results in our core regulated operations. Additionally, we experienced solid improvement in our nonregulated segment this quarter from executing an effective trading strategy earlier in the year," said Kim Cocklin, president and chief executive officer of Atmos Energy Corporation.

"For fiscal 2012, we remain on track to meet our previously announced earnings guidance of between $2.30 and $2.40 per diluted share," Cocklin concluded.

Results for the 2012 Third Quarter Ended June 30, 2012

Natural gas distribution gross profit, excluding discontinued operations, increased $0.5 million to $200.7 million for the fiscal 2012 third quarter, compared with $200.2 million in the prior-year quarter. This increase reflects a net $4.5 million increase in rates, partially offset by a $3.3 million decrease in revenue-related taxes, primarily due to lower revenue on which the tax is calculated.

Regulated transmission and storage gross profit increased $13.5 million to $67.1 million for the quarter ended June 30, 2012, compared with $53.6 million for the same quarter last year. This increase is primarily the result of a $9.1 million increase related to Gas Reliability Infrastructure Program (GRIP) filings that became effective in July 2011 and April 2012 and $1.6 million from sales of excess gas.

Nonregulated gross profit increased $18.0 million to $31.4 million for the third quarter of fiscal 2012, compared with $13.4 million for the prior-year quarter. The increase primarily reflects an $18.2 million quarter-over-quarter increase in realized asset optimization margins due to realized gains earned from the nonregulated trading strategy executed earlier in the fiscal year. During the first six months of fiscal 2012, Atmos Energy Holdings (AEH) took advantage of falling natural gas prices by injecting gas into storage and rolling financial positions forward for settlement in the third and fourth quarters of fiscal 2012. This increase was partially offset by a $3.1 million decrease in realized margins from gas delivery and other services, primarily due to a 10 percent decrease in consolidated sales volumes as a result of lower industrial and power generation demand. Finally, unrealized margins increased $2.9 million quarter over quarter.

Consolidated operation and maintenance expense, excluding discontinued operations and the provision for doubtful accounts, for the three months ended June 30, 2012, was $106.1 million, compared with $111.3 million for the prior-year quarter. The quarter-over-quarter decrease resulted primarily from a $1.4 million decrease related to the establishment of regulatory assets for pension and postretirement costs and a $1.6 million decrease in legal costs.

Results for the quarter ended June 30, 2011, included an $11.0 million noncash charge to impair certain natural gas gathering assets.

Results for the Nine Months Ended June 30, 2012

Natural gas distribution gross profit, excluding discontinued operations, increased $2.5 million to $872.6 million for the nine months ended June 30, 2012, compared with $870.1 million in the prior-year period. This increase is due largely to a net $15.5 million increase attributable to rate increases, primarily in the company's Mid-Tex, Louisiana, Mississippi, Kentucky and West Texas service areas. Partially offsetting this increase was a $3.1 million decrease associated with a nine percent decrease in consolidated distribution throughput, primarily from lower consumption and warmer weather, coupled with an $8.9 million decrease in revenue-related taxes, which was offset by a decrease in taxes, other than income.

Regulated transmission and storage gross profit increased $24.3 million to $181.9 million for the nine months ended June 30, 2012, compared with $157.6 million last year. This increase is primarily a result of rate design changes approved in the Atmos Pipeline – Texas rate case that became effective in May 2011, coupled with GRIP filings that became effective in July 2011 and April 2012.

Nonregulated gross profit decreased $16.0 million to $42.6 million for the nine months ended June 30, 2012, compared with $58.6 million for the prior-year period. The decrease primarily reflects a $16.7 million decrease in realized asset optimization margins due to AEH's trading strategy executed during the first six months of fiscal 2012. This trading strategy caused AEH to realize significantly higher losses on the settlement of financial instruments used to hedge our natural gas purchases during the first two quarters of fiscal 2012. Additionally, realized margins from gas delivery and other services decreased $13.9 million, primarily due to a seven percent decrease in consolidated sales volumes as a result of warmer weather combined with a $0.03/Mcf decrease in per-unit margins. Partially offsetting these decreases was a $14.6 million increase in unrealized margins.

Consolidated operation and maintenance expense, excluding discontinued operations, for the nine months ended June 30, 2012, was $334.1 million, compared with $341.3 million for the prior-year period. Excluding the provision for doubtful accounts, operation and maintenance expense for the current-year period was $328.0 million, compared with $336.1 million for the prior year. The $8.1 million decrease resulted primarily from a $2.9 million decrease from the establishment of regulatory assets for pension and postretirement costs and a $2.1 million decrease in employee-related costs.

Depreciation and amortization increased $12.1 million to $179.3 million during the nine months ended June 30, 2012, compared with $167.2 million for the prior-year period primarily due to incremental capital investments made in fiscal 2011 and early fiscal 2012 that resulted in increased depreciation expense in the current-year period.

Interest charges for the nine months ended June 30, 2012 were $107.0 million, compared with $112.6 million for the same period last year. The $5.6 million period-over-period decrease resulted primarily from refinancing long-term debt at reduced interest rates and reducing commitment fees from decreasing the number of credit facilities and extending the length of their terms in fiscal 2011.

Results for the nine months ended June 30, 2011 include several one-time items, resulting in a total net of tax gain of $6.5 million. In the prior year, the company unwound two Treasury lock agreements, in conjunction with the cancellation of a planned debt offering in November 2011 and recognized a $27.8 million cash gain. Offsetting this gain was a $19.3 million noncash charge to impair the company's investment in the Ft. Necessity storage project and an $11.0

million noncash charge to impair certain natural gas gathering assets. Finally, due to the administrative settlement of various income tax positions during the second quarter of fiscal 2011, the company recorded a $5.0 million tax benefit.

The debt capitalization ratio at June 30, 2012 was 50.7 percent, compared with 51.7 percent at September 30, 2011 and 48.6 percent at June 30, 2011. At June 30, 2012, there was $213.5 million of short-term debt outstanding, compared with no short-term debt outstanding at June 30, 2011, while short-term debt was $206.4 million at September 30, 2011.

For the nine months ended June 30, 2012, the company generated operating cash flow of $518.8 million, a $0.8 million reduction compared with the nine months ended June 30, 2011. The period-over-period decrease primarily reflects $46.6 million of increased contributions to the company's pension and postretirement plan, offset by changes in other working capital.

Capital expenditures increased to $497.4 million for the nine months ended June 30, 2012, compared with $390.3 million in the prior-year period. The $107.1 million increase primarily reflects spending for the steel service line replacement program in the Mid-Tex Division and other infrastructure replacement projects in the Mid-Tex, West Texas and Kentucky service areas, the development of new customer billing and information systems for the natural gas distribution segment and increased capital spending at Atmos Pipeline-Texas.

Outlook

Atmos Energy still expects fiscal 2012 earnings to be in the range of $2.30 to $2.40 per diluted share, excluding unrealized margins. Net income from regulated operations is expected to be in the range of $196 million to $204 million, while net income from nonregulated operations is expected to be in the range of $14 million to $16 million. Total capital expenditures for fiscal 2012 are expected to range between $690 million and $710 million.

Conference Call to be Webcast August 9, 2012

Atmos Energy will host a conference call with financial analysts to discuss the financial results for the fiscal 2012 third quarter and first nine months on Thursday, August 9, 2012, at 10 a.m. Eastern Time. The telephone number is 877-485-3107. The conference call will be webcast live on the Atmos Energy website at www.atmosenergy.com . A playback of the call will be available on the website later that day. Kim Cocklin, president and chief executive officer and Fred Meisenheimer, senior vice president and chief financial officer will participate in the conference call.

Highlights and Recent Developments

Atmos Energy Announces Sale of Georgia Distribution Assets

On August 8, 2012, Atmos Energy announced that it has executed a definitive agreement to sell substantially all of its natural gas distribution assets located in Georgia to Liberty Energy (Georgia) Corp., an affiliate of Algonquin Power & Utilities Corp. The transaction will include the transfer of approximately 64,000 meters at an all cash price of approximately $141 million.

Atmos Energy Completes Sale of Missouri, Illinois and Iowa Distribution Assets

On August 1, 2012, Atmos Energy completed the sale of its natural gas distribution assets in Missouri, Illinois and Iowa to Liberty Energy (Midstates) Corp., an affiliate of Algonquin Power & Utilities Corp. Net cash proceeds for rate base and related working capital were approximately $129 million. The company expects to record a net of tax gain of approximately $6 million, or $0.06 per diluted share in the fourth quarter of fiscal 2012.

Atmos Energy Issues Notice of Early Redemption of Senior Notes

On July 27, 2012, Atmos Energy issued a Notice of Full Redemption of all of its issued and outstanding 5.125% Senior Notes due January 2013. The redemption will occur on August 28, 2012.

Atmos Energy Announces Retirement of Senior Vice President and CFO and Names Successor

On May 29, 2012, Atmos Energy announced that Fred E. Meisenheimer will retire as senior vice president and chief financial officer on October 1, 2012. In addition, Bret J. Eckert, formerly an audit partner with Ernst & Young LLP in its Dallas office, joined the company on June 4, 2012, as senior vice president, and will succeed Mr. Meisenheimer as senior vice president and chief financial officer.

Atmos Energy Names Richard A. Sampson to Board of Directors

On May 1, 2012, Atmos Energy announced that Richard A. Sampson was named to its board of directors and to serve on the board's Audit and Human Resources Committees. Sampson is the retired managing director and client adviser in the strategic client group of JPMorgan Chase & Co. in Denver.

This news release should be read in conjunction with the attached unaudited financial information.

Forward-Looking Statements

The matters discussed in this news release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this news release are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this news release or in any of the company's other documents or oral presentations, the words "anticipate," "believe," "estimate," "expect," "forecast," "goal," "intend," "objective," "plan," "projection," "seek," "strategy" or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this news release, including the risks and uncertainties relating to regulatory trends and decisions, the company's ability to continue to access the capital markets and the other factors discussed in the company's reports filed with the Securities and Exchange Commission. These factors include the risks and uncertainties discussed in the company's Annual Report on Form 10-K for the fiscal year ended September 30, 2011 and in the company's Quarterly Report on Form 10-Q for the three and six months ended March 31, 2012. Although the company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. The company undertakes no obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is one of the country's largest natural-gas-only distributors, serving about three million natural gas distribution customers in over 1,400 communities in nine states from the Blue Ridge Mountains in the East to the Rocky Mountains in the West. Atmos Energy also provides natural gas marketing and procurement services to industrial, commercial and municipal customers primarily in the Midwest and Southeast and manages company-owned natural gas pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas. For more information, visit www.atmosenergy.com .

Atmos Energy Corporation
Financial Highlights (Unaudited)

Statements of Income (000s except per share)	Three Months Ended June 30 2012	2011	Percentage Change
Gross Profit:			
Natural gas distribution segment	$200,678	$200,192	— %
Regulated transmission and storage segment	67,073	53,570	25%
Nonregulated segment	31,421	13,405	134%
Intersegment eliminations	(382)	(362)	(6)%
Gross profit	298,790	266,805	12%
Operation and maintenance expense	107,295	112,665	(5)%
Depreciation and amortization	59,819	56,932	5%
Taxes, other than income	46,887	52,142	(10)%
Asset impairments	—	10,988	(100)%
Total operating expenses	214,001	232,727	(8)%
Operating income	84,789	34,078	149%
Miscellaneous expense	(1,948)	(1,430)	36%
Interest charges	34,923	35,845	(3)%
Income (loss) from continuing operations before income taxes	47,918	(3,197)	1,599%
Income tax expense (benefit)	17,774	(1,723)	1,132%
Income (loss) from continuing operations	30,144	(1,474)	2,145%
Income from discontinued operations, net of tax	988	908	9%
Net income (loss)	$ 31,132	$ (566)	5,600%
Basic earnings per share			
Income (loss) per share from continuing operations	$ 0.33	$ (0.02)	
Income per share from discontinued operations	0.01	0.01	
Net income (loss) per share – basic	$ 0.34	$ (0.01)	
Diluted earnings per share			
Income (loss) per share from continuing operations	$ 0.33	$ (0.02)	
Income per share from discontinued operations	0.01	0.01	
Net income (loss) per share – diluted	$ 0.34	$ (0.01)	
Cash dividends per share	$ 0.345	$ 0.340	
Weighted average shares outstanding:			
Basic	90,118	90,127	
Diluted	90,993	90,127	

Summary Net Income (Loss) by Segment (000s)	Three Months Ended June 30 2012	2011	Percentage Change
Natural gas distribution – continuing operations	$ (2,777)	$ (8,129)	66%
Natural gas distribution – discontinued operations	988	908	9%
Regulated transmission and storage	20,144	10,552	91%
Nonregulated	10,939	(3,995)	374%
Unrealized margins, net of tax	1,838	98	1,776%
Consolidated net income (loss)	$ 31,132	$ (566)	5,600%

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Statements of Income (000s except per share)	Nine Months Ended June 30 2012	2011	Percentage Change
Gross Profit:			
Natural gas distribution segment	$ 872,565	$ 870,132	— %
Regulated transmission and storage segment	181,869	157,553	15%
Nonregulated segment	42,597	58,641	(27)%
Intersegment eliminations	(1,098)	(1,129)	3%
Gross profit	1,095,933	1,085,197	1%
Operation and maintenance expense	334,065	341,317	(2)%
Depreciation and amortization	179,306	167,176	7%
Taxes, other than income	145,004	145,868	(1)%
Asset impairments	—	30,270	(100)%
Total operating expenses	658,375	684,631	(4)%
Operating income	437,558	400,566	9%
Miscellaneous income (expense)	(3,207)	24,046	(113)%
Interest charges	107,025	112,615	(5)%
Income from continuing operations before income taxes	327,326	311,997	5%
Income tax expense	125,484	114,211	10%
Income from continuing operations	201,842	197,786	2%
Income from discontinued operations, net of tax	6,908	7,854	(12)%
Net income	$ 208,750	$ 205,640	2%
Basic earnings per share			
Income per share from continuing operations	$ 2.23	$ 2.17	
Income per share from discontinued operations	0.08	0.09	
Net income per share – basic	$ 2.31	$ 2.26	
Diluted earnings per share			
Income per share from continuing operations	$ 2.21	$ 2.16	
Income per share from discontinued operations	0.07	0.09	
Net income per share – diluted	$ 2.28	$ 2.25	
Cash dividends per share	$ 1.035	$ 1.020	
Weighted average shares outstanding:			
Basic	90,131	90,233	
Diluted	91,006	90,530	

Summary Net Income (Loss) by Segment (000s)	Nine Months Ended June 30 2012	2011	Percentage Change
Natural gas distribution – continuing operations	$ 143,429	$ 160,853	(11)%
Natural gas distribution – discontinued operations	6,908	7,854	(12)%
Regulated transmission and storage	48,178	38,393	25%
Nonregulated	3,176	(51)	6,327%
Unrealized margins, net of tax	7,059	(1,409)	601%
Consolidated net income	$ 208,750	$ 205,640	2%

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Discontinued Operations (000s)	Three Months Ended June 30 2012	Three Months Ended June 30 2011	Nine Months Ended June 30 2012	Nine Months Ended June 30 2011
Operating revenues	$ 8,745	$ 11,524	$ 58,570	$ 71,047
Purchased gas cost	3,005	5,460	34,982	44,993
Gross profit	5,740	6,064	23,588	26,054
Operating expenses	4,146	4,472	12,595	12,919
Operating income	1,594	1,592	10,993	13,135
Other nonoperating expense	(40)	(94)	(126)	(159)
Income from discontinued operations before income taxes	1,554	1,498	10,867	12,976
Income tax expense	566	590	3,959	5,122
Net income	$ 988	$ 908	$ 6,908	$ 7,854

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Balance Sheets (000s)	June 30, 2012	September 30, 2011
Net property, plant and equipment	$5,441,886	$5,147,918
Cash and cash equivalents	27,706	131,419
Accounts receivable, net	216,753	273,303
Gas stored underground	239,329	289,760
Other current assets	291,870	316,471
Total current assets	775,658	1,010,953
Goodwill and intangible assets	740,174	740,207
Deferred charges and other assets	392,117	383,793
	$7,349,835	$7,282,871
Shareholders' equity	$2,354,925	$2,255,421
Long-term debt	1,956,289	2,206,117
Total capitalization	4,311,214	4,461,538
Accounts payable and accrued liabilities	178,198	291,205
Other current liabilities	468,409	367,563
Short-term debt	213,491	206,396
Current maturities of long-term debt	250,131	2,434
Total current liabilities	1,110,229	867,598
Deferred income taxes	1,085,654	960,093
Deferred credits and other liabilities	842,738	993,642
	$7,349,835	$7,282,871

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Statements of Cash Flows (000s)	Nine Months Ended June 30 2012	2011
Cash flows from operating activities		
Net income	$ 208,750	$ 205,640
Asset impairments	—	30,270
Depreciation and amortization	184,194	171,875
Deferred income taxes	120,713	115,488
Other	22,386	15,927
Changes in assets and liabilities	(17,237)	(19,638)
Net cash provided by operating activities	518,806	519,562
Cash flows from investing activities		
Capital expenditures	(497,374)	(390,283)
Other, net	(4,247)	(3,373)
Net cash used in investing activities	(501,621)	(393,656)
Cash flows from financing activities		
Net decrease in short-term debt	(6,688)	(132,072)
Net proceeds from issuance of long-term debt	—	394,618
Settlement of Treasury lock agreements	—	20,079
Unwinding of Treasury lock agreements	—	27,803
Repayment of long-term debt	(2,369)	(360,066)
Cash dividends paid	(94,338)	(93,039)
Repurchase of common stock	(12,535)	—
Repurchase of equity awards	(5,219)	(5,300)
Issuance of common stock	251	7,548
Net cash used in financing activities	(120,898)	(140,429)
Net decrease in cash and cash equivalents	(103,713)	(14,523)
Cash and cash equivalents at beginning of period	131,419	131,952
Cash and cash equivalents at end of period	$ 27,706	$ 117,429

Statistics, including discontinued operations	Three Months Ended June 30 2012	2011	Nine Months Ended June 30 2012	2011
Consolidated natural gas distribution throughput (MMcf as metered)	65,700	69,094	332,342	365,939
Consolidated regulated transmission and storage transportation volumes (MMcf)	118,678	112,564	333,341	305,898
Consolidated nonregulated delivered gas sales volumes (MMcf)	79,658	88,382	270,372	290,486
Natural gas distribution meters in service	3,206,280	3,199,636	3,206,280	3,199,636
Natural gas distribution average cost of gas	$ 3.73	$ 5.59	$ 4.70	$ 5.21
Nonregulated net physical position (Bcf)	30.3	16.7	30.3	16.7

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Exhibit 99.2

News Release

Analysts and Media Contact:
Susan Giles (972) 855-3729

Atmos Energy Corporation to Sell Natural Gas Distribution Assets in Georgia

DALLAS (August 8, 2012)—Atmos Energy Corporation (NYSE: ATO) today announced that it has executed a definitive agreement to sell substantially all of its natural gas distribution assets located in Georgia to Liberty Energy (Georgia) Corp., an affiliate of Algonquin Power & Utilities Corp. The transaction will include the transfer of approximately 64,000 meters at an all cash price of approximately $141 million, with the agreement containing usual terms and conditions customary for transactions of this type, including typical adjustments to the purchase price, if applicable.

"We have worked with Algonquin over the last year to transition our Missouri, Illinois and Iowa operations and are pleased to be able to consummate another asset sale with such a fine company. We know that Algonquin shares our focus on safety, reliability and providing excellent customer service to our Georgia customers," said Kim R. Cocklin, President and Chief Executive Officer of Atmos Energy Corporation.

The sale is expected to close during fiscal 2013, after the receipt of all necessary regulatory approvals. These predominantly residential and commercial meters represent less than two percent of Atmos Energy's three million natural gas customers. The proceeds from this transaction will be redeployed to fund growth opportunities in the remaining jurisdictions the company serves. Upon closing this transaction, Atmos Energy will reduce the number of states in which it operates from nine to eight, with approximately 80 percent of its utility operations in the three states of Texas, Louisiana and Mississippi.

Forward-Looking Statements

The matters discussed in this news release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this news release are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this news release or in any of the company's other documents or oral presentations, the words "anticipate," "believe," "estimate," "expect," "forecast," "goal," "intend," "objective," "plan," "projection," "seek," "strategy" or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those

discussed in this news release, including the risks and uncertainties relating to regulatory trends and decisions, the company's ability to continue to access the capital markets and the other factors discussed in the company's reports filed with the Securities and Exchange Commission. These factors include the risks and uncertainties discussed in the company's Annual Report on Form 10-K for the fiscal year ended September 30, 2011 and in the company's Quarterly Report on Form 10-Q for the three and six months ended March 31, 2012. Although the company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. The company undertakes no obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is one of the country's largest natural- gas-only distributors, serving about three million natural gas distribution customers in over 1,400 communities in nine states from the Blue Ridge Mountains in the East to the Rocky Mountains in the West. Atmos Energy also provides natural gas marketing and procurement services to industrial, commercial and municipal customers primarily in the Midwest and Southeast and manages company-owned natural gas pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas. For more information, visit www.atmosenergy.com .

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

August 1, 2012
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

On August 1, 2012, Atmos Energy Corporation ("Atmos Energy") entered into a commitment letter (the "Commitment Letter") in favor of Algonquin Power & Utilities Corp. ("Algonquin"), to sell substantially all of its natural gas distribution operations in Georgia in accordance with the terms and conditions of an asset purchase agreement (the "Agreement") attached as an appendix to the Commitment Letter, to Liberty Energy (Georgia) Corp. ("Liberty Energy"), an affiliate of Algonquin, for a purchase price of approximately $141 million (the "Transaction"). The Commitment Letter will expire at 3:00 pm Central Daylight Time on August 8, 2012 unless Liberty Energy executes and delivers the Agreement and Algonquin executes and delivers a guaranty (the "Guaranty") to Atmos Energy in the form of that certain Guaranty of Algonquin in favor of Atmos Energy dated May 12, 2011 (executed in connection with the sale by Atmos Energy of its natural gas distribution operations in Missouri, Illinois and Iowa to Liberty Energy (Midstates Corp.)) prior to that time. The entry into the Transaction, along with the execution of the Agreement by Liberty Energy and the Guaranty by Algonquin, are each subject to approval by the board of directors of Algonquin and completion of due diligence by Algonquin.

The foregoing summary of the Commitment Letter is qualified in its entirety by reference to the complete text of such document, which is filed herewith as Exhibit 2.1 to this Current Report on Form 8-K, and is incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

2.1 Commitment Letter from Atmos Energy Corporation, dated as of August 1, 2012, and agreed to and accepted by Algonquin Power & Utilities Corp. as of August 1, 2012

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: August 7, 2012

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President, General Counsel
and Corporate Secretary

INDEX TO EXHIBITS

Exhibit Number	Description
2.1	Commitment Letter from Atmos Energy Corporation, dated as of August 1, 2012, and agreed and accepted by Algonquin Power & Utilities Corp. as of August 1, 2012

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Exhibit 2.1

[Atmos Energy Letterhead]

August 1, 2012

VIA OVERNIGHT COURIER
AND EMAIL TRANSMISSION

Mr. Ian Robertson
Algonquin Power & Utilities Corp.
2845 Bristol Circle
Oakville, Ontario, Canada L6H 7H7

Dear Mr. Robertson:

This letter sets forth the mutual intent and agreement of Atmos Energy Corporation (" Atmos ") and Algonquin Power & Utilities Corp. (" Algonquin ") with respect to the proposed sale (the " Transaction ") of substantially all of Atmos's natural gas utility business in Georgia (the " Business ") to an indirect subsidiary of Algonquin (the " Buyer ") in accordance with the terms and conditions of an Asset Purchase Agreement in the form attached to this letter as Appendix A (the " Agreement ").

Atmos confirms that its board of directors has approved the Transaction and the Agreement, and that Atmos will execute and deliver the Agreement upon the execution and delivery of the Agreement by Buyer on or prior to 3:00 pm Central Daylight Time on August 8, 2012 (the " Target Signing Date "), and the contemporaneous execution and delivery by Algonquin of a Guaranty with respect to obligations of Buyer under the Agreement (the " Guaranty ") in the form of that certain Guaranty of Algonquin in favor of Atmos dated May 12, 2011.

Algonquin confirms that it will cause Buyer to execute and deliver the Agreement, and contemporaneously therewith will execute and deliver the Guaranty, on or before the Target Signing Date, subject to (a) the satisfactory completion of its due diligence evaluation of the Business (as determined by Algonquin in its sole discretion) and (b) the approval of the Transaction, the Agreement and the Guaranty by Algonquin's board of directors. On or before the Target Signing Date, Algonquin will notify Atmos in writing of the status and outcome of its due diligence investigation and board approval.

Algonquin agrees to continue to commit sufficient resources to complete its due diligence evaluation of the Business on or before the Target Signing Date. Atmos agrees to continue to facilitate Algonquin's due diligence evaluation of the Business, as reasonably necessary to allow Algonquin to complete its evaluation on or before the Target Signing Date. Atmos and Algonquin agree to complete as soon as practical, and in any case prior to the Target Signing Date, the Schedules and Exhibits required by the Agreement, in form and substance appropriate to the Business and otherwise consistent with past practice between the parties. Algonquin agrees that the approval of the Agreement and the Transaction will be put to a vote of its board of directors on or before the Target Signing Date.

This letter may be executed in counterparts, each of which will be considered to be an original. This letter will be governed by and construed in accordance with the laws of the State of New York, without regard to such State's principles or rules regarding conflicts of law.

Please confirm Algonquin's acceptance of the foregoing terms and conditions by signing this letter agreement in the space provided below, and then return a signed original to me on behalf of Atmos.

Sincerely,

Atmos Energy Corporation

By: /s/ FRED E. MEISENHEIMER
Name: Fred E. Meisenheimer
Title: Senior Vice President and Chief Financial Officer

Agreed and accepted as of the date set forth below:

Algonquin Power & Utilities Corp.

By: /s/ IAN ROBERTSON
Name: Ian Robertson
Title: Chief Executive Officer

Date: August 1, 2012

APPENDIX A

Form of Asset Purchase Agreement

ASSET PURCHASE AGREEMENT

by and between

ATMOS ENERGY CORPORATION

as Seller

and

LIBERTY ENERGY (GEORGIA) CORP.

as Buyer

Dated as of August [ ], 2012

TABLE OF CONTENTS

APPENDICES AND EXHIBITS

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this " Agreement ") is made and entered into as of August [ ], 2012, by and between Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia (" Seller "), and Liberty Energy (Georgia) Corp., a Georgia corporation (" Buyer ").

WHEREAS, Buyer desires to purchase, and Seller desires to sell, the Purchased Assets (as hereinafter defined) upon the terms and conditions set forth in this Agreement; and

WHEREAS, concurrently herewith, Algonquin Power & Utilities Corp. (" Algonquin ") has executed and delivered to Seller a Guaranty, dated as of the date hereof (the " Guaranty "), pursuant to which Algonquin has guaranteed the payment and performance obligations of Buyer hereunder.

NOW THEREFORE, in consideration of the Parties' respective covenants, representations, warranties, and agreements hereinafter set forth, and intending to be legally bound hereby, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Definitions . (a) As used in this Agreement, the following terms have the meanings specified in this Section 1.1(a):

" Actionable Incident " means an incident or occurrence that (i) results in damages or other harm to a Person other than Buyer or Seller or any of their respective Affiliates; and (ii) provides such Person with the legal basis to recover damages or obtain other relief.

