Southern Company

Summary Plan Description

The Southern Company Employee Savings Plan

Effective January 1, 2018 (updated March 1, 2019)

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I. Eligibility

Each eligible employee who was an active participant on December 31, 2017, shall continue to be an active participant in the Employee Savings Plan (the “ESP” or “Plan”) on January 1, 2018, provided they remain an eligible employee. Each participant having an AGL Resources Inc. Retirement Savings Plus Plan (“RSP Plan”) Account or a Nicor Gas Thrift Plan (the “Thrift Plan”) Account that was merged into the ESP effective January 1, 2018, are immediately eligible to participate in the ESP.

You are eligible to participate in the ESP as of your first day of employment if you are a:

- Regular full-time employee
- Regular part-time employee

You are not eligible to participate in the ESP if you are a member of a collective bargaining unit, unless your collective bargaining agent and your Employing Company (also referred to in this document as the “Company”) have mutually agreed to allow your participation, or if you have waived participation in the ESP.

You also are not eligible to participate in the ESP if you are classified (even if the classification is in error) as:

- A temporary employee;
- A cooperative education student;
- A leased worker;
- A service vendor worker; or
- An independent contractor.

A. Former Performance Sharing Plan Participants

If you were a participant in the Performance Sharing Plan (“PSP”) and had your PSP account balance transferred to the ESP as part of the 2002 merger of the PSP into the ESP, then as a result of such merger you became a participant in the ESP (if you were not already a participant in the ESP). If you meet the requirements specified in the Eligibility section above, you may make contributions to the ESP.

B. Former Employee Stock Ownership Plan Participants

If you were a participant in the Employee Stock Ownership Plan (“ESOP”) and had your ESOP account balance transferred to the ESP as part of the 2006 merger of the ESOP into the ESP, then as a result of such merger you became a participant in the ESP (if you were not already a participant in the ESP). If you meet the requirements specified in the Eligibility section above, you may make contributions to the ESP.

C. Former Nicor Gas Thrift Plan Participants

If you were a participant in the Nicor Gas Thrift Plan (the “Thrift Plan”) and had your Thrift Plan account balance transferred to the ESP as part of the January 1, 2018 merger of the Thrift Plan into the ESP, then as a result of such merger you became a participant in the ESP. If you meet the requirements specified in the Eligibility section above, you may make contributions to the ESP.

D. Former AGL Resources Inc. Retirement Savings Plus Plan Participants

If you were a participant in the AGL Resources Inc. Retirement Savings Plus Plan ("RSP Plan") and had your RSP Plan account balance transferred to the ESP as part of the January 1, 2018 merger of the RSP Plan into the ESP, then as a result of such merger you became a participant in the ESP. If you meet the requirements specified in the Eligibility section above, you may make contributions to the ESP.

E. Leaves of Absence and Participation

While you are on an authorized unpaid leave of absence, you may not contribute to your account, and the Company will not make any matching contributions. However, you continue to be a Plan participant. This means that the money in your account will continue to experience investment gains or losses and that you may continue to make investment elections with respect to your account. When you return from your leave, contributions may start again if you are eligible.

F. If You Are Rehired

If you leave employment with the Company, you are eligible to participate in the ESP immediately when you are rehired as an eligible employee.

II. How to Participate

Employees will be automatically enrolled after their first 30 days of employment. Employees can participate within their first 30 days or opt-out of the automatic enrollment by calling Merrill Lynch at 1-800-369-9890 or through Benefits OnLine® at **benefits.ml.com**.

Generally, your deductions will begin the following pay period. Participation is voluntary, and your participation is not affected if you transfer among Employing Companies* unless required by a collective bargaining agreement.

* The Employing Companies as of January 1, 2019, are:

Alabama Power Company	Southern Company Services, Inc.
Georgia Power Company	Southern Nuclear Operating Company, Inc.
Mississippi Power Company	Southern Company Gas' affiliated companies
Southern Communications Services, Inc.	Southern Power Company

Automatic Enrollment

Automatic Enrollment is a feature of the ESP. Under this feature, a newly eligible employee who does not opt-out of participation in the ESP or make an affirmative election otherwise, will be automatically enrolled into the ESP after the first 30 days of employment. As soon as administratively possible after a newly eligible employee is enrolled, the Company will withhold from eligible compensation 6% per pay period on a before-tax basis and will transmit the amount to Merrill Lynch as an elective deferral. Additionally, if an

eligible employee does not make an affirmative investment election, the automatic contributions will be invested into the default investment alternative (see “Default Investment Alternative” in this Summary under the section entitled “Investing Your Account Balance”).