" Affiliate " has the meaning set forth in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended.

" Affiliated Group " means any affiliated group within the meaning of section 1504(a) of the Code or any similar group defined under a similar provision of Law.

" Ancillary Agreements " means the Bill of Sale, each Special Warranty Deed, and each Assignment of Easements.

" Applicable Commission " means the Georgia Public Service Commission and any other state utility regulatory commission having jurisdiction over any portion of the Business or Purchased Assets.

" Assignment of Easements " means the assignments of easements to be executed and delivered by Seller at the Closing, in the form of Exhibit 1.1-A .

" Bills of Sale " means (i) the bill of sale, assignment and assumption agreement to be executed and delivered by Seller and Buyer at the Closing and (ii) the bill of sale, assignment and assumption agreement to be executed and delivered by Building Seller (with respect to the Additional Real Property) and Liberty Utilities Co. at the Closing, each in substantially the forms of Exhibit 1.1-B .

" Building Seller " means [ ].

" Business " means the natural gas utility business serving customers in the Territory (including, for the avoidance of doubt, pursuant to the Ft. Benning Contract), as currently conducted by Seller, including ownership and operation of the Purchased Assets and performance of the Assumed Obligations, including the LNG Facility (except to the extent the LNG Facility constitutes or is treated as an Excluded Asset pursuant to Section 7.1(g)).

" Business Agreement " means any contract, agreement, real or personal property lease, commitment, understanding, or instrument (other than the Retained Agreements) to which Seller (or, with respect to the Additional Real Property, Building Seller) is a party, whether oral or written, that relates principally to the Business, the Purchased Assets, or the Assumed Obligations.

" Business Day " means any day other than Saturday, Sunday, or any day on which banks in the City of New York or Toronto, Ontario are authorized by Law to close.

" Business Employee " means an employee of Seller who is employed as of the Effective Time and whose work responsibilities relate principally to the Business, as set forth on Schedule 7.9(a) .

" Buyer Required Regulatory Approvals " means (i) the filings by Seller and Buyer required by the HSR Act and the expiration or earlier termination of all waiting periods under the HSR Act, (ii) CFIUS Approval, and (iii) the approvals set forth on Schedule 1.1-A .

" Buyer's Representatives " means Buyer's accountants, employees, counsel, environmental consultants, financial advisors, and other Representatives.

" CFIUS Approval " means either (i) Seller and Buyer shall have received a written notification issued by the Committee on Foreign Investment in the United States that it has determined that (A) it lacks jurisdiction over the transactions contemplated by this Agreement or (B) it has concluded its review under the Exon-Florio Amendment and has determined not to conduct a full investigation or (ii) if a full investigation is deemed to be required, Seller and Buyer shall have received notification that the United States government will not take action to prevent the consummation of the transactions contemplated by this Agreement.

" Claims " means any and all administrative, regulatory, or judicial actions or causes of action, suits, petitions, proceedings (including arbitration proceedings), investigations, hearings, demands, demand letters, claims, or notices of noncompliance or violation delivered by any Governmental Entity or other Person.

" COBRA " means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

" COBRA Continuation Coverage " means the continuation of medical coverage required under sections 601 through 608 of ERISA, and section 4980B of the Code.

" Code " means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

" Confidentiality Agreement " means the Confidentiality Agreement, dated as of July 12, 2012, between Seller and Algonquin.

" Documents " means all files, documents, instruments, papers, books, reports, tapes, microfilms, photographs, letters, ledgers, journals, title policies, real property surveys, purchase orders, invoices, copies of cancelled checks, engineering assessments, technical reports, economic studies, customer lists and information, regulatory filings including in respect of general or other rate cases, operating data and plans, technical documentation (such as design specifications, functional requirements, and operating instructions), user documentation (such as installation guides, user manuals, and training materials), Transferred Employee Records, and other similar materials related principally to the Purchased Assets, the Assumed Obligations or the Business; provided, that "Documents" does not include: (i) any of the foregoing to the extent related to the Excluded Assets or Excluded Liabilities; (ii) information which, if provided to Buyer, would violate any applicable Law or Order; or (iii) any valuations of or related to the Business, the Purchased Assets, or the Assumed Obligations (other than studies, reports, and similar items prepared by or on behalf of Seller for the purposes of completing, performing, prosecuting or executing any rate case, any other filing with any Governmental Entity, unperformed service obligations, Easement relocation obligations, and engineering and construction required to complete scheduled construction, construction work in progress, and other capital expenditure projects, in each case related principally to the Business and the Purchased Assets).

" Easements " means all easements, license agreements, railroad crossing rights, rights-of-way, leases for rights-of-way, and similar use and access rights related to the Purchased Assets or the Business.

" Encumbrances " means any mortgages, pledges, liens, claims, charges, security interests, conditional and installment sale agreements, activity and use limitations, easements, covenants, encumbrances, obligations, limitations, title defects, deed restrictions, preferential purchase rights or options, and any other restrictions of any kind, including restrictions on use, transfer, receipt of income, or exercise of any other attribute of ownership.

" Environment " means all or any of the following media: soil, land surface and subsurface strata, surface waters (including navigable waters, streams, ponds, drainage basins, and wetlands), groundwater, drinking water supply, stream sediments, ambient air (including the air within buildings and the air within other natural or man-made structures above or below ground), plant and animal life, and any other natural resource.

" Environmental Claims " means any and all Claims (including any such Claims involving toxic torts or similar liabilities in tort, whether based on negligence or other fault, strict or absolute liability, or any other basis) arising pursuant to any Environmental Laws or Environmental Permits, or arising from the presence, Release, or threatened Release (or alleged presence, Release, or threatened Release) into the Environment of any Hazardous Materials, including any and all Claims by any Governmental Entity or by any Person for enforcement, cleanup, remediation, removal, response, remedial or other actions or damages, contribution, indemnification, cost recovery, compensation, or injunctive relief pursuant to any Environmental Law or for any property damage or personal or bodily injury (including death) or threat of injury to health, safety, natural resources, or the Environment.

" Environmental Laws " means all Laws relating to pollution or the protection of human health, safety, the Environment, or damage to natural resources, including Laws relating to Releases and threatened Releases or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Materials. Environmental Laws include the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et seq.; the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 136 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; the Clean Air Act, 42 U.S.C. § 7401 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq.; the Oil Pollution Act, 33 U.S.C. § 2701 et seq.; the Endangered Species Act, 16 U.S.C. § 1531 et seq.; the National Environmental Policy Act, 42 U.S.C. § 4321 et seq.; the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq.; the Safe Drinking Water Act, 42 U.S.C. § 300f et seq.; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 et seq.; the Atomic Energy Act, 42 U.S.C. § 2014 et seq.; the Nuclear Waste Policy Act, 42 U.S.C. § 10101 et seq.; and their state and local counterparts or equivalents, all as amended from time to time, and regulations issued pursuant to any of those Laws.

" Environmental Permits " means all permits, certifications, licenses, franchises, exemptions, approvals, consents, waivers or other authorizations of Governmental Entities issued under or with respect to applicable Environmental Laws and used or held by Seller for the operation of the Business.

" ERISA " means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

" ERISA Affiliate " means any Person or entity that together with Seller would be deemed to be under common control within the meaning of Section 414(b), (c), (m) or (o) of the Code.

" Exon-Florio Amendment " means Section 721 of Title VII of the Defense Production Act of 1950, as amended.

" FERC " means the Federal Energy Regulatory Commission.

" Final Regulatory Order " means, with respect to a Required Regulatory Approval, an Order granting such Required Regulatory Approval that has not been reversed, stayed, enjoined, set aside, annulled, or suspended, and that has become final and non-appealable, and with respect to which any required waiting period prescribed by applicable Law before the transactions contemplated by this Agreement may be consummated has expired, and all conditions to effectiveness prescribed therein or otherwise by Law or Order have been satisfied.

" Ft. Benning Contract " means that certain Solicitation, Offer and Award, Contract No. DACA63-01-C-0009, dated September 22, 2001, as modified by that certain Amendment of Solicitation/Modification of Contract No. DABT10-90-D-5040, dated September 23, 2010.

" GAAP " means United States generally accepted accounting principles, applied on a consistent basis.

" Governing Documents " of a Party means the articles or certificate of incorporation and bylaws, or comparable governing documents, of such Party.

" Governmental Entity " means the United States of America and any other federal, state, local, or foreign governmental or regulatory authority, department, agency, commission, body, court, or other governmental entity.

" Hazardous Material " means (i) any chemicals, materials, substances, or wastes which are now or hereafter defined as or included in the definition of "hazardous substance," "hazardous material," "hazardous waste," "solid waste," "toxic substance," "extremely hazardous substance," "pollutant," "contaminant," or words of similar import under any applicable Environmental Laws; (ii) any petroleum, petroleum products (including crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas useable for fuel (or mixtures of natural gas and such synthetic gas), or oil and gas exploration or production waste, polychlorinated biphenyls, asbestos-containing materials, mercury, and lead-based paints; and (iii) any other chemical, material, substances, waste, or mixture thereof which is prohibited, limited, or regulated by Environmental Laws.

" HSR Act " means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.

" Income Tax " means any Tax based upon, measured by, or calculated with respect to (i) net income, profits, or receipts (including capital gains Taxes and minimum Taxes) or (ii) multiple bases (including corporate franchise and business license Taxes) if one or more of the bases on which such Tax may be based, measured by, or calculated with respect to is described in clause (i), in each case together with any interest, penalties, or additions to such Tax.

" Indebtedness " means (i) indebtedness for borrowed money; (ii) obligations to pay the deferred purchase or acquisition price of property or services, other than trade accounts payable arising, and accrued expenses incurred, in the ordinary course of business consistent with customary trade practices; (iii) the guaranty or other assumption of liability for, or grant of an Encumbrance or provision of collateral to secure, the obligations of any other Person; (iv) capital lease obligations; and (v) all reimbursement and other obligations (contingent or otherwise) in respect of letters of credit or similar instruments.

" Independent Accounting Firm " means any independent accounting firm of national reputation mutually appointed by Seller and Buyer; provided, however, that if the Parties are unable to so agree, each shall select an accounting firm, and such accounting firms shall mutually agree upon and appoint a third, which third shall be the Independent Accounting Firm.

" Intellectual Property " means (i) any U.S. or foreign patents, copyrights, trademarks, maskworks, and other similar intangible rights throughout the world, and applications or registrations for any of the foregoing, (ii) any protectable or proprietary interest, whether registered or unregistered, in know-how, trade secrets, database rights, software, operating and manufacturing procedures, designs, specifications and the like, (iii) any protectable or proprietary interest in any similar intangible asset of a technical, scientific or creative nature, and (iv) any protectable or proprietary interests in or to any documents or other tangible media containing any of the foregoing.

" Law " means any statutes, regulations, rules, ordinances, codes, and similar acts or promulgations of any Governmental Entity.

" LNG Facility " means Seller's liquid natural gas facility located in Columbus, Georgia, including all real and personal property comprising the same, as more particularly described on Schedule 1.1-B .

" LNG Facility Regulatory Determination " means the LNG Facility Sale Determination or the LNG Facility Exclusion Determination, as applicable.

" Loss " or " Losses " means losses, liabilities, damages, obligations, payments, costs, and expenses (including the costs and expenses of any and all actions, suits, proceedings, assessments, judgments, settlements, and compromises relating thereto, reasonable attorneys' fees and reasonable disbursements in connection therewith).

" Material Adverse Effect " means a material adverse effect on the business, assets, properties, results of operations, or financial condition of the Business, taken as a whole, or on the ability of Seller to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis, but shall not include an effect that results from or arises out of (i) the announcement or pendency of this Agreement and the transactions contemplated hereby, (ii) factors generally affecting the international, national or regional economy, financial markets, capital markets, or commodities markets, (iii) any change in international, national, regional, or local regulatory or political conditions, (iv) any Law or Order (other than a Law adopted or an Order issued specifically with respect to the Business, the Purchased Assets, or the transactions contemplated by this Agreement), (v) any change in GAAP or in the generally applicable principles used in the preparation of the financial statements as required by any Applicable Commission, (vi) any changes or developments in national, regional, state or local wholesale or retail markets for natural gas or related products including those due to actions by competitors or due to changes in commodities prices or hedging markets therefor, (vii) any changes or developments in national, regional, state or local natural gas transmission or distribution systems, (viii) any changes or developments in national, regional, state, or local wholesale or retail natural gas prices, (ix) acts expressly permitted by this Agreement or consented to or requested by Buyer, (x) any outbreak or escalation of hostilities or acts of war or terrorism, and (xi) any changes in weather or climate or acts of God.

" Order " means any order, decision, judgment, writ, injunction, decree, directive, or award of a court, administrative judge, or other Governmental Entity acting in an adjudicative or regulatory capacity, or of an arbitrator with applicable jurisdiction over the subject matter.

" Party " means either Buyer or Seller, as indicated by the context, and " Parties " means Buyer and Seller.

" Permits " means all permits, certifications, licenses, franchises, exemptions, approvals, consents, waivers or other authorizations of Governmental Entities issued under or with respect to applicable Laws or Orders and used or held by Seller for the operation of the Business or the Purchased Assets, other than Environmental Permits.

" Permitted Encumbrances " means (i) those Encumbrances set forth on Schedule 1.1-C ; (ii) Encumbrances securing or created by or in respect of any of the Assumed Obligations; (iii) statutory liens for current Taxes or assessments not yet due or delinquent or the validity or amount of which is being contested in good faith by appropriate proceedings; (iv) mechanics', carriers', workers', repairers', landlords', and other similar liens arising or incurred in the ordinary course of business relating to obligations as to which there is no default on the part of Seller or that are not material in amount and the validity or amount of which is being contested in good faith by appropriate proceedings, or pledges, deposits, or other liens securing the performance of bids, trade contracts, leases, or statutory obligations (including workers' compensation, unemployment insurance, or other social security legislation); (v) zoning, entitlement, restriction, and other land use and environmental regulations by Governmental Entities; (vi) all rights of condemnation, eminent domain, or other similar rights of any Person; (vii) all Encumbrances arising under approvals by any Governmental Entities; (viii) Encumbrances existing under or as a result of any leases of Real Property identified in the Seller Disclosure Schedules; (ix) Encumbrances created by or through Buyer as of the Closing; and (x) such other Encumbrances that do not, individually or in the aggregate, materially interfere with Buyer's operation of the Business or use of any of the Purchased Assets in the manner currently used and do not secure any Excluded Liabilities.

" Person " means any individual, partnership, limited liability company, joint venture, corporation, trust, unincorporated organization, or Governmental Entity.

" Prime Rate " means, for any day, the prime rate as published in *The Wall Street Journal, Eastern Edition.*

" Regulatory Order " means an Order issued by an Applicable Commission or FERC that affects or governs the rates, services, or other utility operations of the Business.

" Release " means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of Hazardous Materials into the Environment.

" Representatives " means, with respect to any Person, the officers, directors, employees, agents, accountants, advisors, bankers and other representatives of such Person.

" Required Regulatory Approvals " means the Seller Required Regulatory Approvals and the Buyer Required Regulatory Approvals.

" Seller Disclosure Schedules " means, collectively, all Schedules referenced in Article V of this Agreement.

" Seller Marks " means all registered and unregistered trademarks, service marks, trade names, logos, Internet domain names and any applications for registration of any of the foregoing, together with all goodwill associated with each of the foregoing (" Trademarks "), owned by Seller or its Affiliates, including all Trademarks that include the term "Atmos" and all Trademarks related thereto or containing or comprising the foregoing, including any Trademarks confusingly similar thereto or dilutive thereof.

" Seller Required Regulatory Approvals " means (i) the filings by Seller and Buyer required by the HSR Act and the expiration or earlier termination of all waiting periods under the HSR Act, (ii) CFIUS Approval, and (iii) the approvals set forth on Schedule 1.1-D .

" Seller's Knowledge ," or words to similar effect, means the actual knowledge of the persons set forth on Schedule 1.1-E following reasonable inquiry of the employees of Seller and its Affiliates.

" Seller's Representatives " means Seller's accountants, employees, counsel, environmental consultants, financial advisors, managers and other Representatives.

" Special Warranty Deed " means the special warranty deed or deeds to be executed and delivered by Seller (or, with respect to the Additional Real Property, Building Seller) at the Closing, substantially in the form set forth on Exhibit 1.1-C attached hereto.

" Subsidiary ," when used in reference to a Person, means any Person of which outstanding securities or other equity interests having ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions of such Person are owned directly or indirectly by such first Person.

" Tax " and " Taxes " means all taxes, charges, fees, levies, penalties, or other assessments imposed by any foreign or United States federal, state, or local taxing authority, including income, excise, property, sales, transfer, franchise, license, payroll, withholding, social security, or other taxes (including any escheat or unclaimed property obligations), including any interest, penalties, or additions attributable thereto.

" Tax Affiliate " of a Person means a member of that Person's Affiliated Group and any other Subsidiary of that Person which is a partnership or is disregarded as an entity separate from that Person for Tax purposes.

" Tax Return " means any return, report, information return, or other document (including any related or supporting information) required to be supplied to any Governmental Entity with respect to Taxes.

" Territory " means the service territory described on Schedule 1.1-F .

" Transferred Employee Records " means the following records relating to Transferred Employees: (i) skill and development training records and resumes, (ii) seniority histories, (iii) current and historical salary and benefit information, (iv) Occupational, Safety and Health Administration medical reports, (v) active medical restriction forms, and (vi) job performance reviews and applications; provided that such records will not be deemed to include any record which Seller is restricted by applicable Law from providing to Buyer.

" WARN Act " means the Worker Adjustment Retraining and Notification Act of 1988, as amended.

(b) In addition, each of the following terms has the meaning specified in the Appendix or Section set forth opposite such term:

Term	Reference
Actual Transfer Date	Section 7.10(d)
Additional Real Property	Section 2.1A
ADIT	Appendix A
Adjustment Amount	Appendix A
Adjustment Dispute Notice	Section 3.2(c)
Agreement	Recitals
Algonquin	Recitals
Asset Transfer Amount	Section 7.10(d)
Assumed Obligations	Section 2.3
Base Net PPE Amount	Appendix A
Benefit Plan	Section 5.15(a)
Billed Revenues	Section 3.5
Burdensome Condition	Section 7.7(c)(i)
Buyer	Recitals
Buyer's 401(k) Plan	Section 7.10(e)
Buyer's Cafeteria Plan	Section 7.10(h)
Buyer Indemnitees	Section 9.2(a)
Buyer's Pension Plan	Section 7.10(d)
Buyer's Trust	Section 7.10(f)
Cafeteria Plan Participants	Section 7.10(h)
Closing	Section 4.1
Closing Date	Section 4.1
Closing Net PPE Amount	Appendix A
Closing Payment Amount	Section 3.2(a)
Collective Bargaining Agreements	Section 5.9(a)(iv)

Confidential Information	Section 7.3(a)
Continuation Period	Section 7.10(b)
Current Assets	Appendix A
Current Liabilities	Appendix A
Direct Loss	Section 9.3(d)
Division Balance Sheets	Section 5.5(a)
Division Income Statements	Section 5.5(a)
Effective Time	Section 4.1
Excluded Assets	Section 2.2
Excluded Liabilities	Section 2.4
FERC Accounting Rules	Appendix A
FERC Accounts	Appendix A
Franchises	Section 5.9(a)(i)
Final Purchase Price	Section 3.2(e)
Guaranty	Recitals
Indemnifiable Loss	Section 9.2(a)
Indemnifying Party	Section 9.3(a)
Indemnitee	Section 9.3(a)
Inventory	Section 2.1(a)(iii)
IT Assets	Section 2.1(a)(iv)
Large Volume Meters	Section 3.5
LNG Facility Exclusion Determination	Section 7.1(g)(ii)
LNG Facility PPE	Section 7.1(g)(iii)
LNG Facility Sale Determination	Section 7.1(g)(i)
Material Contracts	Section 5.9(a)
Net Other Regulatory Amount	Appendix A
Net PPE Adjustment	Appendix A
OPEB Adjustment Amount	Appendix A
Pension Plan Assumptions	Section 7.10(d)
Post-Closing Adjustment Statement	Section 3.2(b)
Purchase Price	Section 3.1
Purchased Assets	Section 2.1
Qualifying Offer	Section 7.9(b)

Real Property	Section 2.1(a)(i)
Recoverable Liabilities	Section 2.3(h)
Regulatory Assets	Appendix A
Regulatory Liabilities	Appendix A
Retained Agreements	Section 2.2(g)
Retiree Plan Assumptions	Section 7.10(f)
Schedule Update	Section 7.16
Seller	Recitals
Seller Indemnitees	Section 9.2(b)
Seller's 401(k) Plan	Section 7.10(e)
Seller's Actuary	Section 7.10(d)
Seller's Cafeteria Plan	Section 7.10(h)
Seller's Pension Plan	Section 7.10(d)
Seller's Retiree Plan	Section 7.10(f)
Seller's Trust	Section 7.10(f)
Termination Date	Section 10.1(b)
Third Party Claim	Section 9.3(a)
Transaction Taxes	Section 7.8(a)
Transferable Permits	Section 2.1(e)
Transferred Employee	Section 7.9(b)
Transition Committee	Section 7.1(e)
Unbilled Revenues	Section 3.5
Value	Appendix A
Vehicles	Section 2.1(a)(v)
Working Capital Amount	Appendix A

Section 1.2 Other Interpretive Matters . Unless otherwise expressly provided, for purposes of this Agreement, the following rules of interpretation apply:

(a) Appendices, Exhibits and Schedules . Unless otherwise expressly indicated, any reference in this Agreement to an "Appendix," "Exhibit" or "Schedule" refers to an Appendix, Exhibit or Schedule to this Agreement. The Appendices, Exhibits and Schedules to this Agreement are hereby incorporated and made a part hereof as if set forth in full herein and are an integral part of this Agreement. Any capitalized terms used in any Appendix, Exhibit or Schedule but not otherwise defined therein are defined as set forth in this Agreement. In the event of conflict or inconsistency, this Agreement and the Appendices shall prevail over any Exhibit or Schedule.

(b) Time Periods . When calculating the period of time before which, within which, or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period will be excluded. If the last day of such period is a non-Business Day, the period in question will end on the next succeeding Business Day.

(c) Gender and Number . Any reference in this Agreement to gender includes all genders, and the meaning of defined terms applies to both the singular and the plural of those terms.

(d) Certain Terms . Any reference in this Agreement to "dollars" or "$" means U.S. dollars. The words such as "herein," "hereinafter," "hereof," and "hereunder" refer to this Agreement (including the Appendices, Exhibits and Schedules to this Agreement) as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires. The word "including" or any variation thereof means "including, without limitation" and does not limit any general statement that it follows to the specific or similar items or matters immediately following it. The words "to the extent" when used in reference to a liability or other matter means that the liability or other matter referred to is included in part or excluded in part, with the portion included or excluded determined based on the portion of such liability or other matter exclusively related to the subject or period.

(e) Headings . The division of this Agreement into Articles, Sections, and other subdivisions, and the insertion of headings are for convenience of reference only and do not affect, and will not be utilized in construing or interpreting, this Agreement. All references in this Agreement to any "Section" are to the corresponding Section of this Agreement unless otherwise specified.

ARTICLE II
PURCHASE AND SALE

Section 2.1 Purchased Assets . Upon the terms and subject to the satisfaction of the conditions contained in this Agreement, at the Closing, Seller will sell, assign, convey, transfer, and deliver to Buyer, and Buyer will purchase and acquire from Seller, free and clear of all Encumbrances (except for Permitted Encumbrances), all of Seller's right, title, and interest in, to, and under the real and personal property, tangible or intangible, described below, as the same exists at the Effective Time (and, as permitted or contemplated hereby, with such additions and deletions as shall occur from the date hereof through the Effective Time), except to the extent that such assets are Excluded Assets (collectively, together with the assets described in Section 2.1A, the " Purchased Assets "):

(a) The following real and personal property, plant and equipment and related tangible property:

(i) the real property and real property interests described on Schedule 2.1(a)(i), including buildings, structures, pipelines, other improvements, and fixtures located thereon; the leasehold interests under the leases described on Schedule 2.1(a)(i); and the Easements (all of the foregoing, together with the Additional Real Property, the "Real Property");

(ii) all other natural gas distribution utility system assets installed in the Territory and used principally in the Business, as generally described on Schedule 2.1(a)(ii);

(iii) all parts and other inventory that are held for use specifically in connection with the Business (collectively, the "Inventory");

(iv) all information technology and communications equipment that is installed or in use solely at or on, and used principally in connection with the operation of, the Purchased Assets, except as otherwise provided in Section 2.2(f) (the "IT Assets");

(v) all motor vehicles, trailers and similar rolling stock that is held for use principally in connection with the Business, to the extent owned by Seller as of the Effective Time (including as a result of any purchase thereof by Seller pursuant to Section 7.6(c)) (the "Vehicles");

(vi) all furnishings, fixtures, machinery, equipment, materials and other tangible personal property owned by Seller (other than Inventory, IT Assets and Vehicles) that is located in the Territory and that is used principally in connection with the operation of the Business; and

(vii) any assets that are leased on the date hereof by Seller but that are purchased by Seller pursuant to Section 7.6(c) for inclusion in the Purchased Assets;

(b) all Billed Revenues and Unbilled Revenues, each as defined in Section 3.5, which for the avoidance of doubt and notwithstanding any other provision of this Agreement to the contrary, shall constitute Current Assets for purposes of calculating the Adjustment Amount;

(c) the under-recovered purchased gas cost adjustment charges, prepayments, deferred charges and similar items of the type included in the applicable FERC Accounts set forth on Appendix A and principally related to the Business, to the extent that at the Effective Time Buyer will be entitled to the benefit of such items;

(d) the Business Agreements, subject to Section 7.6(b);

(e) all Permits used or held by Seller principally in connection with the Business or the ownership or operation of any of the Purchased Assets, except to the extent that, notwithstanding compliance by Seller with its obligations hereunder, any such Permits are prohibited by applicable Law or the terms of such Permits from being assigned to Buyer in connection with the transactions contemplated hereby (the "Transferable Permits");

(f) the Documents;

(g) all warranties against manufacturers or vendors relating to any of the Purchased Assets, to the extent transferrable;

(h) Claims and defenses of Seller to the extent such Claims or defenses relate to the Purchased Assets or Assumed Obligations, provided such Claims and defenses will be assigned by Seller to Buyer without warranty or recourse;

(i) notwithstanding any provision of Section 2.2, the assets and other rights set forth on Schedule 2.1(i) ;

(j) the assets transferred pursuant to Section 7.10 with respect to the Benefit Plans; and

(k) any other assets that are principally related to the current operation of the Business, other than the Excluded Assets.

Section 2.1A Additional Real Property . Upon the terms and subject to the satisfaction of the conditions contained in this Agreement, at the Closing, Seller will cause Building Seller to sell, assign, convey, transfer, and deliver to Liberty Utilities Co., and Buyer will cause Liberty Utilities Co. to purchase and acquire from Building Seller, free and clear of all Encumbrances (except for Permitted Encumbrances), all of Building Seller's right, title, and interest in, to, and under the real property and real property interests described on Schedule 2.1A , including buildings, structures, other improvements, and fixtures located thereon (the " Additional Real Property ").

Section 2.2 Excluded Assets . The Purchased Assets do not include any property or assets of Seller not described in Section 2.1 and Section 2.1A and, notwithstanding any provision to the contrary in Section 2.1 or elsewhere in this Agreement (other than as set forth on Schedule 2.1(i)), the Purchased Assets do not include the following property or assets of Seller (all assets excluded pursuant to this Section 2.2, the " Excluded Assets "):

(a) [reserved];

(b) cash, cash equivalents, and bank deposits;

(c) certificates of deposit, shares of stock, securities, bonds, debentures, evidences of indebtedness, and any other debt or equity interest in any Person;

(d) all assets used by Seller in performing corporate, support, administrative and other services from locations outside of the Territory;

(e) all assets relating to the Benefit Plans, except for those assets transferred pursuant to Section 7.10;

(f) all information technology and communications equipment used in connection with any business of Seller other than the Business, which for the avoidance of doubt may also be used in connection with the Business and the operation of the Purchased Assets, such as network resources and integrated systems of Seller to which the IT Assets may connect or with which the IT Assets may communicate;

(g) (i) all agreements, contracts and understandings set forth on Schedule 2.2(g), (ii) all Material Contracts existing as of the date hereof that are not set forth on Schedule 5.9(a) as of the date hereof, unless otherwise elected by Buyer, and (iii) except as otherwise provided in Section 7.1(b), any Business Agreement that is entered into after the date hereof that, if existing on the date hereof, would be required to be set forth on Schedule 5.9(a) as a Material Contract (all of the foregoing, the " Retained Agreements ");

(h) any assets that have been disposed of by Seller in the ordinary course of business or otherwise in compliance with this Agreement after the date hereof and prior to the Closing;

(i) all books and records other than the Documents;

(j) the Seller Marks and any other Intellectual Property or rights therein;

(k) any refund or credit related to Taxes paid by or on behalf of Seller, whether such refund is received as a payment or as a credit against future Taxes payable (except to the extent such Tax payments are charged to Buyer pursuant to Section 3.4 hereof);

(l) except to the extent expressly provided in Section 2.1(h), all Claims of Seller against any Person;

(m) all insurance policies, and rights thereunder, including any such policies and rights in respect of the Purchased Assets or the Business;

(n) the rights of Seller arising under or in connection with this Agreement, any certificate or other document delivered in connection herewith, and any of the transactions contemplated hereby and thereby; and

(o) the assets and other rights set forth on Schedule 2.2(o).

Section 2.3 Assumed Obligations. On the Closing Date, Buyer will deliver to Seller the Bill of Sale pursuant to which Buyer will specifically assume, as of the Effective Time, the following liabilities and obligations of Seller (the " Assumed Obligations "):

(a) any trade accounts payable or other accrued and unpaid current expenses in respect of goods and services incurred principally by or for the Business in the ordinary course of business, to the extent included in the FERC Accounts used for calculation of the Adjustment Amount in accordance with Appendix A;

(b) all liabilities and obligations of Seller with respect to over-recovered purchased gas cost adjustment charges (subject to Section 9.2(a)(iv)), and all customer deposits, customer advances for construction, deferred credits, regulatory liabilities and other similar items, in each case principally related to the Business, to the extent included in the FERC Accounts used for calculation of the Adjustment Amount in accordance with Appendix A ;

(c) all obligations of Seller under any Regulatory Order applicable to the Business or the Purchased Assets, other than (i) payment obligations of Seller arising in respect of periods prior to the Effective Time, except to the extent included in the FERC Accounts used for calculation of the Adjustment Amount in accordance with Appendix A ; and (ii) obligations imposed on Seller (rather than on Buyer as Seller's successor with respect to the Business) under any Regulatory Order issued specifically with respect to the transactions contemplated by this Agreement;

(d) all liabilities and obligations of Seller arising in respect of the period on or after the Effective Time under the Business Agreements, the Transferable Permits and any other agreements or contractual rights, in each case to the extent assigned to Buyer pursuant to the terms of this Agreement;

(e) all liabilities and obligations associated with the Purchased Assets or the Business in respect of Taxes to the extent Buyer is expressly liable therefor pursuant to Section 3.4 or Section 7.8;

(f) all liabilities and obligations for which Buyer is expressly responsible pursuant to Section 7.10;

(g) all liabilities accruing or arising from and after the Effective Time out of or relating to the conduct or operation of the Business from and after the Effective Time or the ownership or use of the Purchased Assets from and after the Effective Time; and

(h) all liabilities accruing, arising out of or relating to the conduct or operation of the Business or the ownership or use of the Purchased Assets prior to the Effective Time to the extent that Buyer is entitled to recover the same through the rates of the operating Business after the Effective Time (" Recoverable Liabilities ").

Section 2.4 Excluded Liabilities . Seller acknowledges that the sole liabilities and obligations being assumed by Buyer are the Assumed Obligations and Seller shall retain all other liabilities and obligations, including (collectively, the " Excluded Liabilities "):

(a) any liabilities or obligations of Seller to the extent related to any Excluded Assets;

(b) any liabilities or obligations of Seller in respect of Indebtedness;

(c) any liabilities or obligations in respect of Taxes of Seller or any Tax Affiliate of Seller, or any liability of Seller for unpaid Taxes of any Person under Treasury Regulation section 1.1502-6 (or similar provision of state, local, or foreign law) as a transferee or successor, by contract or otherwise, except for Taxes for which Buyer is expressly liable pursuant to Section 3.4 or Section 7.8;

(d) any obligations of Seller or any of its Affiliates for wages, vacation pay, other paid time off, employment Taxes, bonuses, other incentive compensation, commissions, expense reimbursement, or retention or severance pay to the extent attributable to the period prior to the Effective Time or which may become payable as a result of the Closing;

(e) except as otherwise expressly provided in Section 7.10, any liabilities under or relating to any Benefit Plan at any time maintained, contributed to or required to be contributed to by Seller or any of its Affiliates, or under which Seller or any Affiliate has or may incur liability, or any contributions, benefits or liabilities therefor, or any liability with respect to Seller's or any of Seller's Affiliate's withdrawal or partial withdrawal from or termination of any Benefit Plan;

(f) except for the Recoverable Liabilities, any liabilities or obligations arising from any Claim (including any workers' compensation claim) involving the Purchased Assets or the Business filed or arising from an Actionable Incident occurring prior to the Effective Time, including any such Claims or Actionable Incidents disclosed in the Seller Disclosure Schedules; and

(g) any liabilities or obligations of Seller arising under or in connection with this Agreement, any certificate or other document delivered in connection herewith, and any of the transactions contemplated hereby and thereby.

Section 2.5 Intercompany Accounts. Prior to the Effective Time, Seller shall cause all intercompany payables, receivables and loans between the Business, on the one hand, and Seller and its Affiliates, on the other hand, to be settled or cancelled; provided, however, that the foregoing shall not apply to any Business Agreement entered into prior to the Effective Time between Seller and Atmos Energy Marketing, LLC, to which Buyer consents in writing pursuant to Section 7.1(b), relating to the provision of certain gas supply services.

ARTICLE III
PURCHASE PRICE

Section 3.1 Purchase Price. Subject to the terms and conditions of this Agreement, the aggregate purchase price (the "Purchase Price") for the Purchased Assets shall be an amount in cash equal to $140,660,000.00, increased by the Adjustment Amount if the Adjustment Amount is a positive number, or decreased by the Adjustment Amount if the Adjustment Amount is a negative number. The Adjustment Amount will be determined in accordance with Appendix A.

Section 3.2 Determination of Purchase Price.

(a) No later than five (5) Business Days prior to the Closing Date, Seller will prepare and deliver to Buyer a good faith estimate of the Purchase Price, calculated in accordance with Appendix A, together with reasonable supporting documentation and worksheets. Within two (2) Business Days following receipt by Buyer of such estimate,

Buyer may in good faith object in writing to Seller's estimate, in which case the Parties shall endeavor to reconcile their differences in good faith by negotiation prior to the Closing Date; provided that, in the event the Parties are unable to reconcile their differences, Seller's estimate of the Purchase Price shall prevail. The amount of Seller's estimate of the Purchase Price (or the estimate of the Purchase Price to which the Parties agree) (the " Closing Payment Amount ") shall be paid to Seller at the Closing.

(b) Within sixty (60) days after the Closing Date, Seller will prepare and deliver to Buyer a revised calculation of the Purchase Price, calculated in good faith in accordance with Appendix A , together with worksheets and supporting documentation (the " Post-Closing Adjustment Statement "). Seller agrees that Buyer shall have a reasonable right of consultation with Seller in connection with Seller's preparation of the Post-Closing Adjustment Statement and related information, and will provide Buyer with access to its books, records, information, and employees as Buyer may reasonably request. In the event that Buyer raises any objections or disagreements with any methodology used or determination made by Seller during the preparation of the Post-Closing Adjustment Statement, the Parties will attempt in good faith to resolve such objection or disagreement prior to delivery of the Post-Closing Adjustment Statement by Seller to Buyer. No action or inaction by Buyer under this Section 3.2(b) shall prejudice any rights of Buyer under Section 3.2(c) or otherwise.

(c) The amounts determined by Seller as set forth in the Post-Closing Adjustment Statement will be final, binding, and conclusive for all purposes unless, and only to the extent, that within thirty (30) days after Seller has delivered the Post-Closing Adjustment Statement Buyer notifies Seller of any dispute with respect to matters set out in the Post-Closing Adjustment Statement. Any such notice of dispute delivered by Buyer (an " Adjustment Dispute Notice ") will identify with specificity each item in the Post-Closing Adjustment Statement with respect to which Buyer disagrees, the basis of such disagreement, and Buyer's position with respect to such disputed item; provided that the disagreement may be based for purposes of this Section 3.2 only on mathematical errors or amounts reflected in the Post-Closing Adjustment Statement not being calculated in accordance with Appendix A and the accounting principles specified therein.

(d) If Buyer delivers an Adjustment Dispute Notice in compliance with Section 3.2(c) and Seller and Buyer are unable to reach a resolution with respect to all disputed items within thirty (30) days of delivery of the Adjustment Dispute Notice, Seller and Buyer will submit any items remaining in dispute for determination and resolution to the Independent Accounting Firm. The Independent Accounting Firm will be instructed to determine and resolve any such remaining disputed items in accordance with the accounting principles used in the preparation of the Division Balance Sheets and Division Income Statements, as appropriate depending on the item at issue, and report to the Parties, within thirty (30) days after such submission, of the Independent Accounting Firm's determination and resolution. The report of the Independent Accounting Firm will be final, binding, and conclusive on the Parties for all purposes. The fees and disbursements of the Independent Accounting Firm will be allocated between Seller and Buyer so that Buyer's share of such fees and disbursements will be

in the same proportion that the aggregate amount of any such remaining disputed items so submitted to the Independent Accounting Firm that is unsuccessfully disputed by Buyer (as finally determined by the Independent Accounting Firm) bears to the total amount of such disputed amounts initially submitted to the Independent Accounting Firm.

(e) Within five (5) days following the final determination of the Purchase Price pursuant to Section 3.2(c) or Section 3.2(d) (as so determined, the " Final Purchase Price "), (i) if the Final Purchase Price is greater than the Closing Payment Amount, Buyer will pay the difference to Seller; or (ii) if the Final Purchase Price is less than the Closing Payment Amount, Seller will pay the difference to Buyer. Any amount paid under this Section 3.2(e) will be paid with interest for the period commencing on the Closing Date through the date of payment, calculated at the Prime Rate in effect on the Closing Date. Any amount paid under this Section 3.2(e) shall be paid in cash by wire transfer of immediately available funds to the account specified by the Party receiving payment. Neither the determination of the Final Purchase Price nor any payment thereof shall be deemed to waive or limit in any respect any representation or warranty or rights in respect thereof under this Agreement.

Section 3.3 Allocation of Purchase Price . The sum of the Purchase Price and the Assumed Obligations will be allocated among the Purchased Assets on a basis consistent with section 1060 of the Code and the Treasury Regulations thereunder. The Parties will work together in good faith to agree upon such allocation in conjunction with the determination of the Final Purchase Price. In the event that such agreement has not been reached within thirty (30) days following the determination of the Final Purchase Price, the allocation will be determined by the Independent Accounting Firm, and such determination will be binding on the Parties. Each Party will pay one-half of the fees and expenses of the Independent Accounting Firm in connection with such determination. Each Party will report the transactions contemplated by this Agreement for federal Income Tax and all other Tax purposes in a manner consistent with such allocation. Each Party will provide the other promptly with any other information required to complete Form 8594 under the Code. Each Party will notify the other, and will provide the other with reasonably requested cooperation, in the event of an examination, audit, or other proceeding regarding the allocations provided for in this Section 3.3.

Section 3.4 Prorations .

(a) For purposes of determining the Purchase Price, personal property and real property Taxes, fees with respect to any Transferable Permits, rents under any leases of real or personal property, or other similar expenses, that are not due or assessed until after the Effective Time but which are attributable in whole or in part to any period commencing prior to the Effective Time, and any other amounts that by the terms of this Agreement are to be allocated between the Parties, will be prorated as of the Effective Time, with Seller liable to the extent such items relate to any period prior to the Effective Time, and Buyer liable to the extent such items relate to any period from and after the Effective Time. If the actual amounts to be prorated are not known, Seller shall include an itemized estimate in the Post-Closing Adjustment Statement based upon the most recent available rates, assessments, valuations, or other data, and

the Parties shall adjust the amounts paid at the Closing to reflect such prorations. Any prorations shall be made so as to avoid duplication of any amounts, and will be adjusted to properly take into account any amounts thereof used in determining the Purchase Price.

(b) The proration of all items under this Section 3.4 will be recalculated by Buyer within a reasonable period of time following the date upon which the actual amounts become available to Buyer. Buyer will notify Seller of such recalculated amounts, and will provide Seller with all documentation relating to such recalculations, including tax statements and other notices from third parties. The Parties will make such payments to each other as are necessary to reconcile any estimated amounts prorated as of the Effective Time with the final amounts to be prorated. Seller and Buyer agree to furnish each other with such documents and other records as may be reasonably requested in order to confirm all proration calculations made pursuant to this Section 3.4.

Section 3.5 Unbilled Revenues . On and prior to the Closing Date, Seller shall read all customer meters in their normal cycle and in due course render the related bills to its customers served by the Business. Seller shall also read each daily read transportation customer meter (collectively, the " Large Volume Meters ") on the day immediately preceding the Closing Date. Seller shall provide Buyer with the last meter reading from each of the Large Volume Meters made on the day immediately preceding the Closing Date as soon as practicable after the Closing Date. After the Closing Date, Buyer shall read the customer meters for their first time, in the normal cycle, and in due course render bills for service during the period between Seller's last reading in the normal cycle and Buyer's first reading in the normal cycle to the customers served by the Business. Buyer shall determine the volume of gas sold by Seller prior to the Closing Date through Large Volume Meters by Seller's meter readings on the day immediately preceding the Closing Date. Buyer shall determine by allocation the volumes of gas sold through all meters other than Large Volume Meters, by Seller prior to the Closing Date, and by Buyer on and after the Closing Date and prior to its first meter reading, through meters without charts. Such allocation shall be consistent with Seller's past practices for unbilled revenues. The receivables related to the volume of gas allocable to Seller under this Section 3.5 but not yet billed to customers served by the Business shall be defined as " Unbilled Revenues ." " Billed Revenues " shall mean all outstanding bills to customers served by the Business that have not been paid as of the Closing Date less (i) any offset that results from the difference between installment payments and gas consumed and (ii) allowance for bad debt, which shall be calculated consistent with Seller's past practices.

ARTICLE IV
THE CLOSING

Section 4.1 Time and Place of Closing . Upon the terms and subject to the satisfaction of the conditions contained in Article VIII of this Agreement, the closing of the purchase and sale of the Purchased Assets and assumption of the Assumed Obligations (the " Closing ") will take place at the offices of Seller in Dallas, Texas, beginning at 10:00 A.M. (Central time) on the first Business Day of the calendar month following the calendar month during which the conditions set forth in Article VIII (other than conditions to be satisfied by deliveries at the

Closing) have been satisfied or waived, or at such other place or time as the Parties may agree. The date on which the Closing occurs is referred to herein as the " Closing Date ." The purchase and sale of the Purchased Assets and assumption of the Assumed Obligations will be effective as of 12:01 A.M. (Central time) on the Closing Date (the " Effective Time ").

Section 4.2 Closing Payment . At the Closing, Buyer will pay or cause to be paid to Seller the Closing Payment Amount, by wire transfer of immediately available funds or by such other means as may be agreed upon by Seller and Buyer.

Section 4.3 Seller's Closing Deliveries . At or prior to the Closing, Seller will deliver the following to Buyer:

(a) the certificate contemplated by Section 8.2(d);

(b) the Bills of Sale, duly executed by Seller and Building Seller, as applicable;

(c) one or more deeds of conveyance of the parcels of Real Property with respect to which Seller (or, in the case of the Additional Real Property, Building Seller) holds fee interests, substantially in the form of the Special Warranty Deed, duly executed and acknowledged by Seller or Building Seller, as applicable, and in recordable form;

(d) one or more instruments of assignment or conveyance, substantially in the form of the Assignment of Easements, as are necessary to transfer the Easements, duly executed and acknowledged by Seller and in recordable form;

(e) all such other instruments of assignment or conveyance as are reasonably requested by Buyer in connection with the transfer of the Purchased Assets to Buyer in accordance with this Agreement;

(f) all consents, waivers or approvals obtained by Seller from third parties in connection with this Agreement;

(g) terminations or releases of all Encumbrances, other than Permitted Encumbrances, on the Purchased Assets; and

(h) such other agreements, documents, instruments, and writings as are required to be delivered by Seller on or prior to the Closing Date pursuant to this Agreement.

Section 4.4 Buyer's Closing Deliveries . At or prior to the Closing, Buyer will deliver the following to Seller:

(a) the certificate contemplated by Section 8.3(c);

(b) the Bills of Sale, duly executed by Buyer;

(c) all such other documents, instruments, and undertakings as are reasonably requested by Seller in connection with the assumption by Buyer of the Assumed Obligations in accordance with this Agreement;

(d) all consents, waivers, or approvals obtained by Buyer from third parties in connection with this Agreement; and

(e) such other agreements, documents, instruments and writings as are required to be delivered by Buyer on or prior to the Closing Date pursuant to this Agreement.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF SELLER

Except as set forth in the Seller Disclosure Schedules, Seller hereby represents and warrants to Buyer, as of the date hereof and, except to the extent expressly made only as of an earlier date, as of the Closing (giving effect, solely for purposes of Article IX hereof, to any Schedule Update):

Section 5.1 Organization and Good Standing. Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of Texas and the Commonwealth of Virginia and has all requisite corporate power and authority to own, lease, and operate the Purchased Assets and to carry on the Business as presently conducted. Seller is duly qualified or licensed to do business as a foreign corporation and is in good standing in each jurisdiction in which the conduct of the Business, or the ownership or operation of any Purchased Assets, by Seller makes such qualification necessary, except, in each case, for any such failures that would not, individually or in the aggregate, have a Material Adverse Effect.

Section 5.2 Authority and Enforceability. Seller has all corporate power and authority necessary to execute and deliver, and to perform its obligations under, and, subject to the satisfaction of the closing conditions, to consummate the transactions contemplated by, this Agreement and the Ancillary Agreements. The execution, delivery and performance of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by the board of directors of Seller, and no other corporate proceedings on the part of Seller are necessary to authorize this Agreement or any Ancillary Agreement or to consummate the transactions contemplated hereby or thereby. This Agreement has been duly and validly executed and delivered by Seller, and constitutes a valid and binding agreement of Seller, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, or other similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity. At the Closing, each of the Ancillary Agreements to which Seller is contemplated to be a party will be duly and validly executed and delivered by Seller and will constitute a valid and binding agreement of Seller, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, or other similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity.

Section 5.3 No Conflicts; Consents . Except as set forth on Schedule 5.3 , neither the execution, delivery and performance by Seller of this Agreement or any Ancillary Agreement, nor the consummation of the transactions contemplated hereby or thereby, will:

(a) violate or conflict with any of Seller's Governing Documents;

(b) violate any Law or Order applicable to Seller or any of the Purchased Assets, except for any such violations of Law or Order that would not have a Material Adverse Effect or that arise as a result of any facts or circumstances relating to Buyer or any of its Affiliates;

(c) other than the Seller Required Regulatory Approvals and, to the extent provided in Section 7.1(g), the LNG Facility Regulatory Determination, require any declaration, filing, or registration by Seller or any of its Affiliates with, or notice by Seller or any of its Affiliates to, or authorization, consent, or approval with respect to Seller or any of its Affiliates of, any Governmental Entity, except for any such declarations, filings, registrations, notices, authorizations, consents, or approvals (i) the failure of which to obtain or make would not have a Material Adverse Effect or (ii) that arise as a result of any facts or circumstances relating to Buyer or any of its Affiliates; or

(d) violate, conflict with, result in a breach of, require any consent or approval of, or (with or without notice or lapse of time or both) constitute a default, give rise to any right of modification, acceleration, payment, cancellation or termination, or result in the creation or imposition of any Encumbrance upon any of the Purchased Assets (i) under or pursuant to any Business Agreement, Permit, Environmental Permit, or any other loan agreement, note, bond, mortgage, indenture, or other material instrument or agreement to which Seller or any of its Affiliates is a party or by which Seller or any of its Affiliates or any of the Purchased Assets may be bound, except for any such violations, conflicts, breaches, consents, approvals, defaults or other occurrences that would not have a Material Adverse Effect or that arise as a result of any facts or circumstances relating to Buyer or any of its Affiliates, or (ii) under or pursuant to any Material Contract.

Section 5.4 Governmental Filings . Except as set forth on Schedule 5.4 , since October 1, 2009, Seller has filed or caused to be filed with the Applicable Commission and FERC all material forms, statements, reports, and documents (including all exhibits, amendments, and supplements thereto) required by Law or Order to be filed by Seller with the Applicable Commission or FERC with respect to the Business, the Purchased Assets, or the Assumed Obligations. As of the respective dates on which such forms, statements, reports, and documents were filed (but giving effect to any subsequent amendment thereof prior to the date hereof), each complied in all material respects with all requirements of any Law or Order applicable thereto in effect on such date and were true and correct in all material respects.

Section 5.5 Financial Information .

(a) Schedule 5.5(a) sets forth the balance sheet of the Business (including the LNG Facility) as of September 30, 2011 (the " Division Balance Sheets ") and the income statements for the Business (including the LNG Facility) for the 12-month period ended September 30, 2011, and the nine-month period ended June 30, 2012 (the " Division Income Statements "). The Division Balance Sheets and the Division Income Statements were prepared in accordance with principles used in the preparation of the financial statements of the applicable state-specific division in connection with the submission of such financial statements to the Applicable Commission (except that with respect to the interim financial statements, certain items that are not customarily allocated by Seller at the state level, such as income taxes and long-term debt, are excluded), and fairly present, in all material respects, the financial condition and results of operation of the Business (including the LNG Facility) as of the dates thereof or for the periods covered thereby.

(b) Except as set forth on Schedule 5.5(b) , neither Seller nor any of its Affiliates has any indebtedness or liability, absolute or contingent, related to the Purchased Assets or the Business of a nature required by GAAP to be reflected in a balance sheet relating solely to the Business, other than liabilities, obligations or contingencies (i) that are accrued or reserved against in the Division Balance Sheets, (ii) that were incurred in the ordinary course of business since September 30, 2011, or (iii) that would not have, individually or in the aggregate, a Material Adverse Effect.

(c) Appendix B fairly presents, as if the Effective Time were June 30, 2012, the assets and liabilities required to be included in the calculation of the Adjustment Amount pursuant to Appendix A (assuming, solely for purposes of this hypothetical calculation, that the Retiree Plan Assumptions are as set forth on Schedule 7.10(f)), and such assets and liabilities are of a nature reasonably believed by Seller to be includable in or required to be credited against rate base or amounts otherwise recoverable through the rates and tariffs of the Business pursuant to, and are calculated in accordance with, the rules and standards of the Applicable Commissions prevailing as of the date thereof.

Section 5.6 Changes . Except as set forth on Schedule 5.6 , since September 30, 2011, the Business has been operated, in all material respects, in the ordinary course of business consistent with past practice (except as otherwise contemplated by this Agreement), and no change or event has occurred which, either individually or in the aggregate, has resulted or, with the passage of time, would result in a Material Adverse Effect.

Section 5.7 Scope of Purchased Assets . The Purchased Assets include no assets other than those used in the operation of the Business as currently conducted by Seller and, together with the Excluded Assets identified in subsections (a) through (o) of Section 2.2 and Buyer's rights under this Agreement and the Ancillary Agreements, constitute all of the material assets required by Seller for the conduct of the Business in substantially the same manner as currently conducted by Seller. Except as otherwise described in Section 2.1A, no Affiliate of Seller holds any interest in or otherwise has any rights with respect to any of the Purchased Assets.

Section 5.8 Title . Upon consummation of the transactions contemplated by this Agreement and receipt of all consents and approvals disclosed on Schedule 5.3 , Seller (or, in the case of the Additional Real Property, Building Seller) will have assigned, transferred and conveyed to Buyer good and transferable title to the Purchased Assets, free and clear of all Encumbrances (other than Permitted Encumbrances).

Section 5.9 Material Contracts .

(a) Schedule 5.9(a) lists all of the following Business Agreements (the " Material Contracts "):

(i) each agreement, ordinance, or other grant of any municipal, town or county franchise relating to the Business (the " Franchises "), except for such Franchises, the absence of which would not, individually or in the aggregate, have a Material Adverse Effect;

(ii) all agreements between Seller and any of its Affiliates with respect to the Business, Purchased Assets or Assumed Obligations, including all such agreements for the provision of any commodities, goods, or services;

(iii) all agreements between Seller and one or more Business Employees that provides for (A) employment other than on an at-will basis, (B) bonus or incentive compensation, or (C) any retention, severance or change of control payment;

(iv) all collective bargaining agreements or other agreements with any labor union, employees' association or other employee representative of a group of Business Employees (" Collective Bargaining Agreements ");

(v) all leases, subleases, licenses or other agreements by which any right to use or occupy any interest in real property is granted by or to Seller, except for such leases, subleases, licenses or other agreements, the existence or absence of which would not, individually or in the aggregate, have a Material Adverse Effect and that do not individually involve expenditures in excess of $150,000 in any year;

(vi) all agreements that individually involve expenditures (whether by or to Seller) in excess of $150,000 in any year;

(vii) all agreements for or relating to Indebtedness, or pursuant to which any Encumbrance is granted in or to any of the Purchased Assets;

(viii) all agreements providing for the extension of credit by Seller, other than (A) the extension of credit to vendors in the ordinary course of business consistent with past practice, and (B) normal employee advances and other customary extensions of credit in the ordinary course that are not material in amount;

(ix) all agreements granting to any Person any right or option to purchase or otherwise acquire any of the Purchased Assets, including rights of first option, rights of first refusal, or other preferential purchase rights;

(x) all agreements restricting the right of Seller to compete with any Person or in any line of business or geographic area; and

(xi) all partnership, joint venture and joint ownership agreements, and all similar material agreements (however named) involving a sharing of assets, profits, losses, costs or liabilities.