Employees can participate within their first 30 days or opt-out of the automatic enrollment by calling Merrill Lynch at 1-800-369-9890 or through Benefits OnLine® at **benefits.ml.com**.

III. Participant Fees

A fee for participating in the ESP is charged during each calendar quarter for which you have an account balance.

- If your account balance is $10,000 or more as of the close of trading on the first business day of each quarter, your Plan account will be assessed a participant fee of $8.50 for that quarter.
- If your account balance is less than $10,000 as of the close of trading on the first business day of each quarter, your Plan account will be assessed a participant fee of 8.5 basis points for that quarter. A basis point is one-hundredth of one percent, or 0.01%. So, if your account balance was $7,000, your participant fee for the quarter would be $5.95 ($7,000 times 0.00085).

In all cases, the participant fee will be assessed on a pro-rata basis on the balance in each fund in your Plan account. So, for example, if 20% of your balance was in each of five funds, 20% of the fee will be deducted from the balance in each of those funds.

Participants also incur fees based on their investments in the ESP or their taking a loan from the ESP. See the “Investing Your Account Balance” section and the “Loans” section of this Summary, respectively, for details about these fees.

IV. Contributions to Your Account

A. Your Contributions

Base Pay

You may contribute from 1% to 50% of your base pay (in 1% increments) on a before-tax, Roth after-tax, and/or traditional after-tax basis. Your combined before- and after-tax contribution rates may not be more than 50%.

Base pay for this Plan includes:

- Salary or wages including the amounts you contributed to the Flexible Benefits Plan;
- Monthly shift and monthly 7-day schedule differentials;
- Geographic premiums;
- Monthly customer service premiums;
- Monthly nuclear plant premiums;

- Commissions paid to certain sales commission-based employees and certain nonproductive pay items for appliance sales salespersons*;
- Overtime pay resulting from fluctuations in weekly hours worked pursuant to a pre-determined flexible work schedule approved by an Employing Company that is intended to produce, on average, 40-hour work weeks; and
- Military differential pay.

** Effective July 1, 1998, earnings shall include, for appliance salespersons only, certain nonproductive pay earnings types as designated from time to time by the SCS Board of Directors.*

Your pay is determined before deductions for taxes and Social Security. It does not include the following:

- Overtime pay except as described above;
- Any hourly shift differentials or substitution pay;
- Reimbursable expenses, including (but not limited to): moving expenses, travel and entertainment expenses, imputed income for automobile expenses, tax preparation expenses, and health and life insurance premiums;
- Awards under any long-term incentive pay plans sponsored by an Employing Company; or
- Any post-separation pay.

Performance Pay Program (PPP) and Sequent Annual Incentive Plan (AIP)

Awards under the Performance Pay Program and the Sequent Annual Incentive Plan may be deferred up to 50%. There is no automatic enrollment for PPP/AIP deferrals. The PPP/AIP deferral is not eligible for the Company match. Awards made under other incentive or bonus pay plans are not included.

Notwithstanding the above, you may not defer any portion of your Performance Pay Program award if you are a union employee who is covered under an agreement between an Employing Company and the International Brotherhood of Electrical Workers ("IBEW") local union, as represented collectively through the IBEW UCC-1**.**

Contribution Limits

The maximum 401(k) contribution limit (annual employee pre-tax and Roth after-tax contributions combined limit) is $19,000 for 2019. If you are age 50 or older or will be age 50 by year-end, you may elect to defer an additional "catch-up" contribution – up to $6,000 in 2019. These limits may be adjusted by the IRS in future years.

Under the Plan, the definition of base pay does not include amounts over the IRS compensation limit, which is $280,000 in 2019 (as adjusted periodically by the IRS). If your base pay reaches the IRS compensation limit, no further employee contributions (other than catch-up contributions) may be made to the Plan for the remainder of that Plan Year, regardless of whether you've reached the maximum 401(k) contribution limit.