(b) Seller has made available to Buyer copies of all Material Contracts, together with all amendments, waivers, or other changes thereto, which are correct and complete in all material respects. Except as set forth on Schedule 5.9(b), (i) each Material Contract is a valid and binding obligation of Seller, enforceable against it in accordance with its terms, and, to Seller's Knowledge, is a valid and binding obligation of each other party thereto, enforceable against it in accordance with its terms, in each case except as the same may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to creditors' rights generally, and (ii) neither Seller nor, to Seller's Knowledge, any other party thereto is (or, upon the passage of time or the giving of notice, or both, would be) in material default under or breach of any Material Contract.

(c) All agreements entered into or otherwise utilized by Seller for the purchase, supply, transmission, transportation, storage and delivery of natural gas or other energy commodities, or for the management of price or other risks associated therewith, in each case that relate principally to the Business, have been approved by or otherwise satisfy all requirements of the Applicable Commissions.

(d) Seller has all Franchises and other rights required under applicable Law to provide natural gas distribution service to retail distribution customers located within the Territory, except for such Franchises, the absence of which would not, individually or in the aggregate, have a Material Adverse Effect.

(e) Schedule 5.9(e) sets forth a list of each contact and agreement, other than Business Agreements to be assigned to Buyer hereunder, under which expenditures allocable to the Business exceed $250,000 in any year or that is otherwise material to the operation of the Business.

Section 5.10 Legal Proceedings. Except as set forth on Schedule 5.10, there are no pending or, to Seller's Knowledge threatened, material Claims relating to the Business, the Purchased Assets, or the Assumed Obligations.

Section 5.11 Compliance with Law; Orders; Permits.

(a) Except as set forth on Schedule 5.11(a), Seller (and, with respect to the Additional Real Property, Building Seller) is, and to Seller's Knowledge at all times since October 1, 2009 has been, in compliance with all Laws, Orders and Permits applicable to the Purchased Assets or the Business, except for violations which would not, individually or in the aggregate, have a Material Adverse Effect.

(b) Except for Regulatory Orders of general applicability or as set forth on Schedule 5.11(b), Seller is not subject to any outstanding Orders that would reasonably be expected to impose any material restriction or materially burdensome requirement on the Purchased Assets or the Business following the Closing.

(c) Except as set forth on Schedule 5.11(c), Seller (and, with respect to the Additional Real Property, Building Seller) possesses all Permits necessary to own and operate the Business and the Purchased Assets as currently operated, all of such Permits are in full force and effect, and no appeal or other proceeding is pending or, to Seller's Knowledge, threatened to revoke any such Permits, except where the failure to have such Permit, such failure to be in effect, or such appeals or proceedings would not, individually or in the aggregate, have a Material Adverse Effect.

Section 5.12 Environmental Matters. The representations and warranties contained in this Section 5.12 are the only representations and warranties being made with respect to compliance with or liability under Environmental Laws or with respect to any environmental, health or safety matter related to the Business, the Purchased Assets or Seller's ownership or operation thereof. Except as would not, individually or in the aggregate, have a Material Adverse Effect:

(a) To Seller's Knowledge, no Environmental Permits are necessary for Seller (or, with respect to the Additional Real Property, Building Seller) to operate the Business as it is currently being operated, and to Seller's Knowledge, the Purchased Assets, the Business, and Seller (with respect to the Purchased Assets and the Business) and Building Seller (with respect to the Additional Real Property) are and, at all times since October 1, 2009 have been, in compliance in all material respects with the requirements of all Environmental Laws.

(b) Except as set forth on Schedule 5.12(b), neither Seller nor any Affiliate of Seller has, since October 1, 2009, entered into or been subject to any consent decree or agreement, been subject to any Order, or received any written notice, report, or other information regarding any actual or alleged violation of Environmental Laws or any liabilities or potential liabilities, including any investigatory, remedial, or corrective obligations, arising under Environmental Laws, in each case relating to the ownership or operation of the Business or the Purchased Assets.

(c) Except as set forth on Schedule 5.12(c), (i) to Seller's Knowledge there is and has been no Release from, in, on, or beneath any of the Real Property that could form a basis for an Environmental Claim, and (ii) there are no written Environmental Claims pending or, to Seller's Knowledge, threatened that relate to the Purchased Assets or the Business or, to Seller's Knowledge, that relate to any property or assets previously used in connection with the ownership or operation of the Business or Purchased Assets.

Section 5.13 Taxes . Except as set forth on Schedule 5.13 :

(a) All Tax Returns relating to the Business or the Purchased Assets required to be filed by or on behalf of Seller (and, with respect to the Additional Real Property, Building Seller) have been filed in a timely manner, and all Taxes required to be shown on such Tax Returns have been paid in full. There are no audits or other examinations pending or, to Seller's Knowledge, threatened relating to any Taxes relating to the Business or the Purchased Assets. Neither Seller nor, with respect to the Additional Real Property, Building Seller has granted any waiver of any statute of limitations regarding, or any extension of any period for the assessment of, any Tax relating to the Business or the Purchased Assets.

(b) Seller has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee or independent contractor of the Business, and all forms W-2 and 1099 required with respect thereto have been properly completed and timely filed.

(c) Neither Seller nor, with respect to the Additional Real Property, Building Seller is a party to any Tax allocation or sharing agreement relating to the Business or the Purchased Assets.

Section 5.14 Labor Matters . Except to the extent set forth on Schedule 5.14 : (i) Seller is, and at all times since October 1, 2009 has been, in material compliance with all Laws applicable to the Business Employees respecting employment and employment practices, terms and conditions of employment, and wages and hours; (ii) Seller has not received written notice of any unfair labor practice complaint against Seller pending before the National Labor Relations Board with respect to any of the Business Employees; (iii) Seller has not received notice that any representation petition respecting the Business Employees has been filed with the National Labor Relations Board; (iv) Seller is in material compliance with its obligations under any applicable Collective Bargaining Agreements; (v) no arbitration proceeding arising out of or under any Collective Bargaining Agreement is pending or, to Seller's Knowledge, threatened against Seller; and (vi) there is no labor strike, slowdown, work stoppage, or lockout actually pending or, to Seller's Knowledge, threatened involving the Business Employees.

Section 5.15 Employee Benefits .

(a) Schedule 5.15(a) lists each employee benefit plan (as such term is defined in section 3(3) of ERISA) and each other plan, program, or arrangement providing benefits to employees that is maintained by, contributed to, or required to be contributed to by Seller or any of its ERISA Affiliates as of the date hereof on account of current Business Employees or persons who have retired or may retire from the Business (each, a " Benefit Plan ").

(b) With respect to each Benefit Plan, Seller has made available to Buyer copies of each of the following documents: (i) each Benefit Plan (including all amendments thereto); (ii) the annual report and actuarial report, if required under ERISA or the Code, with respect to each such Benefit Plan for the last plan year ending

prior to the date hereof; (iii) the most recent summary plan description, together with each summary of material modifications, if required under ERISA, with respect to such Benefit Plan; and (iv) the most recent determination letter received from the United States Internal Revenue Service with respect to each Benefit Plan that is intended to be qualified under Section 401(a) of the Code.

(c) Except as set forth on Schedule 5.15(c) :

(i) Each Benefit Plan that is intended to be qualified under section 401(a) of the Code has received a determination from the Internal Revenue Service that such Benefit Plan is so qualified, and each trust that is intended to be exempt under section 501(a) of the Code has received a determination letter that such trust is so exempt. Nothing has occurred since the date of such determination that would be reasonably expected to materially adversely affect the qualified or exempt status of such Benefit Plan or trust, nor will the consummation of the transactions provided for by this Agreement have any such effect.

(ii) Each Benefit Plan has been maintained, funded, and administered in material compliance with its terms and the terms of any applicable Collective Bargaining Agreements, and in material compliance with all applicable Laws, including ERISA and the Code. There are no pending or, to Seller's Knowledge, threatened claims by or on behalf of any of the Benefit Plans, by any Business Employee or any beneficiary thereof covered under any such Benefit Plan or otherwise involving any such Benefit Plan (other than routine claims for benefits) that would result in liability to Buyer.

(iii) Seller has no obligation to provide post-retirement health or life insurance coverage other than as required under Section 4980B of the Code. Except for any obligation to provide post-retirement benefits under any Collective Bargaining Agreement, Seller has the right, at any time and without liability, to amend or terminate post-retirement medical and life benefits, and to adjust premiums or cost-sharing provisions. No written or otherwise binding representation has been made to any Business Employees promising continuation of life, medical or dental coverage beyond the Continuation Period or the existing term of any Collective Bargaining Agreement, as applicable.

(iv) No liability under Title IV or section 302 of ERISA has been incurred by Seller or any ERISA Affiliate that has not been satisfied in full. Any Benefit Plan subject to Title IV of ERISA or any trust established thereunder has satisfied the minimum funding standards of Section 412 of the Code and Section 302 of ERISA, whether or not waived, as of the last day of the most recent fiscal year of each such Benefit Plan ended prior to the Closing Date. There has been no "reportable event" (as such term is defined in Section 4043(c) of ERISA) in connection with any Benefit Plan other than reportable events for which notice is waived under applicable regulations. No Benefit Plan subject to Title IV of ERISA is a "multiemployer pension plan," nor is any Benefit Plan subject to Title IV of ERISA a plan described in section 4063(a) of ERISA.

(v) All contributions required by Law to be made to the Benefit Plans for all periods ending prior to the Closing Date will be paid by Seller to the Benefit Plans within the time required by Law.

(d) Except as set forth on Schedule 5.15(d) or as otherwise expressly provided for in Section 7.10, the consummation of the transactions contemplated hereby will not accelerate the vesting or the time of payment, or increase the amount, of any compensation or benefits of any Business Employee.

Section 5.16 Insurance. The Purchased Assets are insured with reputable insurers in such amounts and against such risks and losses as are customary in the gas utility industry, and neither Seller nor, with respect to the Additional Real Property, Building Seller has received any written notice of cancellation or termination with respect to any material insurance policy of Seller or Building Seller providing coverage in respect of the Purchased Assets.

Section 5.17 Brokers and Finders. No broker, finder, or other Person is entitled to any brokerage fees, commissions, or finder's fees for which Buyer could become liable or obligated in connection with the transactions contemplated hereby by reason of any action taken by Seller or any of its Affiliates.

Section 5.18 Exclusivity of Representations and Warranties. Neither Seller nor any of its Affiliates or Seller's Representatives is making any representation or warranty of any kind or nature whatsoever, oral or written, express or implied (including, but not limited to, any relating to financial condition or results of operations of the Business or maintenance, repair, condition, design, performance, value, merchantability or fitness for any particular purpose of the Purchased Assets), except as expressly set forth in this Article V and the Seller Disclosure Schedules, and Seller hereby disclaims any such other representations or warranties.

ARTICLE VI
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller, as of the date hereof and, except to the extent expressly made only as of an earlier date, as of the Closing:

Section 6.1 Organization and Good Standing. Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the State of Georgia and has all requisite corporate power and authority to own its assets and to carry on its business as presently conducted. As of the Closing, Buyer will be duly qualified or licensed to do business as a foreign corporation and is in good standing in each jurisdiction in which the conduct of the Business, or the ownership or operation of any of the Purchased Assets, by Buyer makes such qualification necessary, except, in each case, for any such failures that would not, individually or in the aggregate, have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis.

Section 6.2 Authority and Enforceability . Buyer has all corporate power and authority necessary to execute and deliver, and to perform its obligations under, and, subject to the satisfaction of the closing conditions, to consummate the transactions contemplated by, this Agreement and the Ancillary Agreements. The execution, delivery and performance of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by the board of directors of Buyer, and no other corporate proceedings on the part of Buyer are necessary to authorize this Agreement or any Ancillary Agreement or to consummate the transactions contemplated hereby or thereby. This Agreement has been duly and validly executed and delivered by Buyer, and constitutes a valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, or other similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity. At the Closing, each Ancillary Agreement to which Buyer is contemplated to be a party will be duly and validly executed and delivered by Buyer and will constitute a valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, or other similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity.

Section 6.3 No Conflicts; Consents . Neither the execution, delivery and performance by Buyer of this Agreement or any Ancillary Agreement, nor the consummation of the transactions contemplated hereby or thereby, will:

(a) violate or conflict with any of Buyer's Governing Documents;

(b) violate any Law or Order applicable to Buyer, except for any such violations that would not have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis or arise as a result of any facts or circumstances relating to Seller or its Affiliates;

(c) other than the Buyer Required Regulatory Approvals and, to the extent provided in Section 7.1(g), the LNG Facility Regulatory Determination, require any declaration, filing, or registration by Buyer or any of its Affiliates with, or notice by Buyer or any of its Affiliates to, or authorization, consent, or approval with respect to Buyer or any of its Affiliates of, any Governmental Entity, except for any such declarations, filings, registrations, notices, authorizations, consents, or approvals (i) the failure of which to obtain or make would not have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis or (ii) that arise as a result of any facts or circumstances relating to Seller or its Affiliates; or

(d) violate, conflict with, result in a breach of, require any consent or approval of, or (with or without notice or lapse of time or both) constitute a default, give rise to any right of modification, acceleration, payment, cancellation or termination under or pursuant to any loan agreement, note, bond, mortgage, indenture, or other material instrument or agreement to which Buyer or its Affiliates is a party or by which

Buyer or any of its Affiliates or any of their assets may be bound, except for any such violations, conflicts, breaches, consents, approvals, defaults or other occurrences that would not have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis or arise as a result of any facts or circumstances relating to Seller or its Affiliates.

Section 6.4 Financial Capability . Buyer (a) will have at the Closing sufficient funds available to pay the Purchase Price and any fees, costs and expenses incurred by Buyer in connection with the transactions contemplated by this Agreement; (b) has, and at the Closing will have, the resources and capabilities (financial or otherwise) to perform its other obligations hereunder; and (c) has not incurred, and prior to the Closing will not incur, any obligation, commitment, restriction, or liability of any kind which would impair or adversely affect such resources and capabilities. Notwithstanding anything to the contrary contained herein, the Parties acknowledge and agree that it shall not be a condition to the obligations of Buyer to consummate the transactions contemplated hereby that Buyer have sufficient funds for payment of the Purchase Price.

Section 6.5 Brokers and Finders . No broker, finder, or other Person is entitled to any brokerage fees, commissions, or finder's fees for which Seller or its Affiliate could become liable or obligated in connection with the transactions contemplated hereby by reason of any action taken by Buyer or any of its Affiliates.

Section 6.6 Legal Proceedings . There are no pending or, to Buyer's knowledge, threatened Claims that would, individually or in the aggregate, have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis.

Section 6.7 Regulation as a Utility . Buyer is not subject to regulation as a public utility or public service company (or similar designation) by the United States, any state of the United States, any foreign country or any municipality or any political subdivision of the foregoing.

Section 6.8 Investigation by Buyer; No Knowledge of Breach . Buyer has performed all due diligence that it has deemed necessary to perform concerning the Business, the Purchased Assets, and the Assumed Obligations in connection with its decision to enter into this Agreement and the Ancillary Agreements and to consummate the transactions contemplated hereby and thereby and acknowledges that Buyer and Buyer's Representatives have been provided access to the personnel, properties, premises and records of Seller for such purpose. In entering into this Agreement, Buyer has relied solely upon its own investigation and analysis, and Buyer:

(a) acknowledges that none of Seller or any of its Affiliates or any of Seller's Representatives makes or has made any representation or warranty, either express or implied, as to the accuracy or completeness of any of the information provided or made available to Buyer or Buyer's Representatives, except that the foregoing limitations shall not apply with respect to Seller to the specific representations and warranties set forth in Article V of this Agreement, but always subject to the limitations and restrictions contained herein;

(b) agrees, to the fullest extent permitted by applicable Law, that none of Seller or any of its Affiliates or any of Seller's Representatives shall have any liability or responsibility whatsoever to Buyer on any basis based upon any information provided or made available, or statements made, to Buyer or Buyer's Representatives (including any forecasts or projected information), except that the foregoing limitations shall not apply with respect to Seller to the extent Seller has liability for indemnification pursuant to Article IX for the breach of the specific representations and warranties set forth in Article V of this Agreement, but always subject to the limitations and restrictions contained herein;

(c) acknowledges that, except as expressly set forth in this Agreement, there are no representations or warranties of any kind, express or implied, with respect to the Business, the Purchased Assets or the Assumed Obligations; and

(d) without making specific inquiry into any matter, represents that Buyer has no actual knowledge as of the date hereof of a breach of or inaccuracy in any representation, warranty, covenant or agreement contained in this Agreement.

ARTICLE VII
COVENANTS OF THE PARTIES

Section 7.1 Conduct of the Business .

(a) Except (i) as contemplated in this Agreement or required by applicable Law or Order; (ii) for actions approved by Buyer in writing (which approval shall not be unreasonably withheld, conditioned, or delayed); (iii) in connection with necessary repairs due to breakdown or casualty, or other actions taken in response to a business emergency or other unforeseen operational matters; or (iv) as otherwise described on Schedule 7.1 , during the period from the date of this Agreement to the Effective Time, Seller will (and, with respect to the Additional Real Property, will cause Building Seller to) operate the Purchased Assets and the Business in the ordinary course consistent with its past practice and will use commercially reasonable efforts to preserve intact the Business, and to preserve the goodwill and relationships with customers, suppliers, and others having business dealings with the Business and will not (and, with respect to the Additional Real Property, will cause Building Seller not to), without the prior written consent of Buyer:

(i) create, incur, assume, or suffer to exist any Encumbrance upon the Purchased Assets, except for Permitted Encumbrances;

(ii) except as set forth in Section 7.1(g), sell, lease (as lessor), transfer, or otherwise dispose of any of the Purchased Assets, other than (A) the use or sale of inventory in the ordinary course of business, or (B) the disposal of Purchased Assets having an aggregate value of less than $250,000 or that are no longer useful in the Business;

(iii) make any material change in the levels of Inventory customarily maintained by Seller with respect to the Business;

(iv) assign, relinquish any material rights under, or amend in any material respect any of the Material Contracts;

(v) increase or decrease the number of, fail to use commercially reasonable efforts to fill, or transfer any employees from, the positions of employment in which Business Employees are employed;

(vi) enter into, adopt, or amend in any material respect any agreement with one or more Business Employees, or take any action to affect a material change in any Collective Bargaining Agreement;

(vii) grant any increase in the compensation of, or grant any bonus or retention or severance pay to, Business Employees, except (A) for increases in compensation and bonuses in the ordinary course of business and consistent with past practice, (B) for bonuses and retention and severance pay that will be fully paid by Seller, and (C) to the extent required pursuant to the terms of any Collective Bargaining Agreement existing on the date hereof; provided, in each case, that Seller informs Buyer prior thereto; or

(viii) agree or commit to take any action which would be a violation of the restrictions set forth in this Section 7.1(a).

(b) Seller shall reasonably consult with Buyer prior to entering into any Business Agreement that, if existing as of the date hereof, would be required to be set forth on Schedule 5.9(a) as a Material Contract, and shall promptly provide to Buyer a copy of any such agreement. Schedule 5.9(a) shall be deemed supplemented to include such agreement if (i) Buyer consents in writing thereto (which consent shall not be unreasonably withheld, conditioned, or delayed), or (ii) such agreement is an agreement for the provision of commodities, goods or services by any third party (other than an Affiliate) entered into in the ordinary course of business consistent with past practice that may be terminated by Buyer, without penalty, on no more than ninety (90) days prior written notice following the Closing. Such Business Agreements shall otherwise constitute Retained Agreements, notwithstanding any other provision of this Agreement, and the failure of such Business Agreements to be set forth on Schedule 5.9(a) shall not constitute a breach by Seller of any representation or warranty in this Agreement.

(c) During the period from the date hereof through the Closing, Seller shall make reasonable and prudent capital investment in the distribution assets of the Business materially in accordance with its existing capital investment program described on Schedule 7.1(c), and as otherwise required by Law.

(d) Seller shall keep Buyer apprised of, and regularly consult with Buyer concerning, the matters known to Seller that Seller reasonably expects to result in a significant increase in operating expenses and/or a significant decrease in revenue for the Business or to otherwise materially affect the Business, the Purchased Assets, or the Assumed Obligations.

(e) Within five (5) Business Days after the date hereof, a committee comprised of one or more persons designated by Seller and one or more persons designated by Buyer (collectively, the " Transition Committee ") will be established to examine transition issues relating to or arising in connection with plans for integration of the Business, the Purchased Assets or the Assumed Obligations upon the Closing or other matters that either Seller or Buyer believes are reasonably likely to significantly affect the Business, the Purchased Assets or the Assumed Obligations following the Closing. The Transition Committee shall meet on a regular basis to (i) review current Business procedures; (ii) develop a specific implementation plan to ensure the continued processing of all regular business transactions and assist in the migration of files and data upon the Closing; and (iii) coordinate the preparation and filing of all applications and other materials required to obtain the Required Regulatory Approvals. Without limiting the obligations of the Parties set out hereunder, it is intended that Seller and Buyer each will, through the Transition Committee, keep the other apprised of the status of matters relating to completion of the transactions contemplated hereby. Members of the Transition Committee shall have no authority to bind either Party and shall not make or commit to make any concessions, agreements or other undertakings with or to any Governmental Entity or other Person.

(f) The Parties shall cooperate in the planning and preparation for, and the implementation of, the transition to Buyer of data, files, knowledge, functions and responsibilities relating to the operation of the Business, as necessary for the commencement and continuance by Buyer, without interruption, of the conduct of the Business, operation of the Purchased Assets, and performance of the Assumed Obligations upon the Closing. In addition to the foregoing, each Party agrees to use commercially reasonable efforts to comply with such conditions as may be required by any Applicable Commission with regard to the transition to Buyer of the operations of the Business, provided that the foregoing shall not limit the rights of the Parties under Section 7.7(c) and Article VIII with regard to any Burdensome Condition.

(g) (i) Prior to the Closing, Seller shall have the right to market for sale and sell the LNG Facility to any Person, without the consent of Buyer, provided that Seller shall obtain, prior to any such sale of the LNG Facility, definitive guidance from the Applicable Commission regarding the rate and regulatory treatment of the sale (including any resulting Regulatory Liabilities) on the Business (the " LNG Facility Sale Determination ") and, provided further, that any such sale shall be completed in accordance with that certain Order Adopting Stipulation of the Georgia Public Service Commission dated September 20, 2011. Notwithstanding any other provision of this Agreement, (A) any agreement entered into by Seller for the sale of the LNG Facility that closes prior to the Closing shall be a Retained Agreement, and (B) upon the completion of any sale of the LNG Facility prior to the Closing by Seller in accordance with this Section 7.1(g), (x) the LNG Facility shall constitute an Excluded Asset, and (y) any and all liabilities (other than Regulatory Liabilities) in connection with or arising out of the ownership, operation, sale or transfer of the LNG Facility shall constitute Excluded Liabilities.

(ii) If a sale of the LNG Facility by Seller is not consummated prior to the Closing in accordance with this Section 7.1(g), Seller may elect, in its sole discretion, to treat the LNG Facility as an Excluded Asset for all purposes under this Agreement, provided that (A) Seller shall have obtained, prior to the Closing, definitive guidance from the Applicable Commission regarding the rate and regulatory treatment of such exclusion (including any resulting Regulatory Liabilities) on the Business (the " LNG Facility Exclusion Determination "), or (B) if an LNG Facility Exclusion Determination has not been obtained prior to Closing, Seller shall indemnify and hold harmless Buyer from and against any and all Regulatory Liabilities that are imposed on Buyer as a result of the treatment of the LNG Facility as an Excluded Asset, as if such Regulatory Liabilities were Excluded Liabilities hereunder. If pursuant to Seller's election the LNG Facility constitutes an Excluded Asset, any agreement entered into by Seller for the sale of the LNG Facility shall remain a Retained Agreement, and any and all liabilities (other than Regulatory Liabilities, subject to the foregoing clause (B)) in connection with or arising out of the ownership, operation, sale or transfer of the LNG Facility shall constitute Excluded Liabilities.

(iii) Seller shall not dispose of all or any part of the LNG Facility prior to the Closing other than in accordance with this Section 7.1(g) unless otherwise agreed by Buyer in writing. For the avoidance of doubt, the Parties acknowledge that (A) the net property, plant and equipment comprising the LNG Facility (the " LNG Facility PPE ") is not included in the Base Net PPE Amount and, therefore, that in the event of the sale or exclusion of the LNG Facility pursuant to this Section 7.1(g), no amount in respect of the LNG Facility PPE shall be deducted for purposes of determining the Net PPE Adjustment; and (B) any Regulatory Liabilities imposed by the Applicable Commission in connection with any such sale or exclusion shall be included in the determination of the Net Other Regulatory Amount (except as provided in Section 7.1(g)(ii)(B)). The Parties shall discuss and cooperate in good faith to permit the timely receipt of any LNG Facility Regulatory Determination required or desired in connection with any sale or exclusion of the LNG Facility pursuant to this Section 7.1(g).

(iv) If a sale of the LNG Facility by Seller is not consummated prior to the Closing in accordance with this Section 7.1(g), and Seller has not elected in accordance with this Section 7.1(g) to treat the LNG Facility as an Excluded Asset, the LNG Facility shall be a Purchased Asset for all purposes of this Agreement; provided, however, that notwithstanding any other provision of this Agreement to the contrary, in the event that the LNG Facility constitutes a Purchased Asset: (A) the amount of the LNG Facility PPE that shall be included in the Closing Net PPE Amount (and which, therefore, will serve to increase the Net PPE Adjustment) shall be equal to the net amount of the LNG Facility PPE that is included in rate base for ratemaking purposes as of the Closing; and (B) any agreement entered into by Seller for the sale of the LNG Facility shall remain a Retained Agreement unless Buyer and Seller have agreed in writing prior to Closing that such an agreement shall constitute a Purchased Asset and Assumed Obligation upon the Closing.

Section 7.2 Access .

(a) To the extent permitted by applicable Law, between the date of this Agreement and the Closing Date, Seller will, during ordinary business hours and upon reasonable notice, (i) give Buyer and Buyer's Representatives reasonable access to the Purchased Assets; (ii) permit Buyer to make such reasonable inspections thereof as Buyer may reasonably request; (iii) furnish Buyer with such financial and operating data and other information with respect to the Business as Buyer may from time to time reasonably request; and (iv) furnish Buyer with a copy of each material report, schedule, or other document principally relating to the Business filed or submitted by Seller with, or received by Seller from, any Governmental Entity; provided, however, that (A) any such investigation will be conducted in such a manner as not to interfere unreasonably with the operation of the Business or any other Person; (B) Seller shall not be required to take any action which would constitute or result in a waiver of the attorney-client privilege; and (C) Seller shall not be required to supply Buyer with any information which Seller is under a legal obligation not to supply. Buyer will indemnify and hold harmless Seller from and against any Losses incurred by Seller, its Affiliates or their Representatives by any action of Buyer or Buyer's representatives while present on any of the Purchased Assets or other premises to which Buyer is granted access hereunder (including restoring any such premises to the condition substantially equivalent to the condition such premises were in prior to any such investigation). Notwithstanding anything in this Section 7.2 to the contrary, (x) Buyer will not have access to personnel and medical records if such access could, in Seller's good faith judgment, subject Seller to risk of liability or otherwise violate the Health Insurance Portability and Accountability Act of 1996 and (y) any investigation of environmental matters by or on behalf of Buyer will be limited to visual inspections and site visits commonly included in the scope of "Phase 1" level environmental inspections, and Buyer will not have the right to perform or conduct any other sampling or testing at, in, on, or underneath any of the Purchased Assets.