Your PPP/AIP bonus is also eligible pay which may be deferred, but your PPP/AIP bonus deferral is not eligible for the Company match.

B. Changing Your Contribution

You may change or stop your before-tax, Roth after-tax, or traditional after-tax contribution percentage at any time. Catch-up contributions require a separate election based on the dollar amount you want to contribute each pay check. Changes generally will be effective in the next pay period. You may make changes by calling Merrill Lynch at 1-800-369-9890 or through Benefits OnLine® at **benefits.ml.com**. Company matching contributions also stop when you are not contributing.

C. If Your Salary Changes

If your salary changes during the year, the dollar amount of your payroll deductions will be automatically changed to maintain the percentages you elected. You do not have to make the change yourself.

D. Company Contributions

Company matching contributions will be made based on formulas according to specific employee groups. You will receive a Company matching percentage of your employee contributions (before-tax, Roth after-tax, and traditional after-tax) based on which employee group to which you belong. Your PPP/AIP bonus deferral is not eligible for the Company match.

Remember that Company matching contributions are made each payroll period. Thus, for example, you will receive a greater Company matching contribution for the year if you contribute 6% for the entire year, than if you contribute 12% for the first six months and stop contributing for the next six months.
NOTE: This is not the case if your base pay is over the IRS compensation limit of $280,000 in 2019 (as adjusted periodically by the IRS) since no further employee contributions (which means no Company matching contributions for such contributions) may be made to the Plan for the remainder of the Plan Year."

Amounts you designate as catch-up contributions are not eligible for the Company match.

The Company may change the amount it contributes in its sole discretion, except as such right may be limited by obligations under a collective bargaining agreement.

The Company matching formulas for each employee group are shown below.

All Noncovered Employees, SNC Security Covered Employees, Nicor Covered Employees, and Virginia Natural Gas Covered Employees

The Company matches on base pay:

- 100% of first 4% of employee contributions
- 55% of the next 2% of employee contributions
- Maximum Company match of 5.1% of base pay

Example: Eligible Pay = $2,000; Contribution Percent = 6% before-tax

- $2,000 x 4% x 100% = **$80**
- $2,000 x 2% x 55% = **$22**
- Total Company Match = **$102**

Covered Employees (APC, GPC, MPC, SNC*)

The Company matches on base pay:

- 85% of first 6% of employee contributions
- Maximum Company match of 5.1% of base pay

Example: Eligible Pay = $2,000; Contribution Percent = 6% before-tax

- $2,000 x 6% x 85% = **$102**
- Total Company Match = **$102**

*Excluding SNC Security Covered Employees

E. Vesting

Unless one of the exceptions described in this Section E applies to you, you are always fully vested in your entire account. This means that you will be entitled to your entire account balance when you leave the Company.

Former RSP Plan Participants

If you were a participant in the RSP Plan, your RSP Plan account was transferred to the ESP and fully vested if you had at least one hour of service after December 31, 2017. Any RSP Plan participant who terminated employment on or before December 31, 2017 and who does not return to work at an Employing Company will remain subject to the RSP Plan vesting provisions.

If you terminated employment on or before December 31, 2017 and were not fully vested in your RSP Plan benefit, you may forfeit the non-vested portion of your RSP Plan benefit (the Company match) subject to the RSP Plan vesting provisions.

Former Thrift Plan Participants

If you were a participant in the Thrift Plan, your Thrift Plan was transferred to the ESP and fully vested if you had at least one hour of service after December 31, 2017. Any Thrift Plan participant who terminated employment on or before December 31, 2017 and who does not return to work at an Employing Company will remain subject to the Thrift Plan vesting provisions.

If you terminated employment on or before December 31, 2017 and were not fully vested in your Thrift Plan benefit, you may forfeit the non-vested portion of your Thrift Plan benefit (the Company match) subject to the Thrift Plan vesting provisions.

V. Maximum Contributions and Benefits

There are limits on the amounts that may be contributed on your behalf to Company-sponsored individual account retirement plans. The total contributions limit in each year is the lesser of 100% of your compensation or $56,000 for 2019, which may be adjusted periodically by the IRS.

The amounts that are included in figuring the limits are:

- Before-tax, Roth after-tax, and traditional after-tax contributions
- Company matching contributions

Catch-up contributions are not included in this limit.

If the ESP Becomes Top-Heavy

If the sum of the account balances for certain highly paid key employees participating in the ESP is more than 60% of the sum of the account balances for all participants, then the ESP will be a top-heavy plan. In this case, a minimum contribution allocation will apply to all top-heavy Plan Years. The ESP is not presently a top-heavy plan, and it is unlikely that the ESP in its present form will be a top-heavy plan in the foreseeable future. However, you will be notified if the ESP ever becomes top-heavy.

VI. Investing Your Account Balance

A. Your Contributions

You are responsible for investing your contributions in one or more of various investment options. Investments are made in increments of 1%. The same investment choice will apply to your before-tax, Roth after-tax, and traditional after-tax contributions, as well as your Company matching contributions. You are free to change your investment direction at any time. The Trustee credits the contributions to an account established in your name and invests your account according to your investment decisions.

The options described in Subsection G, below, are offered to give you a choice of different investment risks and strategies to help you meet your personal financial goals. The ESP is intended to be an “ERISA Section 404(c) plan.” This means that Plan fiduciaries will not be responsible for any losses in your account as a result of your investment decisions. Normally, a fiduciary may be responsible for losses in your account if the losses occurred as a result of a breach of the fiduciary’s duties under the ESP. However, you are responsible for your investment choices. There is no guarantee that your investments will not lose money. When you select an investment, you must decide if you will keep the investment or sell it, and when you will sell. Because of your complete freedom to make all investment decisions, you are solely responsible for all investment gains or losses.

B. Company Matching Contributions

Like the investment of your contributions, Company matching contributions are invested according to the investment direction solely elected by you. Also, you are responsible for all investment gains or losses.

C. The Importance of Diversifying Your Retirement Savings

To help achieve long-term retirement security, you should give careful consideration to the benefits of a well-balanced and diversified investment portfolio. Spreading your assets among different types of investments can help you achieve a favorable rate of return, while minimizing your overall risk of losing money. This is because market or other economic conditions that cause one category of assets, or one particular security, to perform very well often cause another asset category, or another particular security, to perform poorly. If you invest more than 20% of your retirement savings in any one company or industry, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to help you manage investment risk.

In deciding how to invest your retirement savings, you should take into account all your assets, including any retirement savings outside of the ESP. No single approach is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals, and different tolerances for risk.

It is also important to periodically review your investment portfolio, your investment objectives, and the investment options under the ESP to help ensure that your retirement savings will meet your retirement goals. In undertaking this review, you should particularly consider the information set forth in this Summary entitled “Your Rights Concerning Employer Securities.”

D. Former Performance Sharing Plan Contributions

Amounts transferred into the ESP from the Performance Sharing Plan (“PSP”) as a result of the merger of the PSP into the ESP were treated as Company matching contributions; however, such assets initially were invested in the same Plan investment options generally as those in which they had been invested in the PSP. The exception to this is where the former PSP account contained a GoalManager® Portfolio that differed from the GoalManager® Portfolio investment within the ESP. In such case, the PSP GoalManager® Portfolio balance was transferred into the GoalManager® portfolio that existed within the ESP.

E. Former Employee Stock Ownership Plan Contributions

Amounts transferred into the ESP from the Employee Stock Ownership Plan (“ESOP”) as a result of the merger of the ESOP into the ESP were placed in the Company matching contribution account. Those assets initially were invested in the Southern Company Stock Fund. By itself, the Southern Company Stock Fund is not a diversified investment. However, you may elect at any time to redirect the investment of all or a portion of those investments to any available investment option. It is solely your responsibility to make such investment elections.