(b) For a period of three (3) years after the Closing Date, each Party and its Representatives will have reasonable access to all of the books and records relating to the Business or the Purchased Assets, including all Transferred Employee Records, in the possession of the other Party, and to the employees of the other Party, to the extent that such access may reasonably be required by such Party in connection with the Assumed Obligations or the Excluded Liabilities, or other matters relating to or affected by the operation of the Business and the Purchased Assets. Such access will be afforded by the applicable Party upon receipt of reasonable advance notice and during normal business hours, and will be conducted in such a manner as not to interfere unreasonably with the operation of the business of any Party or its respective Affiliates. The Party exercising the right of access hereunder will be solely responsible for any costs or expenses incurred by either Party in connection therewith. If the Party in possession of such books and records desires to dispose of any such books and records prior to the expiration of such three-year period, such Party will, prior to such disposition, give the other Party a reasonable opportunity at such other Party's expense to segregate and take possession of such books and records as such other Party may select.

Section 7.3 Confidentiality .

(a) For a period of two (2) years following the Closing or the termination of this Agreement, Buyer will, and will cause its Affiliates and Buyer's Representatives to, hold all Confidential Information in strict confidence and not disclose any Confidential Information to any Person other than its Affiliates and Buyer's Representatives; provided, however, that upon the Closing, the provisions of this Section 7.3 will expire with respect to any information principally related to the Purchased Assets or the Business. " Confidential Information " means all information in any form heretofore or hereafter obtained from Seller in connection with Buyer's evaluation of the Business or the Purchased Assets or the negotiation of this Agreement, whether pertaining to financial condition, results of operations, methods of operation or otherwise, other than information which is in the public domain through no violation of this Agreement or the Confidentiality Agreement by Buyer, its Affiliates, or Buyer's Representatives.

(b) Notwithstanding the foregoing, Buyer may disclose Confidential Information to the extent that such information is required to be disclosed by Buyer by Law or in connection with any proceeding by or before a Governmental Entity, including any disclosure, financial or otherwise, required to comply with the rules of any securities commission or exchange. In the event that Buyer believes any such disclosure is required, Buyer will give Seller notice thereof as promptly as possible and, at Seller's expense, will cooperate with Seller in seeking any protective orders or other relief as Seller may reasonably request.

(c) If the transactions contemplated hereby are not consummated, Buyer will promptly return to Seller or destroy all copies of any Confidential Information, including any materials prepared by Buyer or Buyer's Representatives incorporating or reflecting Confidential Information, and an officer of Buyer shall certify in writing compliance by Buyer with the foregoing; provided, however, that the foregoing shall not apply to computer back-up tapes or similar electronic archival storage.

(d) The provisions of this Section 7.3 supersede the Confidentiality Agreement.

Section 7.4 Notices of Events . Each Party shall, promptly after obtaining knowledge thereof, give written notice to the other Party of any event or condition that causes, or will cause, any representation or warranty of such Party to be inaccurate or that will result in the non-fulfillment of any of the conditions to the consummation of the transactions hereunder. Except as expressly provided in Section 7.1(b) and Section 7.16, neither such notice nor the receiving Party's resulting knowledge of the matters disclosed therein shall be deemed to waive or limit in any respect any representation or warranty, rights in respect thereof, or conditions to the consummation of the transactions under this Agreement.

Section 7.5 Expenses . Buyer shall bear sole responsibility for all filing fees of either Party incurred in connection with requesting or obtaining the CFIUS Approval. Except as provided by the foregoing, Buyer and Seller shall bear, in equal proportions, responsibility for payment of all other filing, recording, transfer, or other fees or charges of any nature in

connection any Required Regulatory Approvals or otherwise payable pursuant to any provision of any Law, Order or Franchise in connection with the sale, transfer, and assignment by Seller or its Affiliates of the Purchased Assets and the Assumed Obligations to Buyer or its Affiliates. In addition, the Parties shall share equally the fees and expenses of such legal counsel as the Parties shall mutually agree will have primary responsibility for the preparation and prosecution of any and all applications and proceedings with respect to the Required Regulatory Approval of each Applicable Commission. Except as provided in the foregoing or to the extent otherwise specifically provided herein, and irrespective of whether the transactions contemplated hereby are consummated, all other costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby will be borne by the Party incurring such costs and expenses.

Section 7.6 Further Assurances .

(a) Subject to the terms and conditions of this Agreement, each of the Parties will use commercially reasonable efforts (which shall not include the payment by Buyer or Seller of any amounts or the reduction of amounts owed to Seller in connection with obtaining any consent required by this Agreement) to take, or cause to be taken, all action, and to do, or cause to be done, all things necessary, proper, or advisable under applicable Law to consummate and make effective the transactions contemplated hereby, including using commercially reasonable efforts to obtain satisfaction of the conditions precedent to each Party's obligations hereunder. Neither Party will, and each Party will cause its Affiliates not to, in each case without the prior written consent of the other Party, take any action which would reasonably be expected to prevent or materially impede, interfere with or delay the transactions contemplated by this Agreement.

(b) Notwithstanding anything in this Agreement or any Ancillary Agreement to the contrary, this Agreement and the Ancillary Agreements shall not constitute an agreement to transfer or assign any contract, agreement, permit, claim or right or any benefit or obligation arising thereunder or resulting therefrom if an attempted assignment thereof, without the consent of a third party, would constitute a breach or other contravention under any agreement or Law to which Seller is a party or by which it is bound, or in any way adversely affect the rights of Seller or, upon transfer, Buyer under such contract, agreement, permit, claim or right. Seller will use its commercially reasonable efforts to obtain, promptly following the date hereof, any and all consents of third parties required to assign to Buyer Seller's rights under the Business Agreements. Buyer agrees to cooperate with Seller in Seller's efforts to obtain any consents of third parties required to assign to Buyer Seller's rights under the Business Agreements, including the submission of such financial or other information concerning Buyer and the execution of any assumption agreements or similar documents reasonably requested by a third party; provided, however, that notwithstanding the terms of any such agreement or document, no such agreement or document shall, as between the Parties, be deemed to alter the character of any liability or obligation as an Assumed Obligation or Excluded Liability hereunder or otherwise modify any of the rights or obligations of the Parties hereunder with respect thereto. To the extent that, notwithstanding its commercially reasonable efforts, Seller is unable to obtain any such required consent

prior to the Closing, and as a result thereof Buyer shall be prevented by such third party from receiving the rights and benefits with respect to such Purchased Asset intended to be transferred hereunder, or if any attempted assignment would adversely affect the rights of Seller thereunder so that Buyer would not in fact receive all such rights or Seller would forfeit or otherwise lose the benefit of rights that Seller is entitled to retain, Seller and Buyer shall cooperate in any lawful and commercially reasonable arrangement, as Seller and Buyer shall agree, under which Buyer would, to the extent practicable, obtain the economic claims, rights and benefits under such asset and assume the economic burdens and obligations with respect thereto in accordance with this Agreement, including by subcontracting, sublicensing or subleasing to Buyer. Without in any way limiting the conditions to the Closing set forth in Article VIII, Buyer agrees that other than liability arising from a failure to comply with this Section 7.6 or a breach of Seller's representations and warranties set forth in Article V hereof, Seller shall not have any liability to Buyer arising out of the failure to obtain any such consent that may be required in connection with the transactions contemplated by this Agreement or the Ancillary Agreements or because of any circumstances resulting therefrom.

(c) With respect to vehicles, equipment or other personal property that is used principally for the Business and that is leased by Seller pursuant to a personal property lease that cannot be assigned to Buyer, Seller will, to the extent requested by Buyer and to the extent Seller is reasonably able to do so upon commercially reasonable terms, prior to the Effective Time purchase the assets leased under such lease that are used principally for the Business, in which case such assets will be included in the Purchased Assets. Absent the foregoing, Seller shall use its commercially reasonable efforts to identify substitute assets owned by Seller and Buyer shall have the option to include in the Purchased Assets such substitute assets in lieu of the corresponding leased assets.

(d) Upon the Closing, Seller and Buyer shall enter into such arrangements as necessary to transfer to Buyer the rights, benefits, obligations and liabilities existing at the Closing with respect to futures, options, and other derivative transactions not for physical delivery to the extent such transactions are utilized by Seller to manage gas supply price risk otherwise borne by customers of the Business, which may include Buyer entering into transactions with identical terms to those in the existing transactions for the remaining term thereof. To the extent necessary in connection with the foregoing, the mark-to-market value of any such transaction existing at the Closing shall be determined in accordance with the usual and customary practice employed by Seller in its hedging programs for the Business.

(e) Seller agrees to cooperate with any efforts by Buyer to obtain, at Buyer's sole cost and expense, (i) title insurance policies in respect of the Real Property, insuring title to the applicable Real Property as vested in Buyer; (ii) all surveys desired by Buyer in respect of the Real Property; and (iii) all estoppel certificates and non-disturbance agreements desired by Buyer in respect of any real property leases included in the Purchased Assets.

(f) From time to time on or after the Closing Date, Seller will, at Buyer's expense, execute and deliver such documents to Buyer as Buyer may reasonably request in order to more effectively consummate the transactions contemplated hereby. From time to time after the date hereof, Buyer will, at Seller's expense, execute and deliver such documents to Seller as Seller may reasonably request in order to more effectively consummate the transactions contemplated hereby. Following the Closing, each Party will promptly remit to the other any payments such Party receives that are in satisfaction of any rights or assets belonging to the other Party.

Section 7.7 Governmental Approvals .

(a) Within 45 days following the date hereof, Seller and Buyer will each file or cause to be filed (i) with each Applicable Commission, joint applications for the approval of the transactions contemplated hereby, seeking expedited treatment on the basis of, among any other matters, anticipated changes in Seller's customer information technology platforms in 2013; and (ii) with the United States Department of the Treasury, Committee on Foreign Investment, all filings and submissions contemplated to be made or effected by them pursuant to the Exon-Florio Amendment. In addition, within four (4) months following the date hereof, Seller and Buyer will each file or cause to be filed, with the Federal Trade Commission and the United States Department of Justice, Antitrust Division, any notifications required to be filed under the HSR Act with respect to the transactions contemplated hereby, and shall therein request early termination of the waiting period under the HSR Act.

(b) Seller and Buyer will, and will cause their respective Affiliates to, cooperate with each other and use commercially reasonable efforts to (i) promptly prepare and file all necessary applications, notices, petitions, and filings, and execute all agreements and documents, to the extent required by Law, Order or this Agreement for consummation of the transactions contemplated by this Agreement (including the Required Regulatory Approvals), (ii) obtain the transfer to Buyer of all Transferable Permits and the reissuance to Buyer of all Permits that are not Transferable Permits, and (iii) obtain the consents, approvals, and authorizations of all Governmental Entities to the extent required by Law or Order for consummation of the transactions contemplated by this Agreement (including the Required Regulatory Approvals). Each Party will, and will cause its Affiliates to, consult and cooperate with the other Party as to the appropriate time of filing all such notifications, furnish to the other Party such necessary information and reasonable assistance in connection with the preparation of such filings, and respond promptly to any requests for additional information made in connection therewith by any Governmental Entity. Seller and Buyer each will have the right to review in advance all characterizations of the information relating to it or to the transactions contemplated by this Agreement which appear in any filing made by the other Party or any of its Affiliates in connection with the transactions contemplated hereby.

(c) Notwithstanding the foregoing or any other provision of this Agreement, neither Party shall be obligated to settle any proceeding with respect to the transactions contemplated by this Agreement, or any intervention therein, or to consent or agree to or otherwise take any action: (w) that individually or in the aggregate, would have a material adverse effect on such Party or any of its Affiliates; (x) that would have a Material Adverse Effect; (y) that constitutes or would result in a Burdensome Condition; or (z) if the effect (or the absence of effect) of such action upon the Purchase Price (including the Adjustment Amount) is not otherwise agreed upon in writing by both Parties, acting in good faith.

(i) As used herein, the term " Burdensome Condition " means a material adverse diminution in the benefits to such Party of the transactions contemplated by this Agreement, including, to the extent in the aggregate resulting in (A) a material adverse diminution in such benefits, (B) a reduction in the authorized rates and tariffs of the Business, (C) a restriction on the ability to put into effect new rates and tariffs, (D) a net increase in regulatory liabilities or net decrease in regulatory assets, (E) additional service requirements not covered in rates, or otherwise, that in any case is not taken into account in determining the Adjustment Amount under Section 3.2 hereof or otherwise cured (including by payment or reduction of consideration) by the other Party.

(d) To the fullest extent possible, in connection with any communications, meetings, or other contacts, oral or written, with any Governmental Entity in connection with the transactions contemplated hereby, each Party shall (and will cause its Affiliates to): (i) inform the other Party in advance of any such communication, meeting, or other contact which such Party or any of its Affiliates proposes or intends to make, including the subject matter, contents, intended agenda, and other aspects of any of the foregoing; (ii) consult and cooperate with the other Party, and to take into account the comments of such other Party in connection with any of the matters covered by Section 7.7(b); (iii) permit for Representatives of the other Party to participate to the maximum extent possible in any such communications, meetings, or other contacts; (iv) notify the other Party of any oral communications with any Governmental Entity relating to any of the foregoing; and (v) provide the other Party with copies of all written communications with any Governmental Entity relating to any of the foregoing.

(e) Seller and Buyer will cooperate with each other and promptly prepare and file notifications with, and request Tax clearances from, federal, state and local taxing authorities in jurisdictions in which a portion of the Purchase Price may be required to be withheld or in which Buyer would otherwise be liable for any Tax liabilities of Seller pursuant to such federal, state and local Tax Law (other than any such liabilities which under the terms hereof are to be paid by Buyer).

Section 7.8 Tax Matters .

(a) All transfer, documentary, recording, notarial, sales, use, registration, stamp and other similar taxes, fees and expenses (including, but not limited to, all applicable real estate transfer Taxes, and including any penalties, interest and additions to any such tax) (" Transaction Taxes ") incurred in connection with this Agreement and the transactions contemplated hereby shall be borne by Buyer, regardless of whether the Tax authority seeks to collect such Taxes from Seller or Buyer. Buyer and Seller shall

cooperate in timely making and filing all Tax Returns as may be required to comply with the provisions of laws relating to such Transaction Taxes. To the extent permitted by applicable Law, Buyer will file all necessary Tax Returns and other documentation with respect to all Transaction Taxes, and, if required by applicable Law, Seller will join in the execution of any such Tax Returns or other documentation. Seller shall give prompt written notice to Buyer of any proposed adjustment or assessment of any Transaction Taxes with respect to the transaction, or of any examination of said transaction in a sales, use, transfer or similar Tax audit. In any proceedings, whether formal or informal, Seller shall permit Buyer to participate in and control the defense of such proceeding and shall take all actions and execute all documents required to allow such participation. Seller shall not negotiate a settlement or compromise of any Transaction Taxes without the prior written consent of Buyer, which consent shall not be unreasonably withheld or delayed.

(b) Seller will be responsible for the preparation and timely filing of all Tax Returns reflecting Taxes payable by Seller and the timely payment of all Taxes shown to be due on such returns. Buyer will be responsible for the preparation and timely filing of all Tax Returns reflecting Taxes payable by Buyer and the timely payment of all Taxes shown to be due on such returns. Any Tax Return that reflects Taxes to be prorated in accordance with Section 3.4 will be subject to the approval of the Party not preparing such return, which approval will not be unreasonably withheld or delayed. Each Party will make any such Tax Return prepared by it available for the other Party's review and approval no later than twenty (20) Business Days prior to the due date for filing such Tax Return. Within fifteen (15) Business Days after receipt and approval of such Tax Return, the approving Party will pay to the Party preparing the Tax Return the amount of such prorated Taxes shown as due on such approved Tax Return for which such approving Party is responsible under Section 3.4.

(c) Buyer and Seller will provide each other with such assistance as may reasonably be requested by the other Party in connection with the preparation of any Tax Return, any audit or other examination by any taxing authority, or any judicial or administrative proceedings relating to liability for Taxes, and each Party will retain and provide the other with any records or information which may be relevant to such return, audit or examination or proceedings. Any information obtained pursuant to this Section 7.8(c) or pursuant to any other Section hereof providing for the sharing of information in connection with the preparation of, or the review of, any Tax Return or other schedule relating to Taxes will be kept confidential by the Parties, except to the extent that any disclosure thereof is required by applicable Law or Governmental Entity.

(d) Prior to the Closing, the Parties shall cooperate with each other and use their commercially reasonable efforts to establish the consideration for or value of real property interests conveyed pursuant to this Agreement for purposes of any documentary transfer tax payable as a result of the transactions contemplated by this Agreement.

Section 7.9 Employees .

(a) Schedule 7.9(a) sets forth a list of the Business Employees as of the date hereof. In the event that any Business Employee ceases to be employed by Seller and its Affiliates, Seller (i) by delivery of written notice thereof to Buyer, shall promptly update Schedule 7.9(a) to remove from such list the name of such person, and (ii) shall use commercially reasonable efforts to fill such position with a person of comparable qualifications, skill and experience reasonably acceptable to Buyer. Upon such replacement, Schedule 7.9(a) shall be updated to include the name of such person. Seller shall not otherwise modify Schedule 7.9(a) without the prior written consent of Buyer.

(b) By such date as may be reasonably requested by Seller (and no later than twenty (20) Business Days prior to the anticipated Closing Date), Buyer will give Qualifying Offers of employment to each of the Business Employees. As used herein, a " Qualifying Offer " means an offer by Buyer to continue employment with the Business (i) at a level of base pay at least equal to such employee's base pay in effect immediately prior to the Closing Date, (ii) with a primary work location within a thirty (30) mile radius from such employee's primary work location immediately prior to the Closing Date, and (iii) with benefits that, together with wages, are in the aggregate substantially comparable to the aggregate benefits and wages in effect for such employee immediately prior to the Closing Date. All Qualifying Offers of employment made by Buyer pursuant to this Section 7.9(b) will be made in accordance with all applicable Laws, will be conditioned only on the occurrence of the Closing, and will include such additional information as shall be mutually agreed by Seller and Buyer. As of the Closing Date, all Business Employees shall be deemed to be employees of Buyer, unless at least five (5) Business Days prior to the Closing Date such Business Employee has failed to accept in writing Buyer's Qualifying Offer of employment. Buyer shall keep Seller reasonably apprised as to the status of all such offers. Following acceptance of such offers, Buyer will provide written notice thereof to Seller, and Seller will provide Buyer with access to the Transferred Employee Records. Each such person who becomes employed by Buyer pursuant to this Section 7.9(b) is referred to herein as a " Transferred Employee ."

(c) From and after the Effective Time, Buyer shall recognize the union locals set forth on Schedule 7.9(c) as the exclusive bargaining representatives of the bargaining units set forth on Schedule 7.9(c) that include Transferred Employees, to the extent required by applicable Law.

(d) Seller will reasonably cooperate with Buyer's efforts to encourage the Business Employees to accept employment with Buyer, and with Buyer's efforts to fill positions reasonably necessary for the operation of the Business following the Closing. Prior to the Closing, neither Seller nor any of its Affiliates shall transfer or reassign any Business Employees to positions outside of the Business. Upon the Closing, Seller and its Affiliates will terminate the employment of all Business Employees with Seller and its Affiliates (subject to and in accordance with any Collective Bargaining Agreement) and, for a period of eighteen (18) months following the Closing, Seller will not, and will cause its Affiliates not to, solicit for employment any such Business Employees who are still employed by Buyer or any other employees of Buyer or otherwise encourage any such person to terminate employment with Buyer.

Section 7.10 Employee Benefits .

(a) Seller or its Affiliates will pay or cause to be paid to all Transferred Employees all compensation to which such Transferred Employees are entitled upon or prior to the Effective Time, including all vacation days that are accrued but unused as of the Effective Time. Seller shall be responsible for all liabilities and obligations associated with or arising with respect to employee benefits provided by Seller to the Transferred Employees upon or prior to the Closing, regardless of whether such liabilities or obligations must be satisfied before or after the Effective Time. In no event shall Buyer be responsible for the payment of any severance benefits as a result of the termination of employment of Transferred Employees or any other Person by Seller or any of its Affiliates.

(b) As of the Effective Time and for a period expiring at the end of the first full calendar year following the Closing (the " Continuation Period "), Buyer will cause the Transferred Employees to be covered by Buyer-sponsored benefit plans that provide benefits which, together with wages, are in the aggregate substantially comparable to the benefits and wages in effect for the Transferred Employees immediately prior to the Closing Date, including pension and other post-employment benefits that, in the aggregate, are materially similar to the pension and other post-retirement benefits in effect for the Transferred Employees immediately prior to the Closing Date. The form and terms of any particular benefit plan offered by Buyer shall be as determined by Buyer, subject to the foregoing and the other provisions of this Section 7.10.

(c) Buyer will recognize the service and seniority of each of the Transferred Employees recognized by Seller for all benefits purposes, including eligibility for, vesting and accrual of, and determination of the levels of such benefits. However, service will not be recognized to the extent it would result in duplication of benefits for the same period of service.

(d) As soon as practicable after, and in any event within ninety (90) days after, and effective as of, the Closing Date (i) Buyer shall establish or designate, or cause to be established or designated, a defined benefit pension plan and trust intended to qualify under Section 401(a) and Section 501(a) of the Code (" Buyer's Pension Plan ") and (ii) upon receipt by Seller of written evidence of the adoption or designation of Buyer's Pension Plan and the trust thereunder by Buyer and either (A) the receipt by Buyer of a copy of a favorable determination letter issued by the Internal Revenue Service with respect to Buyer's Pension Plan or (B) other evidence reasonably satisfactory to Seller that the terms of Buyer's Pension Plan and its related trust qualify under Section 401(a) and Section 501(a) of the Code, Seller shall direct the trustees of Seller's Pension Account Plan (" Seller's Pension Plan ") to transfer assets having a value as of the actual date of such transfer (the " Actual Transfer Date ") equal to the amount with respect to all Transferred Employees, determined as of the Closing Date by the

enrolled actuary of Seller's Pension Plan (" Seller's Actuary "), in accordance with Section 4044 of ERISA, Treasury Regulation Section 1.414(l)-1(h) governing *de minimus* transfers and the other requirements of Section 414(l) of the Code and the regulations thereunder, and interest and other assumptions mutually agreed upon by Seller's Actuary and Buyer's actuary (the " Pension Plan Assumptions "), with any disputes to be resolved by an actuary mutually agreed upon by Seller's Actuary and Buyer's actuary (such amount, the " Asset Transfer Amount ") from the trust(s) under Seller's Pension Plan to the trust under Buyer's Pension Plan. Buyer's actuary shall have the right to review all such determinations and related work papers. For illustrative purposes, as of the date hereof, Seller's Actuary believes that the Pension Plan Assumptions should be as set forth in Schedule 7.10(d) .

The Asset Transfer Amount shall be adjusted to reflect benefit payments to Transferred Employee-Participants and assumed investment return (based upon the Pension Plan Assumptions), with respect to the period between the Closing Date and the Actual Transfer Date. All determinations by Seller's Actuary under this Section 7.10(d) shall be final and binding, absent manifest error. At the time of transfer of the Asset Transfer Amount in accordance with this Section 7.10 (d), Buyer and Buyer's Pension Plan shall assume all liabilities for all accrued benefits as of the Closing Date, including all ancillary benefits, under Seller's Pension Plan in respect of all Transferred Employees, and each of Seller and Seller's Pension Plan shall be relieved of all liabilities for such benefits. Upon the transfer of the Asset Transfer Amount in accordance with this Section 7.10(d), Buyer agrees to indemnify and hold harmless Seller, its Affiliates and their respective Affiliates and Representatives from and against any and all costs, damages, losses, expenses, or other liabilities arising out of or related to Buyer's Pension Plan, in respect of all Transferred Employees, including benefits accrued by such Transferred Employees prior to the Closing Date that are provided by Buyer's Pension Plan, and Seller shall have no further obligation with respect to such assumed obligations. Buyer and Seller shall provide each other such records and information as may be necessary or appropriate to carry out their obligations under this Section 7.10(d) or for the purposes of administration of Buyer's Pension Plan, and they shall cooperate in the filing of documents required by the transfer of assets and liabilities described herein. Notwithstanding anything contained herein to the contrary, no such transfer shall take place until the 31st day following the filing of all required Forms 5310 in connection therewith.

(e) Seller shall fully vest all Transferred Employees in their account balances under Seller's Retirement Savings Plan (" Seller's 401(k) Plan "), effective as of the Closing Date. Effective as of the Closing Date, Buyer shall maintain or designate, or cause to be maintained or designated, a defined contribution plan and related trust intended to be qualified under Sections 401(a), 401(k) and 501(a) of the Code (the " Buyer's 401(k) Plan "). Effective as of the Closing Date, the Transferred Employees shall cease participation in Seller's 401(k) Plan, and shall commence participation in Buyer's 401(k) Plan. Buyer's 401(k) Plan shall provide for the receipt from the Transferred Employees of "eligible rollover distributions" (as such term is defined under Section 402 of the Code), including rollovers of outstanding plan loans under Seller's 401(k) Plan (and all assets and liabilities associated therewith). As soon as practicable

following the Closing Date, Buyer shall provide Seller with such documents and other information as Seller shall reasonably request to assure itself that Buyer's 401(k) Plan is tax-qualified and provides for the receipt of eligible rollover distributions. Each Transferred Employee shall be given the opportunity to receive a distribution of his or her account balance under Seller's 401(k) Plan and shall be given the opportunity to elect a direct rollover of such account balance, including the rollover of any outstanding plan loans, to Buyer's 401(k) Plan, subject to and in accordance with the provisions of such plan and applicable Law. Seller and Buyer shall cooperate in order to facilitate any such distribution or rollover and to effect an eligible rollover distribution for those Transferred Employees who elect to rollover their account balances directly to the Buyer's 401(k) Plan. With respect to each Transferred Employee who elects to effect an eligible rollover distribution of his or her account balances to Buyer's 401(k) Plan and has an outstanding plan loan under Seller's 401(k) Plan as of the Closing Date, Seller and Buyer shall cooperate to take such steps as may be necessary to (i) name the trustee of the Buyer's 401(k) Plan as the obligee of such loan, (ii) obtain an executed written acknowledgement from such Transferred Employee that Buyer's 401(k) Plan will be the obligee of such loan, and (iii) permit any such Transferred Employee to make timely loan service payments to Buyer's 401(k) Plan through payroll deductions by Buyer (or its applicable Affiliate) on or after completion of the eligible rollover distribution. On and after the Closing Date and prior to the completion by any Transferred Employee of an eligible rollover distribution which includes the rollover of an outstanding plan loan, Buyer and Seller shall cooperate to permit such Transferred Employee to make timely loan service payments to Seller's 401(k) Plan through payroll deductions by Buyer (or its applicable Affiliate).

(f) As of the Closing Date, the Transferred Employees shall cease to be eligible to participate in Seller's post-retirement health and welfare benefit plans, and Buyer shall assume, or cause to be assumed, all obligations and liabilities for post-retirement health and life insurance benefits under the applicable post-retirement health or welfare benefit plan of Seller (" Seller's Retiree Plan ") as of the Closing Date with respect to each Transferred Employee. During the Continuation Period (i) the eligibility criteria under such benefit plan of Buyer shall be the same as the eligibility criteria under Seller's Retiree Plan immediately prior to the Closing Date and (ii) such benefits (including cost of coverage) provided under the benefit plan of Buyer shall be substantially equivalent to those provided under Seller's Retiree Plan immediately prior to the Closing Date. As soon as reasonably practicable on or after the Closing Date, (A) Buyer shall establish, or cause to be established, or designate, or cause to be designated, a trust or trusts intended to qualify under Section 501(c)(9) of the Code (the " Buyer's Trust ") and (B) upon receipt by Seller of written evidence of the adoption or designation of Buyer's Trust by Buyer, Seller shall cause Seller's trust or trusts qualifying under Section 501(c)(9) of the Code which were established in respect of such post-retirement health and welfare benefits for Transferred Employees (" Seller's Trust ") to transfer to Buyer's Trust an amount equal to the fair market value as of the Closing Date of the assets held in Seller's Trust with respect to all Transferred Employees, which amount shall be reflected in the calculation of the OPEB Adjustment Amount pursuant to Appendix A . The accumulated benefit obligation of Seller with respect to the Transferred Employees under Seller's Retiree Plan shall be calculated in accordance

with assumptions mutually agreed upon by Seller's Actuary and Buyer's actuary (the " Retiree Plan Assumptions "), with any disputes to be resolved by an actuary mutually agreed upon by Seller's Actuary and Buyer's actuary. For illustrative purposes, as of the date hereof, Seller's Actuary believes that the Retiree Plan Assumptions should be as set forth on Schedule 7.10(f) .

(g) Buyer will waive or cause the waiver of all limitations under its health and life insurance welfare benefit plans as to pre-existing conditions and actively-at-work exclusions and waiting periods for the Transferred Employees. All health care expenses incurred by Transferred Employees or any eligible dependent thereof, including any alternate recipient pursuant to qualified medical child support orders, in the portion of the calendar year preceding the Closing Date that were qualified to be taken into account for purposes of satisfying any deductible or out-of-pocket limit under any Seller health care plans will be taken into account for purposes of satisfying any deductible or out-of-pocket limit under the health care plan of Buyer for such calendar year. Seller's Benefit Plans that are welfare plans shall retain all liabilities for claims incurred prior to the Closing Date.

(h) Effective as of the Closing Date, Buyer shall have in effect, or cause to be in effect, flexible spending reimbursement accounts under a cafeteria plan qualified under Section 125 of the Code (" Buyer's Cafeteria Plan "). Each Transferred Employee who participated as of the Closing Date (collectively, the " Cafeteria Plan Participants ") in a plan maintained by Seller that is qualified under Section 125 of the Code (" Seller's Cafeteria Plan ") shall participate in Buyer's Cafeteria Plan effective as of the Closing Date. During the period from the Closing Date until the last day of the plan year of Seller's Cafeteria Plan that commenced immediately prior to the Closing Date, Buyer shall continue, or shall cause to be continued, the salary reduction elections made by the Cafeteria Plan Participants as in effect as of the Closing Date, and each Cafeteria Plan Participant shall be entitled to reimbursement from such participant's flexible spending reimbursement accounts under Buyer's Cafeteria Plan on the same terms and conditions as would have been applicable to such participant had such participant continued to be employed by Seller during such period. As soon as practicable following the Closing Date, Seller shall cause to be transferred from Seller's Cafeteria Plan to Buyer's Cafeteria Plan the excess, if any, of the aggregate accumulated contributions to the flexible spending reimbursement accounts made by Cafeteria Plan Participants prior to the Closing during the year in which the Closing occurs over the aggregate reimbursement payouts paid to the Cafeteria Plan Participants for such year from such accounts. From and after the Closing, Buyer shall assume, or cause to be assumed, and be solely responsible for all unreimbursed claims made by the Cafeteria Plan Participants under Seller's Cafeteria Plan that were incurred for the plan year of Seller's Cafeteria Plan that commenced prior to the Closing, or that are incurred anytime thereafter.

(i) If Buyer terminates the employment of any Transferred Employee within the Continuation Period for any reason other than misconduct, Buyer will provide such Transferred Employee with severance benefits that are at least as generous to such Transferred Employee as the severance benefits to which such Transferred Employee would have been entitled had the employee remained covered under Seller's severance arrangement in effect as of the date hereof and terminated employment without reemployment by a successor employer. The terms of Seller's severance arrangement in effect as of the date hereof are set forth on Schedule 7.10(i) .

(j) Seller will be responsible, with respect to the Business, for performing and discharging all requirements under the WARN Act and under applicable Law for the notification of its employees of any "employment loss" within the meaning of the WARN Act which occurs on or prior to the Closing Date.

(k) Seller will be responsible for providing COBRA Continuation Coverage to any current and former employees of Seller, or to any qualified beneficiaries of such employees, who become entitled to COBRA Continuation Coverage on or before the Closing, including those for whom the Closing occurs during the COBRA election period. Buyer will be responsible for extending and continuing to extend COBRA Continuation Coverage to all Transferred Employees (and their qualified beneficiaries) who become entitled to such COBRA Continuation Coverage following the Closing.

(l) Individuals who would otherwise be Transferred Employees but who on the Closing Date are not actively at work due to a short term leave of absence covered by the Family and Medical Leave Act or are not actively at work due to military leave or other authorized leave of absence of a period of less than one year from the date hereof, including short-term disability, will be treated as Transferred Employees on the date that they are able to return to work (provided that such return to work occurs within the authorized period of their leaves following the Closing Date or otherwise within the period prescribed by the applicable statute for such leave) and perform the essential functions of their jobs with or without reasonable accommodation. In no event shall an individual on long-term disability as of the Effective Time or an authorized leave of absence for a period exceeding one year from the Effective Time (other than applicable military leave) be eligible to become a Transferred Employee, and Buyer shall not be liable for any costs or responsibilities associated with respect to such individual.

(m) Seller hereby acknowledges that, for FICA and FUTA tax purposes, Buyer qualifies as a successor employer with respect to the Transferred Employees. In connection with the foregoing, the Parties agree to follow the "Alternative Procedures" set forth in Section 5 of Revenue Procedure 2004-53, 2004-2 C.B. 320. In connection with the application of the "Alternative Procedures," (i) Seller and Buyer each shall report on a predecessor-successor basis as set forth in such Revenue Procedure, (ii) provided that Seller provides to Buyer all necessary payroll records for the calendar year that includes the Closing Date, Seller shall be relieved from furnishing Forms W-2 to employees of Seller who become employees of Buyer, and (iii) provided that Seller provides to Buyer all necessary payroll records for the calendar year that includes the Closing Date, Buyer shall assume the obligations of Seller to furnish such Forms W-2 to such employees for the full calendar year in which the Closing occurs.

Section 7.11 Loss and Damage . In the event that any loss, damage, impairment, confiscation or condemnation occurs to any of the Purchased Assets prior to the Effective Time that results in any property or asset ceasing to be used and useful in the Business as of the time of the Closing, such property or asset shall be an Excluded Asset and the book value thereof shall be deducted in the adjustment of the Purchase Price. If Seller elects to do so, Seller shall repair, replace or restore the Purchased Assets as soon as reasonably possible to their prior condition. In the event that prior to the Closing any such repair, replacement or restoration is not completed, and Seller has not undertaken in a written agreement reasonably acceptable to Buyer to cause such assets to be repaired, replaced or restored to their prior condition following the Closing at Seller's expense, then notwithstanding any other provision of this Agreement, the Purchase Price will be reduced by the cost of such replacement, restoration or repair as reasonably estimated by Buyer and Seller; provided, however, that in the event that the cost of such replacement, restoration or repair is subsequently recovered by Buyer through rates or the proceeds of insurance or otherwise, Buyer shall pay to Seller the amount of such recovery.

Section 7.12 Transitional Use of Signage . Following the Closing, Buyer shall, as soon as practicable, but in no event later than sixty (60) days following the Closing Date, cease to (a) make any use of any Seller Marks, and (b) hold itself out as having any affiliation with Seller or any of its Affiliates. In furtherance thereof, as soon as practicable but in no event later than sixty (60) days following the Closing Date, Buyer shall remove, strike over, or otherwise obliterate all Seller Marks from the Purchased Assets and all other assets and materials owned or used by Buyer, including any vehicles, business cards, schedules, stationery, packaging materials, displays, signs, promotional materials, manuals, forms, websites, email, computer software, and other materials and systems. Any use by Buyer of any of the Seller Marks as permitted in this Section 7.12 is subject to Buyer's compliance with the quality control requirements and guidelines in effect for the Seller Marks as of the Closing Date (as may be amended by Seller from time to time following the Closing). Buyer shall not use the Seller Marks in a manner that may reflect negatively on such Seller Marks or on Seller or its Affiliates.

Section 7.13 Litigation Support . In the event and for so long as either Party is actively contesting or defending any third-party Claim in connection with (a) any transaction contemplated under this Agreement or (b) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act, or transaction involving the Business, the other Party will cooperate with the contesting or defending Party and its counsel in the contest or defense, make available its personnel, and provide such testimony and access to its books and records as is reasonably necessary in connection with the contest or defense, all at the sole cost and expense of the contesting or defending Party (unless the contesting or defending Party is entitled to indemnification therefor under Article IX hereof).

Section 7.14 Notification of Customers . As soon as practicable following the Closing, Seller and Buyer will cause to be sent to customers of the Business written notice that such customers have been transferred from Seller to Buyer. Such notice will contain such information as is required by Law and approved by Buyer and Seller, which approval will not be unreasonably withheld or delayed.

Section 7.15 Public Statements . Each Party will, and will cause its Affiliates to, consult with the other Party prior to issuing, and will consider in good faith any comments by the other Party to or in respect of, any public announcement, statement, or other disclosure with respect to this Agreement or the transactions contemplated hereby, except as may be required by Law or the rules of any securities commission or exchange.

Section 7.16 Supplements to Seller Disclosure Schedules . From time to time prior to the Closing, except as provided in Section 7.1(b), Seller shall supplement or amend the Seller Disclosure Schedules as promptly as necessary to properly reflect matters arising after the date hereof or, in the case of matters that are based on Seller's Knowledge, matters that first come to Seller's Knowledge after the date hereof, that, in any case, if existing on the date hereof would constitute a breach of any of Seller's representations and warranties hereunder if not set forth on, or described in, the Seller Disclosure Schedules (" Schedule Update "); provided, however, that any such Schedule Update shall be disregarded for purposes of the satisfaction of the conditions to Closing and shall not be deemed to cure a breach of any covenant or agreement set forth in this Agreement. In the event that Seller provides written notice to Buyer prior to the Closing that such matters, individually or in the aggregate, constitute a Material Adverse Effect and the Closing nevertheless occurs, any breach of any representation or warranty made by Seller which would exist absent such Schedule Update will be deemed cured and all rights of Buyer with respect to such breach shall be deemed waived, except as provided in Section 7.1(b).

ARTICLE VIII
CONDITIONS TO CLOSING

Section 8.1 Conditions to Each Party's Closing Obligations . The respective obligations of each Party to effect the transactions contemplated hereby are subject to the fulfillment or joint waiver by the Parties on or prior to the Closing Date of the following conditions:

(a) the waiting period under the HSR Act, including any extension thereof, applicable to the consummation of the transactions contemplated hereby shall have expired or been terminated; and

(b) no Order (whether temporary, preliminary or permanent) which prevents the consummation of the transactions contemplated hereby shall have been issued and remain in effect (each Party agreeing to use its commercially reasonable efforts to have any such Order lifted) and no Law shall have been enacted which directly or indirectly prohibits the consummation of the transactions contemplated hereby.

Section 8.2 Conditions to Buyer's Closing Obligations . The obligation of Buyer to effect the transactions contemplated hereby is subject to the fulfillment or waiver by Buyer on or prior to the Closing Date of the following additional conditions:

(a) no change or event shall have occurred since the date hereof that individually or in the aggregate, has had or would have a Material Adverse Effect;

(b) Seller shall have performed and complied in all material respects with the covenants and agreements contained in this Agreement which are required to be performed and complied with by Seller on or prior to the Closing Date;

(c) the representations and warranties of Seller set forth in Article V of this Agreement shall be true and correct, disregarding any materiality or Material Adverse Effect qualifications therein, as of the Effective Time as though made at and as of the Effective Time (except to the extent that any such representation or warranty speaks as

of a particular date, in which case such representation or warranty will be true and correct only as of such date), except for any failure or failures of such representations and warranties to be true and correct that would not, individually or in the aggregate, result in a Material Adverse Effect;

(d) Buyer shall have received a certificate from Seller, signed on its behalf by a senior executive officer of Seller and dated the Closing Date, to the effect that the conditions set forth in Sections 8.2(b) and 8.2(c) have been satisfied;

(e) the Required Regulatory Approvals shall have been obtained and shall have become Final Regulatory Orders, shall not impose a Burdensome Condition on Buyer, and shall not or would not have a Material Adverse Effect or a material adverse effect on Buyer and its Affiliates, taken as a whole;

(f) except as would not, individually or in the aggregate, result in a Material Adverse Effect or a material adverse effect on Buyer and its Affiliates, taken as a whole, all consents and approvals of third parties (other than the Required Regulatory Approvals) required in connection with the consummation of the transactions contemplated hereby shall have been obtained;

(g) all Encumbrances (other than Permitted Encumbrances) on the Purchased Assets shall have been released;

(h) Buyer shall have received the other items to be delivered pursuant to Section 4.3; and

(i) a FERC waiver effectuating the transfer of transportation capacity pricing and service to Buyer will be obtained prior to the Closing, or, if a waiver is not obtained prior to the Closing, the Parties shall have otherwise ensured that the transportation capacity pricing and service to which Seller is currently entitled is preserved through the transaction.

Section 8.3 Conditions to Seller's Closing Obligations . The obligation of Seller to effect the transactions contemplated hereby is subject to the fulfillment or waiver by Seller on or prior to the Closing Date of the following additional conditions:

(a) Buyer shall have performed and complied in all material respects with the covenants and agreements contained in this Agreement which are required to be performed and complied with by Buyer on or prior to the Closing Date;

(b) the representations and warranties of Buyer set forth in Article VI shall be true and correct, disregarding any materiality or material adverse effect qualifications therein, as of the Effective Time as though made at and as of the Effective Time (except to the extent that any such representation or warranty speaks as of a particular date, in which case such representation or warranty will be true and correct only as of such date), except for any failure or failures of such representations and warranties to be true and correct that do not, individually or in the aggregate, cause such representations and warranties of Buyer to be materially inaccurate taken as a whole or have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis;

(c) Seller shall have received a certificate from Buyer, signed on its behalf by a senior executive officer of Buyer and dated the Closing Date, to the effect that the conditions set forth in Sections 8.3(a) and 8.3(b) have been satisfied;

(d) the Required Regulatory Approvals shall have been obtained and shall have become Final Regulatory Orders, shall not impose a Burdensome Condition on Seller, and shall not or would not result in a material adverse effect on Seller and its Affiliates, taken as a whole;

(e) except as would not, in the aggregate, result in a material adverse effect on Seller and its Affiliates, taken as a whole, all consents and approvals of third parties (other than the Required Regulatory Approvals) required in connection with the consummation of the transactions contemplated hereby shall have been obtained; and

(f) Seller shall have received the other items to be delivered pursuant to Section 4.4.

ARTICLE IX
INDEMNIFICATION

Section 9.1 Survival of Representations, Warranties, and Certain Covenants . The representations and warranties contained in this Agreement and the covenants and agreements contained in this Agreement which by their terms are to be performed prior to or at the Closing will survive the Closing and will expire fourteen (14) months after the Closing Date, except that the representations and warranties in Sections 5.1, 5.2, 5.8, 5.17, 6.1, 6.2, and 6.5 will survive indefinitely, and the representations and warranties in Section 5.13 will survive until thirty (30) days following the expiration of the applicable statute of limitations.

Section 9.2 Indemnification .

(a) Subject to Section 9.1 and Section 9.4 hereof, from and after the Closing, Seller will indemnify, defend, and hold harmless Buyer and its Affiliates (the " Buyer Indemnitees ") from and against any and all Claims and Losses (each, an " Indemnifiable Loss ") incurred or suffered by any Buyer Indemnitee to the extent resulting from or arising out of:

(i) any breach by Seller of any of the representations and warranties of Seller contained in this Agreement, disregarding any materiality or Material Adverse Effect qualifications therein, or of any covenant or agreement of Seller contained in this Agreement which by its terms is to be performed prior to or at the Closing;

(ii) any breach by Seller of any covenant or agreement of Seller contained in this Agreement not covered by Section 9.2(a)(i);

(iii) the Excluded Liabilities; or

(iv) any liability to credit, offset or refund to customers in any manner any amount as a result of any final determination, approval or disallowance by an Applicable Commission with regard to purchased gas cost recovery amounts (however designated) attributable to any period prior to the Effective Time, except to the extent deducted in the determination of the Adjustment Amount pursuant to Section 3.2.

(b) Subject to Section 9.1 and Section 9.4 hereof, from and after the Closing, Buyer will indemnify, defend, and hold harmless Seller and its Affiliates (the " Seller Indemnitees ") from and against any and all Indemnifiable Losses incurred or suffered by any Seller Indemnitee to the extent resulting from or arising out of:

(i) any breach by Buyer of any of the representations and warranties of Buyer contained in this Agreement, disregarding any materiality or Material Adverse Effect qualifications therein, or of any covenant or agreement of Buyer contained in this Agreement which by its terms is to be performed prior to the Closing;

(ii) any breach by Buyer of any covenant or agreement of Buyer contained in this Agreement not covered by Section 9.2(b)(i); or

(iii) the Assumed Obligations.

Section 9.3 Indemnification Procedures .

(a) Third Party Claims . If any Person entitled to receive indemnification under this Agreement (an " Indemnitee ") receives notice of the assertion or commencement of any Claim by any Person that is neither a Party to this Agreement nor an Affiliate of a Party to this Agreement (a " Third Party Claim ") for which the Indemnitee claims a right to indemnification hereunder from the other Party (the " Indemnifying Party "), the Indemnitee will promptly give written notice of such Third Party Claim to the Indemnifying Party. Such notice will describe the nature of the Third Party Claim in reasonable detail and indicate the estimated amount, if practicable, of the Indemnifiable Loss that has been or may be sustained by the Indemnitee, and the Indemnitee shall provide the Indemnifying Party with such other information with respect to the Third Party Claim as the Indemnifying Party may reasonably request. The Indemnifying Party, at its sole cost and expense, will have the right, upon written notice to the Indemnitee, to assume the defense of the Third Party Claim, provided, that (i) the Indemnifying Party, within thirty (30) days after the receipt of notice thereof, notifies in writing the Indemnitee of its intent to defend such Third Party Claim and expressly confirms in writing its unqualified obligation to indemnify and hold harmless the Indemnitee for the full amount of any Loss that is reasonably likely to result from such Third Party Claim; (ii) the claim solely seeks (and continues to seek) monetary damages; and (iii) the defense of such claim by counsel selected by the Indemnifying Party will not, in the reasonable judgment of counsel to the Indemnitee, create a conflict or potential conflict of interest between such parties.

(b) Defense of Third Party Claims . If the Indemnifying Party assumes the defense of a Third Party Claim pursuant to Section 9.3(a), the Indemnifying Party will appoint counsel reasonably acceptable to the Indemnitee for the defense of such Third Party Claim, will diligently pursue such defense, and will keep the Indemnitee reasonably informed with respect to such defense. The Indemnitee shall cooperate with the Indemnifying Party and its counsel, including permitting reasonable access to books, records, and personnel, in connection with the defense of any Third Party Claim. The Indemnitee will have the right to participate in such defense, including appointing separate counsel, but the costs of such participation shall be borne solely by the Indemnitee. The Indemnifying Party will have full authority, in consultation with the Indemnitee, to make all decisions and determine all actions to be taken with respect to the defense and settlement of the Third Party Claim; provided, however, that the Indemnifying Party shall not pay, compromise, settle, or otherwise dispose of such Third Party Claim without the prior written consent of the Indemnitee unless such settlement involves only the payment of money, such payment is made in full solely by the Indemnifying Party without recourse to the Indemnitee, and such settlement does not impose any obligations or restrictions on the Indemnitee of any nature. In no event will the Indemnifying Party have authority to agree, without the consent of the Indemnitee, to any relief binding on the Indemnitee other than the payment of money damages by the Indemnifying Party without recourse to the Indemnitee.

(c) Failure to Assume Defense . Whether or not the Indemnifying Party assumes the defense of a Third Party Claim, the Indemnitee shall not admit any liability with respect to, or settle, compromise or discharge, or offer to settle, compromise or discharge, such Third Party Claim without the Indemnifying Party's prior written consent (which consent shall not be withheld unless the Indemnifying Party confirms in writing its unqualified obligation to indemnify and hold harmless the Indemnitee for the full amount of any Loss that is reasonably likely to result from such Third Party Claim).

(d) Direct Losses . Any claim by an Indemnitee on account of an Indemnifiable Loss that does not result from a Third Party Claim (a " Direct Loss ") will be asserted by giving the Indemnifying Party prompt written notice thereof, stating the nature of such Loss in reasonable detail and indicating the estimated amount, if practicable. The Indemnitee shall provide the Indemnifying Party with such other information with respect to the Direct Loss as the Indemnifying Party may reasonably request and shall cooperate with the Indemnifying Party and its counsel, including permitting reasonable access to books, records, and personnel, in connection with determining the validity of any claim for indemnity by the Indemnitee and in otherwise resolving such matters. The Indemnifying Party will have a period of twenty (20) Business Days within which to respond to such claim of a Direct Loss. If the Indemnifying Party rejects such claim, or does not respond within such period, the Indemnitee may seek enforcement of its rights to indemnification under this Agreement.

(e) Delay . A failure to give timely notice as provided in this Section 9.3 will affect the rights or obligations of a Party hereunder only to the extent that, as a result of such failure, the Party entitled to receive such notice was actually prejudiced as a result of such failure. Notwithstanding the foregoing, no claim for indemnification made after expiration of the applicable survival period with respect to the representation, warranty or covenant on which such claim is based set forth in Section 9.1 will be valid.

Section 9.4 Limitations on Indemnification .

(a) A Party may assert a claim for indemnification hereunder only to the extent the Indemnitee gives notice of such claim to the Indemnifying Party in accordance with Section 9.3 prior to the expiration of the applicable survival period with respect to the representation, warranty or covenant on which such claim is based, if any, set forth in Section 9.1.

(b) Notwithstanding any other provision of this Article IX:

(i) Except as provided in Section 9.4(b)(iii), in no event shall either Party be liable for indemnification pursuant to Section 9.2(a)(i), Section 9.2(a)(iv) or Section 9.2(b)(i) hereof (A) for any item or items arising out of the same facts, events or circumstances where the Indemnifiable Loss relating thereto is less than $100,000 and (B) in respect of each individual item where the Indemnifiable Loss relating thereto is equal to or greater than $100,000, unless and until the aggregate of all Indemnifiable Losses which are incurred or suffered by the Buyer Indemnitees or the Seller Indemnitees, respectively, exceeds 2% of the Purchase Price, in which case the Buyer Indemnitees or the Seller Indemnitees, as applicable, shall be entitled, subject to Section 9.4(b)(ii), to indemnification for (x) 50% of all such Indemnifiable Losses up to 2% of the Purchase Price and (y) all such Indemnifiable Losses in excess of 2% of the Purchase Price. All Indemnifiable Losses arising under Section 9.2(a)(iv) shall be deemed to be a single item for purposes of the foregoing.

(ii) Except as provided in Section 9.4(b)(iii), neither Seller nor Buyer shall be required to make payments for indemnification pursuant to Section 9.2(a)(i) or Section 9.2(b)(i), respectively, in an aggregate amount in excess of twelve and one-half percent (12.5%) of the Purchase Price.

(iii) The limitations specified in Section 9.4(b)(i) and Section 9.4(b)(ii) shall not apply to Indemnifiable Losses arising out of any breach of any of the representations and warranties in Section 5.1, 5.2, 5.8, 5.13, 5.17, 6.1, 6.2, or 6.5, but in no case shall either Seller or Buyer be required to make payments for indemnification pursuant to Section 9.2(a)(i) or Section 9.2(b)(i), respectively, in an aggregate amount in excess of one hundred percent (100%) of the Purchase Price.

(c) Notwithstanding anything contained in this Agreement to the contrary, except for the representations and warranties expressly contained in Article V and the Seller Disclosure Schedules, neither Seller nor any other Person is making any other express or implied representation or warranty of any kind or nature whatsoever (including with respect to Seller, the Business, the Purchased Assets, the Assumed Obligations or the transactions contemplated by this Agreement), and Seller hereby disclaims any other representations or warranties, whether made by such Party or its Affiliates, officers, directors, employees, agents, or representatives, including the implied warranty of merchantability and any implied warranty of fitness for a particular purpose.

(d) In the event that Buyer proceeds to the Closing notwithstanding written notice from Seller prior to the Closing that any breach by Seller of any representation or warranty in this Agreement, individually or in the aggregate with any other breaches of Seller's representations and warranties in this Agreement, constitutes a Material Adverse Effect, no Buyer Indemnitees shall have any claim or recourse against Seller or any of its Affiliates with respect to such breach, under this Article IX or otherwise.

(e) In addition to the other limitations set forth in this Article IX, with respect to any claim for indemnification regarding any breach of any representation and warranty set forth in Section 5.12: (i) to the extent applicable, Seller's indemnification obligation shall be limited to the cost of the least restrictive standard or remedy acceptable to each applicable Governmental Entity under applicable Environmental Law (including engineering or institutional controls) based on the industrial use of the relevant facility or property, proximity of commercial and residential areas, and all other relevant factors; provided, that the use of such standards or engineering or institutional controls does not materially interfere with operations at the affected facility and (ii) if any contamination at any Real Property that is subject to indemnity by Seller is exacerbated due to the negligence, gross negligence or willful misconduct of Buyer after the Closing Date, to the extent such exacerbation increases the cost of the investigation or remediation of such contamination, Seller shall not be responsible for any such increase in costs.

Section 9.5 Mitigation .

(a) An Indemnitee will use commercially reasonable efforts to mitigate any Indemnifiable Losses, including commercially reasonable efforts to recover all Indemnifiable Losses from insurers of such Indemnitee under applicable insurance policies or through the rate recovery process so as to reduce the amount of any Indemnifiable Loss hereunder; provided, however, that the foregoing shall not require the maintenance of any insurance. In the event the Indemnitee shall fail to use such commercially reasonable efforts, then notwithstanding anything in this Agreement to the contrary, the Indemnifying Party shall not be required to indemnify the Indemnitee for that portion of Indemnifiable Losses that would reasonably have been expected to have been avoided if the Indemnitee had used such commercially reasonable efforts.