F. Default Investment Alternative

The ESP's default investment alternative is PersonalManager®, a managed account offered through Advice Access. PersonalManager®, a trademark of Merrill Lynch & Co., Inc., uses a computer model and portfolios constructed by an independent financial expert (Ibbotson Associates), plus participant data, to create and manage a personalized account for each participant. The independent financial expert constructs these portfolios from the menu of investment alternatives made available in the ESP. PersonalManager® is an investment management service with respect to which an independent financial expert, applying generally accepted investment theories, allocates the assets of a participant's individual account seeking to achieve varying degrees of long-term appreciation and capital preservation through a mix of equity and fixed income exposures, offered through investment alternatives made available in the ESP, based on the participant's age, target retirement date (such as age 65, the normal retirement age under the ESP), life expectancy and personal data (i.e., savings rate and salary). Such portfolios are diversified so as to help minimize the risk of large losses and change their asset allocations and associated risk levels for an individual account over time with the objective of becoming more conservative (i.e., decreasing risk of losses) with increasing age. PersonalManager® will allocate the participant's accounts among investment alternatives made available in the ESP. As such, the specific fees and expenses incurred by the participant defaulted into PersonalManager® will be based on the underlying investments. For instance, PersonalManager® may allocate to various mutual funds, which may have differing investment management fees (referred to as an "expense ratio"). The portion of each investment that makes up part of a participant's portfolio managed by PersonalManager® and the expense ratio for each investment may periodically change. However, the current expense ratios for the mutual funds a participant may be invested in through PersonalManager® can be found online at **benefits.ml.com**, by referring to your quarterly statements or by checking the prospectuses delivered to you. Depending on updates to your personal financial information that you provide, the service will review your investment options and the percentage invested in each one, and make changes as needed.

You have the right under the ESP to direct the investment of both your existing Plan balances (including any amounts currently invested in a default investment) and future contributions to any of the ESP's investment options. Unless you provide investment direction, amounts currently invested in the ESP's default investment alternative will continue to be invested in that fund.

G. Investment Options

A brief description of the investment options is provided below. The Employee Savings Plan Committee (the "Committee") and Merrill Lynch will periodically provide you with a more detailed description. Also, you can request investment fund information, as well as investment management fee information, by contacting Merrill Lynch at 1-800-369-9890 or through Benefits OnLine® at **benefits.ml.com**.

BlackRock Short-Term Investment Fund (Class W)
Classification: Money Market Funds

The fund invests in high-quality, short-term debt securities known as money market instruments. These securities include those issued by the U.S. Government and its agencies, corporations, banks, supranational organizations and sovereign issuers. These investments are considered low risk due to the financial strength of the issuers and the short-term maturity of the investments. Money market investments are ideal for short-term investors seeking a stable investment that provides interest income and liquidity.[1]

Northern Trust Collective Aggregate Bond Index Fund (Tier 4)
Classification: Core Bond Funds

The primary objective of the Northern Trust Aggregate Bond Index Fund is to hold a portfolio representative of the overall United States bond and debt market, as characterized by the Bloomberg Barclays U.S. Aggregate Bond Index. The Fund invests in investment-grade securities covering the Treasury, Agency, Mortgage-backed, Asset-backed, Commercial mortgage-backed, and Credit sectors of the U.S. Bond Market. The Fund may make limited use of interest rate futures and/or options for the purpose of maintaining market exposure and may not participate in securities lending[1, 2, 3]

Vanguard Institutional 500 Index Trust
Classification: S&P 500 Index Funds

The investment seeks to track the performance of a benchmark index that measures the investment return of large-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the Standard & Poor's 500 Index, a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies. It attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion of its weighting in the index.[1, 2]

BlackRock EAFE Equity Index Fund
Classification: International Large-Cap Core

This is an index fund that seeks to match the performance of the MSCI EAFE® Index by investing in stocks that make up the index. The Morgan Stanley Capital International (MSCI) EAFE® (Europe Australasia Far East) Index is comprised of approximately 1,000 foreign stocks representing established companies in developed countries across Western Europe and the Pacific Rim. This fund is intended for long-term investors seeking to capture the earnings and growth potential of established companies in developed countries throughout Western Europe and the Pacific Rim.[1, 2]