(b) The amount of any Indemnifiable Loss will be reduced to the extent of any insurance proceeds, rate recovery or other payments actually received from an insurer or other third party with respect to an Indemnifiable Loss, net of all costs of recovery (including any demonstrably resulting increase in the cost of insurance). If the amount of any Indemnifiable Loss, at any time subsequent to the making of an indemnity payment in respect thereof, is reduced by recovery, settlement, or payment under or pursuant to any insurance coverage, by rate recovery or by recovery, settlement, or payment by or against any other Person, the amount of such reduction (net of all costs of recovery), will be repaid by the Indemnitee to the Indemnifying Party reasonably promptly following actual receipt or credit of such amounts.

(c) The amount of any Indemnifiable Loss will be reduced to the extent of any Tax benefit available to the Indemnitee or its Affiliates arising in connection with the accrual, incurrence or payment of any such Indemnifiable Loss.

(d) The amount of any Indemnifiable Loss will be reduced to the extent that the Indemnitee received a benefit from the reflection of such matter in the calculation of the Adjustment Amount or any other adjustment to the Final Purchase Price, if any, as finally determined pursuant to Section 3.2.

(e) Upon making any indemnity payment, the Indemnifying Party will, to the extent of such indemnity payment, be subrogated to all rights of the Indemnitee against any third party in respect of the Indemnifiable Loss to which the indemnity payment relates; provided, however, that (i) the Indemnifying Party is then in compliance with its obligations under this Agreement in respect of such Indemnifiable Loss, and (ii) until the Indemnitee recovers full payment of its Indemnifiable Loss, any and all claims of the Indemnifying Party against any such third party on account of said indemnity payment will be subordinated to the Indemnitee's rights against such third party.

Section 9.6 Tax Treatment of Indemnity Payments . Seller and Buyer agree to treat any indemnity payment made pursuant to this Article IX as an adjustment to the Purchase Price for federal, state, and local income Tax purposes.

Section 9.7 No Consequential Damages . Notwithstanding anything to the contrary elsewhere in this Agreement (other than this Section 9.7) or provided for under any applicable Law, no Party will be liable to the other Party, either in contract or in tort, for any consequential, incidental, indirect, special, or punitive damages of the other Party, including business interruption, loss of future revenue, profits or income, or loss of business reputation or opportunity, relating to the breach or alleged breach hereof or otherwise, whether or not the possibility of such damages has been disclosed to the other Party in advance or could have been reasonably foreseen by such other Party, and, in particular, no "multiple of profits," "multiple of cash flow," "multiple of assets" or similar valuation methodology shall be used in calculating the amount of any Indemnifiable Losses. The exclusion of consequential, incidental, indirect, special, and punitive damages as set forth in the preceding sentence does not apply to any such damages sought by third parties against Buyer or Seller, as the case may be, in connection with Losses that may be indemnified pursuant to this Article IX after the Closing.

Section 9.8 Exclusive Remedy . Except for injunctive relief and as provided in Section 7.2(a), the Parties acknowledge and agree that, from and after the Closing, the sole and exclusive remedy for any breach or inaccuracy, or alleged breach or inaccuracy, of any representation or warranty in this Agreement or any breach or failure to perform, or alleged breach or failure to perform, any covenant or agreement in this Agreement, or any other claim based upon, arising out of or relating to this Agreement and/or the transactions contemplated hereby, will be indemnification in accordance with this Article IX. In furtherance of the foregoing, Seller and Buyer hereby waive, on behalf of themselves and the other Seller Indemnitees and Buyer Indemnitees, respectively, to the fullest extent permitted by applicable Law, any and all other rights, claims, and causes of action (including rights of contribution, rights of recovery arising out of or relating to any Environmental Laws, claims for breach of contract, breach of representation or warranty, negligent misrepresentation and all other claims for breach of duty) that may be based upon, arise out of, or relate to the Business, the Purchased Assets, the Excluded Assets, the Assumed Obligations, the Excluded Liabilities, this Agreement, the negotiation, execution, or performance of this Agreement (including any tort or breach of contract claim or cause of action based upon, arising out of, or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), or the transactions contemplated hereby, known or unknown, foreseen or unforeseen, which exist or may arise in the future, that it may have against the other arising under or based upon any Law, common law, or otherwise.

ARTICLE X
TERMINATION AND OTHER REMEDIES

Section 10.1 Termination .

(a) This Agreement may be terminated at any time prior to the Closing Date by mutual written consent of Seller and Buyer.

(b) This Agreement may be terminated by Seller or Buyer if the Closing has not occurred on or before [eight (8)] months following the date of this Agreement (the " Termination Date "); provided that the right to terminate this Agreement under this Section 10.1(b) will not be available to a Party whose failure to fulfill any obligation under this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before the Termination Date. Notwithstanding the foregoing, (i) if [eight (8)] months following the date of this Agreement the conditions to the Closing set forth in Section 8.2(e) or Section 8.3(d) have not been fulfilled but all other conditions to the Closing have been fulfilled or are capable of being fulfilled at the Closing, then the Termination Date will be the day which is [fourteen (14)] [1] months following the date of this Agreement.

(c) This Agreement may be terminated by either Seller or Buyer if (i) any Required Regulatory Approval has been denied by the applicable Governmental Entity and all appeals of such denial have been taken and have been unsuccessful, or (ii) one or more courts of competent jurisdiction in the United States or any State has issued an Order permanently restraining, enjoining, or otherwise prohibiting the Closing, and such Order has become final and non-appealable.

[1] NTD: Dates subject to revision as necessary to sufficiently reflect reasonable time requirements following further discussion with regulatory counsel.

(d) This Agreement may be terminated by Buyer or by Seller if (i) any Required Regulatory Approval or other Order shall have been issued by any Governmental Entity with terms, conditions or adverse requirements which would cause the condition set forth in Section 8.2(e) or in Section 8.3(d), respectively, not to be satisfied, (ii) such condition has not been waived by Buyer or Seller, respectively, and (iii) all appeals of such Required Regulatory Approval or Order have been taken and have been unsuccessful.

(e) This Agreement may be terminated by Buyer if there has been a breach by Seller of any representation, warranty, or covenant made by it in this Agreement which has prevented the satisfaction of any condition to the obligations of Buyer to effect the Closing and such breach has not been cured by Seller or waived by Buyer within twenty (20) Business Days after all other conditions to the Closing have been satisfied or are capable of being satisfied.

(f) This Agreement may be terminated by Seller if there has been a breach by Buyer of any representation, warranty, or covenant made by it in this Agreement which has prevented the satisfaction of any condition to the obligations of Seller to effect the Closing and such breach has not been cured by Buyer or waived by Seller within twenty (20) Business Days after all other conditions to Closing have been satisfied or are capable of being satisfied.

Section 10.2 Procedure and Effect of Termination .

(a) In the event that a Party having the right to terminate this Agreement desires to terminate this Agreement, such Party shall give the other Party written notice of such termination, specifying the basis for such termination, and this Agreement will terminate and the transactions contemplated hereby will be abandoned, without further action by either Party, whereupon the liabilities of the Parties hereunder will terminate, except as otherwise expressly provided in this Section 10.2.

(b) The obligations of the Parties under Article XI, and Sections 5.17, 6.5, 7.3, 7.5, and 7.15 and this Section 10.2 (and any definitions in Article I referenced in any of the foregoing) will survive the termination of this Agreement. Except if the basis for such termination is that a Party has breached its obligation to consummate the Closing in accordance with Article IV (provided that the conditions to the obligation of such Party under Article VIII hereof to consummate the Closing have been satisfied, other than conditions to be satisfied by deliveries at the Closing), such termination shall be the sole remedy of the Parties hereto with respect to breaches of any covenant, agreement, representation or warranty contained in this Agreement and neither Party hereto nor any of its Affiliates or Representatives shall have any liability or further obligation to the other Party or any of its Affiliates or Representatives pursuant to this Agreement, except with respect to the obligations specified in the preceding sentence; provided that nothing herein shall relieve any Party from liability for any willful and material breach of any representation, warranty, covenant or agreement of such Party contained in this Agreement.

(c) Upon any termination of this Agreement, all filings, applications and other submissions made pursuant to this Agreement, to the extent practicable, will within a commercially reasonable time thereafter be withdrawn by the filing Party from the Governmental Entity or other Person to which they were made.

ARTICLE XI
MISCELLANEOUS PROVISIONS

Section 11.1 Amendment. Except as provided in Section 7.1(b), Section 7.9(a), and Section 7.16, this Agreement may be amended, modified, or supplemented only by written agreement of Seller and Buyer.

Section 11.2 Waivers and Consents. Except as otherwise provided in this Agreement, any failure of either Party to comply with any obligation, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement, or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

Section 11.3 Notices. All notices and other communications hereunder will be in writing and will be deemed given (i) when received, if delivered personally, (ii) when sent, if sent by facsimile transmission (provided that the sender receives confirmation of successful transmission), or (iii) when received, if mailed by overnight courier or certified mail (return receipt requested), postage prepaid, in each case, to the Party being notified at such Party's address indicated below (or at such other address for a Party as is specified by like notice):

(a) If to Seller, to:

Atmos Energy Corporation
Attn: Chief Financial Officer
Attn: General Counsel
5430 LBJ Freeway
1800 Three Lincoln Centre
Dallas, Texas 75240
Fax: (972) 855-3080

with a copy (which shall not constitute notice) to:

Gibson, Dunn & Crutcher LLP
Attn: Richard Russo, Esq.
1801 California Street, Suite 4200
Denver, Colorado 80202-2642
Fax: (303) 313-2838

(b) if to Buyer, to:

Liberty Energy (Georgia) Corp.
c/o Algonquin Power & Utilities Corp.
Attn: Chief Executive Officer
2845 Bristol Circle
Oakville, Ontario, Canada L6H 7H7
Fax: (905) 465-4514

with a copy (which shall not constitute notice) to:

Husch Blackwell LLP
Attn: James G. Goettsch, Esq.
4801 Main Street, Suite 1000
Kansas City, Missouri 64112
Fax: (816) 983-8080

Section 11.4 Assignment. This Agreement and all of the provisions hereof will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interests, or obligations hereunder may be assigned by either Party without the prior written consent of the other Party. Notwithstanding the foregoing, Buyer shall be permitted to assign its rights and obligations under this Agreement to one or more wholly-owned, direct or indirect Subsidiaries with prior written notice to Seller; provided, however, that no such assignment shall relieve Buyer of, or constitute a discharge of, Buyer's liabilities and obligations under this Agreement, nor shall any such assignment relieve Algonquin of, or constitute a discharge of, Algonquin's liabilities and obligations under the Guaranty.

Section 11.5 No Third Party Beneficiaries. No provision of this Agreement is intended to or shall be deemed to confer any rights or remedies upon any Person other than the Parties, except for the rights of Affiliates of the Parties under Article IX hereof. Without limiting the foregoing, no provision of this Agreement creates any rights in any employee or former employee of Seller (including any beneficiary or dependent thereof) in respect of continued employment or resumed employment, and no provision of this Agreement creates any rights in any such Persons in respect of any benefits that may be provided, directly or indirectly, under any employee benefit plan or arrangement.

Section 11.6 Governing Law. This Agreement (as well as any claim or controversy arising out of or relating to this Agreement or the transactions contemplated hereby) shall be governed by and construed in accordance with the Laws of the State of New York, without regard to the conflicts of laws rules thereof that would otherwise require the Laws of another jurisdiction to apply.

Section 11.7 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction will not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

Section 11.8 Entire Agreement . This Agreement will be a valid and binding agreement of the Parties only if and when it is fully executed and delivered by the Parties, and until such execution and delivery no legal obligation will be created by virtue hereof. This Agreement and the Ancillary Agreements, together with the Appendices, Schedules and Exhibits hereto and thereto and the certificates and instruments delivered hereunder or in accordance herewith, embodies the entire agreement and understanding of the Parties hereto in respect of the transactions contemplated by this Agreement. This Agreement and the Ancillary Agreements supersede all prior agreements and understandings between the Parties with respect to such transactions contemplated hereby. Neither this Agreement nor any Ancillary Agreement shall be deemed to contain or imply any restriction, covenant, representation, warranty, agreement or undertaking of either Party with respect to the transactions contemplated hereby or thereby other than those expressly set forth herein or therein or in any document required to be delivered hereunder or thereunder.

Section 11.9 Delivery . This Agreement, and any certificates and instruments delivered hereunder or in accordance herewith, may be executed in multiple counterparts (each of which will be deemed an original, but all of which together will constitute one and the same instrument), and may be delivered by facsimile transmission, with such facsimile signature constituting an original for all purposes.

Section 11.10 Waiver of Jury Trial. EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE ANCILLARY AGREEMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

Section 11.11 Submission to Jurisdiction . Each of the Parties irrevocably agrees that any legal action or proceeding arising out of or relating to this Agreement brought by the other Party or its successors or assigns shall be brought and determined in any New York State or federal court sitting in the City of New York (or, if such court lacks subject matter jurisdiction, in any appropriate New York or federal court), and each of the Parties hereby irrevocably submits to the exclusive jurisdiction of the aforesaid courts for itself and with respect to its property, generally and unconditionally, with regard to any such action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby. Each of the Parties agrees not to commence any action, suit or proceeding relating hereto except in the courts described above in New York, other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in New York as described herein. Each of the Parties further agrees that notice as provided herein shall constitute sufficient service of process and the Parties further waive any argument that such service is insufficient. Each of the Parties hereby irrevocably and unconditionally waives, and agrees not to assert, by way of motion or as a defense, counterclaim or otherwise, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, (a) any claim that it is not personally subject to the jurisdiction of the courts in New York as described herein for any reason, (b) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (c) that (i) the suit, action or proceeding in any such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper or (iii) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

Section 11.12 Specific Performance . The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each of the Parties shall be entitled to specific performance of the terms hereof, including an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in any New York State or federal court sitting in the City of New York (or, if such court lacks subject matter jurisdiction, in any appropriate New York State or federal court), this being in addition to any other remedy to which it is entitled at law or in equity. Each of the parties hereby further waives (a) any defense in any action for specific performance that a remedy at law would be adequate and (b) any requirement under any Law to post security as a prerequisite to obtaining equitable relief.

Section 11.13 Disclosure Generally . Notwithstanding anything to the contrary contained in the Seller Disclosure Schedules or in this Agreement, the information and disclosures contained in any Seller Disclosure Schedule shall be deemed to be disclosed and incorporated by reference with respect to any other representation or warranty of Seller for which applicability of such information and disclosure is reasonably apparent on its face. The fact that any item of information is disclosed in any Seller Disclosure Schedule shall not be construed to mean that such information is required to be disclosed by this Agreement. Such information and the dollar thresholds set forth herein shall not be used as a basis for interpreting the terms "material" or "Material Adverse Effect" or other similar terms in this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized officers as of the date first above written.

ATMOS ENERGY CORPORATION

By: _____
Name: Fred E. Meisenheimer
Title: Senior Vice President and
Chief Financial Officer

LIBERTY ENERGY (GEORGIA) CORP.

By: _____
Name: Ian Robertson
Title: President

APPENDIX A
ADJUSTMENT AMOUNT

1. Adjustment Amount. The "Adjustment Amount" will be the sum of the following amounts: the Net PPE Adjustment, plus the Net Other Regulatory Amount, plus the Working Capital Amount, minus the OPEB Adjustment Amount. As used herein:

   (a) "Net PPE Adjustment" means the positive or negative amount obtained by subtracting the Base Net PPE Amount from the Closing Net PPE Amount. As used in the foregoing:

      (i) "Base Net PPE Amount" means $128,145,000.

      (ii) "Closing Net PPE Amount" means the Value as of the Effective Time of the net property, plant and equipment included in the Purchased Assets as of the Effective Time, determined in accordance with the rules and regulations of the Applicable Commission; provided, however, that the foregoing (A) shall not include the Additional Real Property, and (B) with respect to the LNG Facility, shall be governed by Section 7.1(g) of the Agreement.

   (b) "Net Other Regulatory Amount" means the amount obtained by subtracting Regulatory Liabilities from Regulatory Assets. For purposes of the foregoing:

      (i) "Regulatory Assets" means the Value as of the Effective Time of the FERC Accounts related to deferred charges and other rights to recover amounts from customers through rates and charges in future periods (together with any interest or return thereon), that result specifically from ratemaking action by an Applicable Commission (whether pursuant to an increase in rate base for ratemaking purposes or pursuant to an authorized recovery or credit mechanism), that are included in the Purchased Assets as of the Effective Time, determined in accordance with the rules and regulations of the Applicable Commission (and excluding any amounts included in the Closing Net PPE Amount). Regulatory Assets shall not include any regulatory asset established in favor of Buyer for the amortization of liabilities in respect of any pension or postretirement benefits other than pensions.

      (ii) "Regulatory Liabilities" means the Value as of the Effective Time of the FERC Accounts related to liabilities to refund or credit amounts to customers through rates and charges in future periods (together with any interest or return thereon), that result specifically from ratemaking action by the Applicable Commission (whether pursuant to a decrease or offset to rate base for ratemaking purposes or pursuant to an authorized recovery or credit mechanism), that are included in the Assumed Obligations as of the Effective Time or are imposed on Buyer by any Applicable Commission

for rate purposes in connection with the approval of the transaction (and excluding any amounts included in the Closing Net PPE Amount); provided, however, that without limiting the rights of Buyer under the Agreement with regard to any Burdensome Condition, the Parties agree that in the event of any rate base decrease or offset assumed by or imposed on Buyer in respect of or in substitution for accumulated deferred income taxes (" ADIT ") of Seller, the amount of such rate base decrease or offset in respect of ADIT shall not constitute a Regulatory Liability for purposes of the foregoing and shall not otherwise affect the calculation of the Adjustment Amount or the Purchase Price.

(c) " Working Capital Amount " means the amount obtained by subtracting Current Liabilities and an amount equal to $414,000 from Current Assets. For purposes of the foregoing:

(i) " Current Assets " means the Value as of the Effective Time of the FERC Accounts related to current assets that are included in the Purchased Assets as of the Effective Time, determined in accordance with the rules and regulations of the Applicable Commission (and excluding any amounts included in the Closing Net PPE Amount or in the Net Other Regulatory Amount).

(ii) " Current Liabilities " means the Value as of the Effective Time of the FERC Accounts related to current liabilities that are included in the Assumed Obligations as of the Effective Time, determined in accordance with the rules and regulations of the Applicable Commission (and excluding any amounts included in the Closing Net PPE Amount or in the Net Other Regulatory Amount). As used herein, "Current Liabilities" includes any amounts specified in Section 2.3(a) or 2.3(b) of the Agreement that are not included in the Closing Net PPE Amount or in the Net Other Regulatory Amount, and any prepayments under the Ft. Benning Contract.

(d) " OPEB Adjustment Amount " means the amount obtained by subtracting (i) the amount of assets, if any, in respect of other post-retirement benefit obligations of Seller with respect to the Transferred Employees who Seller causes to be transferred to one or more voluntary employees' beneficiary association trusts established by Buyer, from (ii) the accumulated other post-retirement benefit obligation of Seller with respect to the Transferred Employees, determined in accordance with the Retiree Plan Assumptions (and excluding any amounts included in the Net Other Regulatory Amount or Working Capital Amount).

2. Accounting Principles . For purposes of this Appendix A :

(a) The " Value " of an item shall be the book value thereof, as determined in accordance with GAAP and applicable FERC Accounting Rules, as modified by the rules and regulations of the Applicable Commission.

(b) " FERC Accounting Rules " means the requirements of FERC with respect to and in accordance with the Uniform System of Accounts established by FERC in effect as of the date hereof.

(c) " FERC Accounts " means the accounts maintained by Seller with respect to the Business in accordance with the FERC Accounting Rules, as modified by the rules and regulations of the Applicable Commission.

(d) All determinations and calculations will be made and performed in a manner to avoid double counting of any item, to the extent that any such item is otherwise accounted for in such determination or calculation.

APPENDIX B
SAMPLE CALCULATION OF ADJUSTMENT AMOUNT

As of June 30, 2012

Net PPE Adjustment*	$ -0-
Plus: Net Other Regulatory Amount	69,956
Plus: Working Capital Amount	7,498,456
Less: Retiree Medical Plan Liability**	(3,500,000)
Plus: VEBA Market Value**	-0-
OPEB Adjustment Amount**	(3,500,000)
Adjustment Amount	$ 4,068,052

* Excludes any price adjustment pursuant to Section 7.1(g).

** This sample calculation uses the actuarial principles set forth on Schedule 7.10(f) with respect to the retiree medical plan liability. There is no VEBA trust in Georgia so there are no assets to value. The actual OPEB Adjustment Amount as of the Closing Date will be calculated using the Retiree Plan Assumptions determined in accordance with Section 7.10(f) of the Agreement with respect to all Transferred Employees only, and not with respect to retirees as of the Closing Date.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

August 1, 2012
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01. Regulation FD Disclosure.

Attached as Exhibit 99.1 is the news release issued by Atmos Energy Corporation on August 1, 2012, announcing the completion of the sale of its natural gas distribution operations in the States of Missouri, Illinois and Iowa.

The information in this Item 7.01 and in Exhibit 99.1 attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section, and it shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 News Release dated August 1, 2012 (furnished under Item 7.01)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: August 1, 2012

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President, General Counsel
and Corporate Secretary

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INDEX TO EXHIBITS

Exhibit Number	Description
99.1	News Release dated August 1, 2012 (furnished under Item 7.01)

Exhibit 99.1

News Release

Analysts and Media Contact:
Susan Giles (972) 855-3729

Atmos Energy Corporation Completes Sale of Natural Gas Distribution Assets in Missouri, Illinois and Iowa

DALLAS (August 1, 2012)—Atmos Energy Corporation (NYSE: ATO) today announced that it completed the sale of its natural gas distribution assets located in Missouri, Illinois and Iowa to Liberty Energy (Midstates) Corp., an affiliate of Algonquin Power & Utilities Corp. The transaction included the transfer of approximately 84,000 residential and commercial meters.

Net cash proceeds for rate base and related working capital were approximately $129 million. These proceeds will be redeployed to fund growth opportunities in the remaining jurisdictions the company serves. Atmos Energy expects to record a net of tax gain on the sale of approximately $6 million, or $0.06 per diluted share, subject to final purchase price adjustments. For the ten months ended July 31, 2012, these operations provided approximately $7 million of net income, or $0.07 per diluted share.

Forward-Looking Statements

The matters discussed in this news release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this news release are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this news release or in any of the company's other documents or oral presentations, the words "anticipate," "believe," "estimate," "expect," "forecast," "goal," "intend," "objective," "plan," "projection," "seek," "strategy" or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this news release, including the risks and uncertainties relating to regulatory trends and decisions, the company's ability to continue to access the capital markets and the other factors discussed in the company's reports filed with the Securities and Exchange Commission. These factors include the risks and uncertainties discussed in the company's Annual Report on Form 10-K for the fiscal year ended September 30, 2011 and in the company's Quarterly Report on Form 10-Q for the three and six months ended March 31, 2012. Although the company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized.

The company undertakes no obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is one of the country's largest natural- gas-only distributors, serving about three million natural gas distribution customers in over 1,400 communities in nine states from the Blue Ridge Mountains in the East to the Rocky Mountains in the West. Atmos Energy also provides natural gas marketing and procurement services to industrial, commercial and municipal customers primarily in the Midwest and Southeast and manages company-owned natural gas pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas. For more information, visit www.atmosenergy.com .

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

July 27, 2012
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01. Regulation FD Disclosure.

On July 27, 2012, Atmos Energy Corporation (the "Company") issued a Notice of Full Redemption of all of its issued and outstanding Senior Notes due 2013 (the "Notes") with respect to the redemption of the Notes (the "Redemption"). The Redemption will be conducted pursuant to Article Eleven of the Indenture dated May 22, 2001 between the Company, as issuer, and U.S. Bank (as successor to SunTrust Bank), as trustee (the "Indenture"). The Redemption will occur on or about August 28, 2012.

Pursuant to the terms of the Indenture, the Notes will be redeemed at a price equal to the greater of: (a) 100% of the principal amount of the Notes or (b) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes discounted to the date of the Redemption on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months at an annual interest rate equal to the semi-annual equivalent yield of a U.S. Treasury security having a maturity comparable to the remaining term of the Notes (which rate will be calculated on the third business day prior to the date of the Redemption) and 15 basis points, plus, in either case, accrued and unpaid interest on the Notes to the date of the Redemption.

The Company intends to initially fund the Redemption through the issuance of commercial paper under its $750,000,000 five-year revolving credit facility. Shortly thereafter, the Company intends to enter into a short-term financing facility to repay such commercial paper borrowings, and expects to repay any borrowings under such short-term facility with proceeds to be received from the issuance of new unsecured long-term notes in January 2013.

The foregoing summary of the Redemption is qualified in its entirety by reference to the complete text of the Notice of Full Redemption, which is furnished as Exhibit 99.1 to this Current Report on Form 8-K, and is incorporated by reference herein. The information furnished in this Item 7.01 and in Exhibit 99.1 shall not be deemed to be "filed" for purposes of Section 18 of the Securities and Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall such information be deemed to be incorporated by reference into any of the Company's filings under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 Notice of Full Redemption to the Holders of $250,000,000 Atmos Energy Corporation 5 1/8% Senior Notes due 2013 (furnished under Item 7.01)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: July 27, 2012

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President, General Counsel
and Corporate Secretary

INDEX TO EXHIBITS

Exhibit Number	Description
99.1	Notice of Full Redemption to the Holders of $250,000,000 Atmos Energy Corporation 5 1/8% Senior Notes due 2013 (furnished under Item 7.01)

Exhibit 99.1

NOTICE OF FULL REDEMPTION TO THE HOLDERS OF
$250,000,000 Atmos Energy Corporation
5 1/8 % Senior Notes due 2013

NOTICE IS HEREBY GIVEN pursuant to the terms of the Indenture dated as of May 22, 2001, between Atmos Energy Corporation, as Issuer, and U.S. Bank National Association (formerly SunTrust Bank), as Trustee (the "Indenture"), that Atmos Energy Corporation has elected to redeem in full its 5 1/8% Senior Notes due 2013 (the "Notes") on August 28, 2012 (the "Redemption Date") at a Redemption Price that will be calculated as described below three business days prior to the Redemption Date, and include the interest accrued to the Redemption Date. All capitalized terms not specifically defined herein shall have the meanings ascribed to them in the Indenture or in the Global Security for the Notes.

CUSIP Number: 049560 AC 9, 5 1/8%, Due: 1/15/13
Redemption Price: (to be calculated as described below)
Principal Amount of Redemption: $250,000,000

Redemption Price will be equal to the greater of: (a) 100% of the principal amount of the Notes, or (b) as determined by the Quotation Agent, the sum of the present values of the Remaining Scheduled Payments of principal and interest on the Notes discounted to the Redemption Date on a semi-annual basis assuming a 360-day year consisting of twelve 30-day months at the Adjusted Treasury Rate (which rate will be calculated on the third business day prior to the Redemption Date) plus 15 basis points, plus, in either case, accrued and unpaid interest on the Notes to the Redemption Date.

On the Redemption Date, the Redemption Price, including the accrued and unpaid interest, will become due and payable. Interest on the Notes shall cease to accrue on and after the Redemption Date.