BlackRock Russell 2000 Index Fund
Classification: Small-Cap Core Funds

This is an index fund that seeks to match the performance of the Russell 2000® Index by investing in a diversified sample of the stocks that make up the index. The Index is comprised of the 2000 smallest companies in the Russell 3000® Index and represents approximately 8% of the total market capitalization of the Russell 3000® Index. The Russell 3000® Index represents 98% of the total US equity market capitalization. Because of their growth potential, investing in small-sized companies can offer higher returns than investing in more established companies. However, with this growth potential comes a higher risk level. This fund is intended for long-term investors seeking capital appreciation from investing in smaller US companies. The risk level for this fund is high, as small-capitalization stocks tend to exhibit more volatility than larger capitalization stocks.[1, 2]

[1]This investment option is not a mutual fund registered under the Investment Company Act of 1940. A prospectus is not available and shares are not publicly traded or listed on exchanges.

[2]It is not possible to invest directly in an index.

[3]A fund's use of derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Derivatives are subject to a number of risks such as liquidity risk, interest rate

risk, market risk, credit risk and management risk. A fund investing in a derivative instrument could lose more than the principal amount invested.

Southern Company Common Stock

The Southern Company Stock Fund is invested exclusively in Southern Company common stock. It provides you an additional opportunity to share in the ownership of Southern Company, with the potential for capital appreciation and current income. Single stock investments are non-diversified. Risk and potential return levels are determined by the performance of one stock, which may be more volatile than the other core investments. As there are no other forms or types of investments in this option, the value of the stock stands on its own. On this basis, the Southern Company Stock Fund is the riskiest core investment offered by the ESP.

Each pay period, the purchase of Southern Company common stock occurs via one of the following processes:

1. New share issue: Under this approach, new shares are issued by Southern Company using the NYSE composite closing price of Southern Company common stock two days prior to the pay date/wire transfer date. The share delivery will be completed on the same day that Merrill Lynch will post contributions and loan repayments to participant accounts unless the pay date/wire transfer date occurs after or on the ex-dividend date for Southern Company dividends and prior to the dividend record date for the same Southern Company dividend period. In this case, the new share delivery will be completed on the first business day following the dividend record date.
2. Automated trading: This is simply a mechanism by which the record keeping system communicates with the trading system. Merrill Lynch will place the block trade and monitor its progress, normally over a period of days. Once the trade has been satisfied, Merrill Lynch will determine the weighted average buy price for the block trade. This average buy price will be used to update participant accounts.

Please contact Merrill Lynch for more information concerning the method for a specific pay period.

Investment Fees: There is a 3-cent fee for each share bought and sold in the ESP. Fees are paid by the participant by deduction out of the participant's account.

Your Rights Concerning Employer Securities

The ESP allows you to elect to move any portion of your account that is invested in Southern Company stock from that investment into other investment alternatives under the ESP. This right extends to all of the Southern Company stock held under the ESP. In deciding whether to exercise this right, you will want to give careful consideration to the information set forth in the Summary titled "The Importance of Diversifying Your Retirement Savings," described in Subsection C, above. All of the investment options under the ESP are available to you if you decide to diversify out of Southern Company stock.

Voting Your Shares

You may vote your shares of Southern Company stock. You will receive a Trustee Voting Instruction Form or e-mail link to the proxy voting site for this purpose along with proxy solicitation material for each annual or special meeting of shareholders. The instructions you deliver by Internet, telephone, or mail will be voted by the Trustee. If you do not vote your shares, the Pension Fund Investment Review Committee or the Trustee may vote your shares in accordance with the policy it has adopted for voting proxies for unvoted shares. If the Trustee does not receive voting instructions from the Pension Fund Investment

Review Committee, the Trustee may vote your shares if required to do so by law. The Plan has procedures in place to safeguard the confidentiality of your voting instructions.

Advice Access

Advice Access offers specific, personalized recommendations to help you develop an investment strategy that's right for you. The more information you provide, the more personalized your Advice Access recommendations will be on:

- How much to save through the ESP,
- How to allocate your assets, and
- Which investment choices to choose.

The Advice Access service uses a probability-based approach to determine the likelihood that you may be able to achieve your stated goals and/or to identify a range of potential wealth outcomes that could be realized. You should carefully review the explanation of the methodology used, including key assumptions and limitations, which is provided in the Advice Access disclosure statement. A copy of the Advice Access disclosure statement can be obtained by calling Merrill Lynch at 1-800-369-9890 or through Benefits OnLine® at **benefits.ml.com.**

The projections of other information shown in the Advice Access service regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results may vary with each use and over time.

Choose Your Level of Service

Advice Access offers three service options. The service models vary according to the level of involvement you want to have with your investment decisions and the level of responsibility for managing or monitoring your account.

PersonalManager® - This service will adjust your contribution rate and investment allocation (upon your approval) to match the proposed strategy. PersonalManager® reviews your account on an ongoing basis (approximately every 90 days). Depending on updates to your personal financial information that you provide, the service will review your investment options and the percentage invested in each one, and make changes as needed. If no changes are needed, PersonalManager® will rebalance your account to maintain the original recommended allocation.

Portfolio Rebalancing – As an alternative to PersonalManager®, you can choose Portfolio Rebalancing, which implements the recommendations (or your own investment strategy, if you choose) and then maintains that investment mix until you change it. However, unlike PersonalManager®, this service does not make adjustments to your investment strategy on an ongoing basis.

One-Time Implementation – If you feel more comfortable managing your investments, you can choose this option. This option implements the initial recommendations but does not provide ongoing rebalancing or investment updates.

GoalManager® Portfolio Rebalancing Service

The GoalManager® Portfolio Rebalancing Service offers a diversified portfolio through a single investment choice.

GoalManager® offers a selection of portfolio models, each consisting of a different mix of the investment options available in the ESP. Each portfolio model is tailored for a different level of investment risk and potential return, and it is rebalanced on a regular basis to keep it at its original mix of stock, bonds, and cash equivalent investments.

You can select one GoalManager® portfolio model for all, or part, of your account. You must choose your investments to use the GoalManager® Portfolio Rebalancing Service; Goal Manager is not available if you use the Advice Access Service. There are four Portfolio Models available under GoalManager®. A summary of each Portfolio Model's asset allocation is provided in the table below. GoalManager® is a trademark of Merrill Lynch & Co., Inc.

Conservative Portfolio Model

The primary objective is to seek to maintain the value of your investment. An investor accepts the possibility of lower-than-average potential returns in order to minimize the risk of principal loss.

Moderate Portfolio Model

The primary investment objective is to seek to maintain a balance between income and growth. An investor accepts some risk to help achieve potential growth of principal, while still requiring current income.

Moderate to Aggressive Portfolio Model

The primary investment objective is to seek above-average potential returns over a number of years. An investor accepts some price volatility to help achieve potential growth of principal.

Aggressive Portfolio Model

The primary investment objective is to seek above-average potential returns over a number of years. An investor accepts the possibility of higher-than-average price volatility in order to help achieve potential growth of principal.

GoalManager® Portfolio Models – Asset Allocations

Fund Classification	Conservative	Moderate	Moderate to Aggressive	Aggressive
Money Market Investment Options				
BlackRock Short-Term Investment Fund (Class W)[1]	15%	0%	0%	0%
Bond/Fixed income investment options				
Northern Trust Collective Aggregate Bond Index Fund (Tier 3)[1,2]	60%	52%	30%	2%

Fund Classification	Conservative	Moderate	Moderate to Aggressive	Aggressive
Stock/Equity income investment options				
BlackRock EAFE Equity Index Fund[1,2]	12%	19%	35%	49%
BlackRock Russell 2000 Index Fund[1,2]	1%	5%	9%	15%
Vanguard Institutional 500 Index Trust[1,2]	12%	24%	26%	34%

[1]*This investment option is not a mutual fund registered under the Investment Company Act of 1940. A prospectus is not available and shares are not publicly traded or listed on exchanges.*

[2]*It is not possible to invest directly in an index.*

Self-Direct Brokerage (SDB)

This option allows participants access to a comprehensive range of investment selections, including stocks, bonds, mutual funds, cash equivalents and more. The availability of particular stocks or mutual funds under this option is determined by Merrill Lynch, not by the Company, the Southern Company Pension Fund Investment Review Committee, or the Committee. Each participant choosing to invest under the SDB is responsible for ensuring that he or she has made investments suitable for them, and should talk to a professional investment advisor or financial planner as needed.