Payment of the Redemption Price will be made only upon presentation and surrender of the Notes in the following manner:

If by Mail:
U.S. Bank
Corporate Trust Services
P.O. Box 64111
St. Paul, MN 55164-0111

If by Hand or Overnight Mail:
U.S. Bank
Corporate Trust Services
60 Livingston Avenue
1 st Fl – Bond Drop Window
St. Paul, MN 55107

1-800-934-6802

REQUIREMENT INFORMATION

For a list of redemption requirements please visit our website at **www.usbank.com/corporatetrust** and click on **"Bondholder Information"** link.

IMPORTANT NOTICE

Under the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), 28% will be withheld if tax identification number is not properly certified.

**The Trustee shall not be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness indicated in the Redemption Notice. It is included solely for the convenience of the holders.*

By: U.S. Bank National Association
as Trustee or Agent

Dated: July 27, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

May 29, 2012
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
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(972) 934-9227
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☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

As reported in our news release issued May 29, 2012, Fred E. Meisenheimer, senior vice president and chief financial officer of Atmos Energy Corporation ("Atmos Energy"), will retire from the company effective October 1, 2012. In addition, Atmos Energy announced in the release that Bret J. Eckert, formerly an audit partner of Ernst & Young LLP in its Dallas office, who will be joining Atmos Energy as senior vice president on June 4, 2012, will succeed Mr. Meisenheimer as senior vice president and chief financial officer effective October 1, 2012. Until Mr. Meisenheimer's date of retirement, Mr. Eckert, 45, will report to him and will be a member of the company's senior management team. Mr. Eckert had been with Ernst & Young LLP his entire career, which began in January 1990.

Although Atmos Energy is not a party to any employment agreement with Mr. Eckert, beginning June 4, 2012, in connection with the beginning of his employment, he will receive an annual salary of $350,000 and a sign-on bonus in the amount of $75,000. Also, in connection with the beginning of his employment, Mr. Eckert will receive a one-time grant of 7,300 performance-based restricted stock units under the company's 1998 long-term incentive plan, which will vest September 30, 2014. In addition, on June 4, 2012, he will receive a one-time grant of 7,300 time-lapse restricted stock units under the same plan, which will vest on June 4, 2015. Mr. Eckert will also be eligible to participate in all other applicable incentive, benefit and deferred compensation plans offered by the company to its senior officers. However, Mr. Eckert will receive no additional compensation at the time he succeeds Mr. Meisenheimer as senior vice president and chief financial officer on October 1, 2012.

In addition, at the beginning of Mr. Eckert's employment on June 4, 2012, Atmos Energy will enter into a change in control severance agreement with him to provide certain severance benefits to him in the event of the termination of his employment within three years following a change in control of the company. The agreement will provide that in the case of such termination of employment, the company will pay Mr. Eckert a lump sum payment equal to 2.5 times his total compensation, comprised of his annual base salary and "average bonus," as such term is defined in the agreement. In addition, Mr. Eckert will receive all medical, dental, vision, and any other health benefits which qualify for continuation coverage under Internal Revenue Code Section 4980B ("COBRA coverage"), for a period of 18 months from the date of his termination. Finally, the company will pay Mr. Eckert a lump sum payment equal to the present value of (a) an additional three (3) years of company matching and fixed annual company contributions under our Retirement Savings Plan; and (b) the cost to the company of providing (1) COBRA coverage benefits to Mr. Eckert for an additional 18-month period and (2) accident and life insurance as well as disability benefits for a 36-month period following the date of his termination.

However, if Mr. Eckert is terminated by the company for "cause" (as defined in the agreement), or if his employment is terminated by retirement, death, or disability, the agreement will provide that the company will not be obligated to pay the severance benefits to Mr. Eckert. The agreement will further provide that if Mr. Eckert voluntarily terminates his employment except for "constructive termination" (as defined in the agreement), the company will not be obligated to pay him the severance benefits. A form of such change in control severance agreement has been previously filed with the Commission as Exhibit 10.7(a) to Form 10-K for the fiscal year ended September 30, 2010.

A copy of a news release issued on May 29, 2012 announcing these management changes is filed herewith as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 News Release issued by Atmos Energy Corporation dated May 29, 2012

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: May 29, 2012

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President
and General Counsel

INDEX TO EXHIBITS

Exhibit Number	Description
99.1	News Release issued by Atmos Energy Corporation dated May 29, 2012

5

Exhibit 99.1

News Release

MEDIA CONTACT
Gerald Hunter (972) 855-3116

ANALYSTS CONTACT
Susan Giles (972) 855-3729

Atmos Energy Corporation Announces Fred E. Meisenheimer to Retire as Senior Vice President and Chief Financial Officer

Bret J. Eckert to succeed Meisenheimer

DALLAS (May 29, 2012)—Atmos Energy Corporation (NYSE: ATO) said today that Fred E. Meisenheimer will retire as senior vice president and chief financial officer on October 1, 2012, and that Bret J. Eckert, who is joining the company on June 4 as a senior vice president, will succeed him.

"Fred Meisenheimer has been an outstanding contributor to Atmos Energy through his leadership in developing an exceptional financial team," said Robert W. Best, executive chairman of the board of directors. "Fred's attention to detail and his commitment to best practices and strong controls have given our board of directors confidence in the integrity and accuracy of our financial information and all our accounting and financial operations."

Kim Cocklin, Atmos Energy's president and chief executive officer, noted that Eckert's addition to the company, announced on May 15, provides a strong and proven successor.

"We have many highly talented financial professionals within Atmos Energy, giving us quite a bit of 'bench strength' for the future," Cocklin said. "Bret Eckert's impressive experience and credentials in public accounting and financial matters will help to further develop our strengths while advancing new programs like those Fred Meisenheimer has already put into place."

Meisenheimer, 68, joined Atmos Energy in July 2000 as vice president and controller. He was promoted to his current position in February 2009. Previously, Meisenheimer was controller of a privately held telecom services provider, where he was responsible for all accounting and treasury operations.

From 1988 to 1999, Meisenheimer served as assistant controller and general auditor of Oryx Energy Corporation and as assistant controller for Sun Exploration and Production Company from 1979 to 1988. He also worked as an audit manager at Deloitte & Touche LLP from 1970 to 1979.

Meisenheimer is a graduate of Stephen F. Austin State University and holds an M.B.A. from Southern Methodist University.

Eckert, 45, has more than 22 years of experience in the regulated natural gas distribution industry. He has extensive experience with Securities and Exchange reporting matters and filings; regulatory accounting and reporting; equity and debt offerings; significant mergers, acquisitions and divestitures; public offerings and technical accounting and financial matters.

Eckert holds a bachelor's degree in accounting and finance from Texas A&M University. He is a graduate of Leadership Dallas and is active in Dallas community affairs.

About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is one of the country's largest natural-gas-only distributors, serving more than 3 million natural gas distribution customers in more than 1,600 communities in 12 states from the Blue Ridge Mountains in the East to the Rocky Mountains in the West. Atmos Energy also provides natural gas marketing and procurement services to industrial, commercial and municipal customers primarily in the Midwest and Southeast and manages company-owned natural gas pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas. For more information, visit www.atmosenergy.com.

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

May 15, 2012
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

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(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
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Not Applicable
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☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

As reported in its news release issued May 15, 2012, Atmos Energy Corporation ("Atmos Energy") has appointed Bret J. Eckert, formerly an audit partner of Ernst & Young LLP in its Dallas office, as senior vice president, effective June 4, 2012. Mr. Eckert, 45, will report to Fred Meisenheimer, Senior Vice President and Chief Financial Officer and will be a member of the company's senior management team. Mr. Eckert had been with Ernst & Young LLP his entire career, which began in January 1990.

Although Atmos Energy is not a party to any employment agreement with Mr. Eckert, he will receive an annual salary of $350,000 and a sign-on bonus in the amount of $75,000. Also, in connection with the beginning of his employment, Mr. Eckert will receive a one-time grant of 7,300 performance-based restricted stock units under the company's 1998 long-term incentive plan, which will vest September 30, 2014. In addition, he will receive a one-time grant of 7,300 time-lapse restricted stock units under the same plan, which will vest on June 4, 2015. Mr. Eckert will also be eligible to participate in all other applicable incentive, benefit and deferred compensation plans offered by the company to its senior officers.

In addition, Atmos Energy will enter into a change in control severance agreement with Mr. Eckert to provide certain severance benefits to him in the event of the termination of his employment within three years following a change in control of the company. The agreement will provide that in the case of such termination of employment, the company will pay Mr. Eckert a lump sum severance payment equal to 2.5 times his total compensation, comprised of his annual base salary and "average bonus," as such term is defined in the agreement. In addition, Mr. Eckert will receive all medical, dental, vision, and any other health benefits which qualify for continuation coverage under Internal Revenue Code Section 4980B ("COBRA coverage"), for a period of 18 months from the date of his termination. Finally, the company will pay Mr. Eckert a lump sum payment generally equal to the actuarially equivalent of (a) an additional three (3) years of company matching and fixed annual company contributions under our Retirement Savings Plan; and (b) the present value of the cost to the company of providing (1) COBRA coverage benefits to Mr. Eckert for an additional 18-month period and (2) accident and life insurance as well as disability benefits for a 36-month period following the date of his termination.

However, if Mr. Eckert is terminated by the company for "cause" (as defined in the agreement), or if his employment is terminated by retirement, death, or disability, the agreement will provide that the company will not be obligated to pay the severance benefits to Mr. Eckert. The agreement will further provide that if Mr. Eckert voluntarily terminates his employment except for "constructive termination" (as defined in the agreement), the company will not be obligated to pay him the severance benefits. A form of such change in control severance agreement has been previously filed with the Commission as Exhibit 10.7(a) to Form 10-K for the fiscal year ended September 30, 2010.

A copy of a news release issued on May 15, 2012 announcing this management change is filed herewith as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 News Release issued by Atmos Energy Corporation dated May 15, 2012

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: May 15, 2012

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President
and General Counsel

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INDEX TO EXHIBITS

Exhibit Number	Description
99.1	News Release issued by Atmos Energy Corporation dated May 15, 2012

5

Exhibit 99.1

News Release

Media Contact:
Gerald Hunter (972) 855-3116

ATMOS ENERGY CORPORATION NAMES
BRET J. ECKERT SENIOR VICE PRESIDENT

DALLAS– (May 15, 2012) — Atmos Energy Corporation (NYSE:ATO) today announced the addition of Bret J. Eckert to its senior management team as Senior Vice President. He will join the Company on June 4, 2012 and report to Fred Meisenheimer, Senior Vice President and Chief Financial Officer. Eckert was previously with Ernst & Young LLP, where he was an Audit Partner in the Dallas office.

Eckert, 45, has more than 22 years of experience in the regulated natural gas distribution industry. He has extensive experience with SEC reporting matters and filings, regulatory accounting and reporting matters, equity/debt offerings, significant mergers/acquisitions/divestitures, public offerings, and technical accounting and financial matters. Commenting on the addition of Eckert to Atmos Energy's senior management team, Atmos Energy, President and CEO, Kim Cocklin said, "We are very pleased to have Bret as a member of our senior leadership. We are fortunate to have someone of Bret's experience and knowledge of our company and we look forward to his leadership as we continue to invest in our employees and our safe and reliable gas system."

Eckert holds a bachelor's degree in accounting and finance from Texas A&M University. He is a previous graduate of Leadership Dallas and remains active in the Dallas community.

About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is one of the country's largest natural-gas-only distributors, serving more than three million natural gas distribution customers in more than 1,600 communities in 12 states from the Blue Ridge Mountains in the East to the Rocky Mountains in the West. Atmos Energy also provides natural gas marketing and procurement services to industrial, commercial and municipal customers primarily in the Midwest and Southeast and manages company-owned natural gas pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas. For more information, visit www.atmosenergy.com .

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

February 8, 2012
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.07. Submission of Matters to a Vote of Security Holders.

At the company's 2012 annual meeting of shareholders on February 8, 2012, of the 90,218,531 shares outstanding and entitled to vote, 80,948,034 shares were represented, constituting an 89.7% quorum. The final results for each of the matters submitted to a vote of shareholders at the annual meeting are as follows:

Proposal No. 1 : All of the board's nominees for director were elected by our shareholders to serve until the company's 2013 annual meeting of shareholders or until their respective successors are elected and qualified, with the vote totals as set forth in the table below:

Nominee	For	Against	Abstain	Broker Non-Votes
Kim R. Cocklin	62,064,152	807,686	164,612	17,911,584
Richard W. Douglas	62,452,990	402,547	180,913	17,911,584
Ruben E. Esquivel	62,402,711	463,075	170,664	17,911,584
Richard K. Gordon	62,272,180	581,706	182,564	17,911,584
Thomas C. Meredith	62,221,662	630,336	184,452	17,911,584
Nancy K. Quinn	62,486,098	381,959	168,393	17,911,584
Stephen R. Springer	61,236,870	1,619,540	180,040	17,911,584
Richard Ware II	61,964,119	889,579	182,752	17,911,584

Proposal No. 2 : The appointment of Ernst & Young LLP as the company's independent registered public accounting firm for fiscal 2012 was ratified by our shareholders, with the vote totals as set forth in the table below:

For	Against	Abstain	Broker Non-Votes
80,108,280	684,266	155,488	-0-

Proposal No. 3: Our shareholders approved, on an advisory (non-binding) basis, the compensation of our named executive officers for fiscal 2011, with the vote totals as set forth in the table below:

For	Against	Abstain	Broker Non-Votes
61,630,456	926,516	479,478	17,911,584

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: February 10, 2012

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President and General Counsel

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

February 7, 2012
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
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Item 2.02. Results of Operations and Financial Condition.

On Tuesday, February 7, 2012, Atmos Energy Corporation (the "Company") issued a news release in which it reported the Company's financial results for the first quarter of the 2012 fiscal year, which will end September 30, 2012, and that certain of its officers would discuss such financial results in a conference call on Wednesday, February 8, 2012 at 8:00 a.m. Eastern Time. In the release, the Company also announced that the call would be webcast live and that slides for the webcast would be available on its website for all interested parties.

A copy of the news release is furnished as Exhibit 99.1. The information furnished in this Item 2.02 and in Exhibit 99.1 shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall such information be deemed to be incorporated by reference into any of the Company's filings under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 News Release dated February 7, 2012 (furnished under Item 2.02)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: February 7, 2012

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President
and General Counsel

INDEX TO EXHIBITS

Exhibit Number	Description
99.1	News Release dated February 7, 2012 (furnished under Item 2.02)

Exhibit 99.1

News Release

Analysts and Media Contact:
Susan Giles (972) 855-3729

Atmos Energy Corporation Reports Earnings for Fiscal 2012 First Quarter; Company Affirms Fiscal 2012 Guidance

DALLAS (February 7, 2012)—Atmos Energy Corporation (NYSE: ATO) today reported consolidated results for its fiscal 2012 first quarter ended December 31, 2011.

- Fiscal 2012 first quarter consolidated results, excluding net unrealized margins were $55.5 million, or $0.61 per diluted share, compared with results, excluding net unrealized margins of $73.7 million, or $0.81 per diluted share in the prior-year quarter.
- After including noncash, unrealized net gains of $13.0 million, or $0.14 per diluted share, fiscal 2012 first quarter net income was $68.5 million, or $0.75 per diluted share. Net income was $74.0 million, or $0.81 per diluted share in the prior-year quarter, after including unrealized net gains of $0.3 million or $0.00 per diluted share.
- For the three months ended December 31, 2011, regulated operations contributed $64.0 million, or $0.70 per diluted share, compared with $67.4 million of net income, or $0.74 per diluted share in the prior-year quarter.
- Nonregulated operations contributed $4.5 million of net income, or $0.05 per diluted share, compared with $6.6 million of net income, or $0.07 per diluted share for the same three months last year.

"Positive rate outcomes in a number of our jurisdictions continue to support stable and predictable earnings that were in line with our first quarter expectations in the regulated businesses," said Kim Cocklin, president and chief executive officer of Atmos Energy Corporation. "Our nonregulated results negatively affected us in the current quarter; however, we expect this business to generate more positive results the second half of our fiscal year."

"For fiscal 2012, we remain on track to meet our guidance of earning between $2.30 and $2.40 per diluted share," Cocklin concluded.

Results for the Quarter Ended December 31, 2011

Natural gas distribution gross profit, excluding discontinued operations, was flat quarter-over-quarter. The positive impact from rate increases was largely offset by the quarter-over-quarter negative effect of the weather normalization adjustment in the Mid-Tex Division, which required utilizing updated weather data in the calculation of the adjustment in the current quarter.

Regulated transmission and storage gross profit increased $7.8 million to $56.8 million for the quarter ended December 31, 2011, compared with $49.0 million in the prior-year quarter. This increase is primarily a result of rate design changes approved in the Atmos Pipeline – Texas rate case that became effective in May 2011.

Nonregulated gross profit decreased $9.8 million to $15.4 million for the first quarter of fiscal 2012, compared with $25.2 million for the prior-year quarter. The decrease primarily reflects a $25.6 million quarter-over-quarter decrease in realized asset optimization margins. During the first quarter of fiscal 2011, more frequent trading opportunities existed to earn intramonth trading gains in the daily cash market. In contrast, during the current quarter, as a result of falling natural gas prices, Atmos Energy Holdings injected a net 15.7 Bcf into storage to capture incremental physical to forward spread values and purchased flowing gas to meet customer deliveries. As a result, losses were realized on the settlement of financial instruments used to hedge natural gas purchases without the corresponding physical natural gas storage withdrawal gains. A substantial portion of the incremental margins captured during the quarter is currently anticipated to be realized during the third and fourth quarters of fiscal 2012. Additionally, realized margins from gas delivery decreased $4.9 million, primarily due to a four percent decrease in consolidated sales volumes combined with a $0.05/Mcf decrease in per-unit margins. Partially offsetting these decreases was a $21.2 million increase in unrealized margins.

Consolidated operation and maintenance expense, excluding discontinued operations, for the first quarter of fiscal 2012, was $116.1 million, compared with $114.5 million for the prior-year quarter. Excluding the provision for doubtful accounts, operation and maintenance expense for the current quarter was $113.8 million, compared with $113.0 million for the same period last year. The $0.8 million increase resulted primarily from a $3.0 million increase in legal and administrative costs and a $1.6 million increase in contract labor. These increases were partially offset by a $2.3 million decrease in employee-related costs.

Depreciation and amortization increased $4.4 million to $59.2 million for the first quarter of fiscal 2012, compared with $54.8 million for the prior-year quarter. Quarter-over-quarter, taxes, other than income increased $3.0 million to $43.2 million, compared with $40.2 million for the prior-year quarter. Both increases are primarily the result of incremental capital investments made in fiscal 2011 that resulted in increased depreciation expense and increased ad valorem taxes in the current quarter.

Interest charges for the first quarter of fiscal 2012 were $35.4 million, compared with $38.9 million for the prior-year quarter. The $3.5 million quarter-over-quarter decrease resulted primarily from refinancing long-term debt at reduced interest rates and reducing commitment fees from reducing the number of credit facilities and extending the length of their terms in fiscal 2011.

The debt capitalization ratio at December 31, 2011, was 53.4 percent, compared with 51.7 percent at September 30, 2011 and 51.4 percent at December 31, 2010. At December 31, 2011, there was $390.0 million of short-term debt outstanding, compared with $206.4 million at September 30, 2011 and $248.0 million at December 31, 2010.

For the quarter ended December 31, 2011, the company used $15.3 million in operating cash flow, a $61.1 million reduction in operating cash flow compared with the first quarter of fiscal of 2011. The quarter-over-quarter decrease primarily reflects an increase in purchased gas stored underground in the nonregulated segment with the corresponding gas sales expected to occur later in the current fiscal year.

Capital expenditures increased to $154.4 million for the quarter ended December 31, 2011, compared with $123.2 million in the prior-year quarter. The $31.2 million increase primarily reflects spending related to the Mid-Tex Division steel service line replacement program and the development of a new customer service system for the natural gas distribution segment.

Outlook

Atmos Energy still expects fiscal 2012 earnings to be in the range of $2.30 to $2.40 per diluted share, excluding unrealized margins. Net income from regulated operations is expected to be in the range of $190 million to $197 million, while net income from nonregulated operations is expected to be in the range of $20 million to $23 million. Capital expenditures for fiscal 2012 are expected to range between $680 million to $700 million.

Conference Call to be Webcast February 8, 2012

Atmos Energy will host a conference call with financial analysts to discuss the financial results for the fiscal 2012 first quarter on Wednesday, February 8, 2012, at 8 a.m. Eastern Time. The telephone number is 877-485-3107. The conference call will be webcast live on the Atmos Energy website at www.atmosenergy.com . A playback of the call will be available on the website later that day. Kim Cocklin, president and chief executive officer and Fred Meisenheimer, senior vice president and chief financial officer will participate in the conference call.

Highlights and Recent Developments

Atmos Energy Concludes FERC Investigation

On December 9, 2011, Atmos Energy Corporation and its affiliates, Atmos Energy Marketing, LLC and Trans Louisiana Gas Pipeline, Inc. entered into an agreement to resolve the investigation initiated in December 2007, which focused on possible violations of FERC's posting and competitive bidding regulations. FERC's findings of violations were limited to the nonregulated operations of the company. Under the terms of the agreement, the company paid a civil penalty of approximately $6.4 million and $5.6 million in disgorgement of unjust profits plus accrued interest.

Atmos Energy Promotes Marvin Sweetin to Senior Vice President of Utility Operations

On November 15, 2011, Atmos Energy announced Marvin L. Sweetin's promotion to senior vice president of utility operations, effective November 9th. In this new role, Sweetin is responsible for the operations of Atmos Energy's six utility divisions in 12 states, along with continued responsibility for customer service, safety and training. He also serves on the company's Management Committee.

This news release should be read in conjunction with the attached unaudited financial information.

Forward-Looking Statements

The matters discussed in this news release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this news release are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this news release or in any of the company's other documents or oral presentations, the words "anticipate," "believe," "estimate," "expect," "forecast," "goal," "intend," "objective," "plan," "projection," "seek," "strategy" or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this news release, including the risks and uncertainties relating to regulatory trends and decisions, the company's ability to continue to access the capital markets and the other factors discussed in the company's reports filed with the Securities and Exchange Commission. These factors include the risks and uncertainties discussed in the company's Annual Report on Form 10-K for the fiscal year ended September 30, 2011. Although the company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. The company undertakes no obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

About Atmos Energy

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Atmos Energy Corporation
Financial Highlights (Unaudited)

Statements of Income (000s except per share)	Three Months Ended December 31 2011	2010	Percentage Change
Gross Profit:			
Natural gas distribution segment	$291,085	$290,936	— %
Regulated transmission and storage segment	56,759	49,007	16%
Nonregulated segment	15,405	25,178	(39)%
Intersegment eliminations	(367)	(397)	8%
Gross profit	362,882	364,724	(1)%
Operation and maintenance expense	116,062	114,490	1%
Depreciation and amortization	59,215	54,777	8%
Taxes, other than income	43,198	40,168	8%
Total operating expenses	218,475	209,435	4%
Operating income	144,407	155,289	(7)%
Miscellaneous expense	(1,875)	(726)	158%
Interest charges	35,442	38,895	(9)%
Income from continuing operations before income taxes	107,090	115,668	(7)%
Income tax expense	41,302	44,568	(7)%
Income from continuing operations	65,788	71,100	(7)%
Income from discontinued operations, net of tax	2,719	2,897	(6)%
Net income	$ 68,507	$ 73,997	(7)%
Basic earnings per share			
Income per share from continuing operations	$ 0.72	$ 0.78	
Income per share from discontinued operations	0.03	0.03	
Net income per share – basic	$ 0.75	$ 0.81	
Diluted earnings per share			
Income per share from continuing operations	$ 0.72	$ 0.78	
Income per share from discontinued operations	0.03	0.03	
Net income per share – diluted	$ 0.75	$ 0.81	
Cash dividends per share	$ 0.345	$ 0.340	
Weighted average shares outstanding:			
Basic	90,254	90,082	
Diluted	90,546	90,408	

Summary Net Income (Loss) by Segment (000s)	Three Months Ended December 31 2011	2010	Percentage Change
Natural gas distribution – continuing operations	$47,905	$54,421	(12)%
Natural gas distribution – discontinued operations	2,719	2,897	(6)%
Regulated transmission and storage	13,414	10,102	33%
Nonregulated	(8,501)	6,275	(235)%
Unrealized margins, net of tax	12,970	302	4,195%
Consolidated net income	$68,507	$73,997	(7)%

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Discontinued Operations (000s)	Three Months Ended December 31 2011	2010
Operating revenues	$23,451	$23,733
Purchased gas cost	14,951	14,897
Gross profit	8,500	8,836
Operating expenses	4,174	4,016
Operating income	4,326	4,820
Other nonoperating expense	(48)	(33)
Income from discontinued operations before income taxes	4,278	4,787
Income tax expense	1,559	1,890
Net income	$ 2,719	$ 2,897

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Balance Sheets (000s)	December 31, 2011	September 30, 2011
Net property, plant and equipment	$5,246,213	$5,147,918
Cash and cash equivalents	85,160	131,419
Accounts receivable, net	489,797	273,303
Gas stored underground	325,669	289,760
Other current assets	360,615	316,471
Total current assets	1,261,241	1,010,953
Goodwill and intangible assets	740,196	740,207
Deferred charges and other assets	387,982	383,793
	$7,635,632	$7,282,871
Shareholders' equity	$2,267,762	$2,255,421
Long-term debt	2,206,193	2,206,117
Total capitalization	4,473,955	4,461,538
Accounts payable and accrued liabilities	432,332	291,205
Other current liabilities	357,353	367,563
Short-term debt	389,985	206,396
Current maturities of long-term debt	131	2,434
Total current liabilities	1,179,801	867,598
Deferred income taxes	981,559	960,093
Deferred credits and other liabilities	1,000,317	993,642
	$7,635,632	$7,282,871

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Statements of Cash Flows (000s)	Three Months Ended December 31 2011	2010
Cash flows from operating activities		
Net income	$ 68,507	$ 73,997
Depreciation and amortization	60,811	56,207
Deferred income taxes	40,042	43,423
Other	4,692	4,712
Changes in assets and liabilities	(189,343)	(132,515)
Net cash provided (used) by operating activities	(15,291)	45,824
Cash flows from investing activities		
Capital expenditures	(154,394)	(123,162)
Other, net	(1,080)	(370)
Net cash used in investing activities	(155,474)	(123,532)
Cash flows from financing activities		
Net increase in short-term debt	173,905	112,628
Repayment of long-term debt	(2,303)	(10,000)
Cash dividends paid	(31,517)	(31,002)
Repurchase of common stock	(12,535)	—
Repurchase of equity awards	(3,120)	(3,231)
Issuance of common stock	76	7,253
Net cash provided by financing activities	124,506	75,648
Net decrease in cash and cash equivalents	(46,259)	(2,060)
Cash and cash equivalents at beginning of period	131,419	131,952
Cash and cash equivalents at end of period	$ 85,160	$ 129,892

Consolidated Statistics, including discontinued operations	Three Months Ended December 31 2011	2010
Consolidated natural gas distribution throughput (MMcf as metered)	121,748	120,544
Consolidated regulated transmission and storage transportation volumes (MMcf)	105,037	99,841
Consolidated nonregulated delivered gas sales volumes (MMcf)	90,870	94,538
Natural gas distribution meters in service	3,203,008	3,206,286
Natural gas distribution average cost of gas	$ 4.78	$ 4.92
Nonregulated net physical position (Bcf)	35.6	19.6

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