Real-Time Trading

Individual stock trades are based on the actual price at the time of the trade. Real-time trading is available up to 3:56 p.m. ET on normal trading days. For more specific information regarding real-time trading, please call Merrill Lynch at 1-800-369-9890 or through Benefits OnLine® at **benefits.ml.com**.

SDB Fees

There is a $15 per quarter fee to maintain your SDB account.

Commission Fees

Stock trades executed within the SDB will be subject to a commission schedule, depending upon the type of trade. The commission for trades placed through Benefits OnLine® is $9.95. This website may be accessed at **benefits.ml.com**. A higher commission schedule, based on the dollar value of the transaction, will apply for SDB stock trades requested through a Merrill Lynch participant service representative at 1-800-369-9890.

For specific information on commission fees, please call Merrill Lynch at 1-800-369-9890 or through Benefits OnLine® at **benefits.ml.com.**

Where to Find Additional Investment Option Information

You may contact Merrill Lynch to request a prospectus or description, whichever applies, for Plan investment options. Periodically, the Committee and Merrill Lynch will provide you with current information about the performance of the investment options. (If you invest through the SDB, you can find investment

performance information for specific investments on the Merrill Lynch website. It is your responsibility to monitor the actual performance of your investments in the SDB.) You should carefully review this information. If you still have questions or concerns, review any other information you think may help and talk to a professional investment advisor or financial planner. The investment options previously listed (other than the Southern Company Stock Fund) may change from time to time upon recommendation of Southern Company's Pension Fund Investment Review Committee. Southern Company will communicate any changes before the change takes effect.

H. Changing Your Investment Mix

You may change your investment election each pay period for future contributions, and you may transfer your current account balance from one fund to another on any business day. It is your responsibility to make these investment decisions. Transfers to and from the Southern Company Stock Fund will be made within 2 business days. To make a change, call Merrill Lynch at 1-800-369-9890 or through Benefits OnLine® at **benefits.ml.com**.

I. Rollovers From Other Plans

Regular full-time and regular part-time employees may roll over a distribution from a retirement plan of a previous employer. In order to roll over a distribution from another plan, a distribution must meet certain requirements:

- It must be an eligible rollover distribution from a qualified plan, a 403(b) plan, or a 457 plan, or from a traditional IRA containing only distributions from a qualified trust and earnings thereon.
- If the distribution from another plan is from a Roth after-tax account, it may only be rolled into your Roth after-tax rollover account in this Plan. The ESP does not accept rollovers from a Roth after-tax IRA.
- The rollover amount must be deposited into the ESP within 60 days following the date the eligible employee receives the distribution from the former employer's plan.
- It may be an eligible distribution payable to a spouse beneficiary.

The amount rolled into the ESP is 100% vested and will be eligible for withdrawals, loans, and distributions. Amounts rolled into the ESP must be in cash and will be invested according to the employee's investment election. To roll over a distribution from another employer's plan into the ESP, call Merrill Lynch at 1-800-369-9890.

J. Your Savings Plan Account

Under the ESP, an individual account will be established in your name. As long as you participate, your account will be credited with your before-tax, Roth after-tax, and traditional after-tax contributions, Company matching contributions, and any rollover contributions you have made to this Plan. Your account will reflect any changes in the value of your account resulting from any earnings, gains, or losses that might occur.

All funds will be valued on each business day of the New York Stock Exchange to reflect the dollar value of your interest in each fund.

At least quarterly, you will receive a detailed account statement, which will show your current account balance, investment choices, allocation of contributions, and expense charges.

VII. Distributions From the ESP

You may receive a distribution from your account when you:

- Leave the Company;
- Retire; or
- Become totally and permanently disabled as determined by the Social Security Administration or are eligible to receive benefits under the Company's Long Term Disability Plan.

In these cases, the value of your account will be distributed from the ESP as soon as practical after your request.

A. If You Leave the Company, Retire, Become Disabled, or Die

If you leave the Company, become disabled, or die, you (or your beneficiary) may receive the total value of your account in the following ways

- Full Lump-sum payment;
- Partial Lump-sum payment; or
- Monthly, quarterly, or annual installments.

However, if you terminate employment with the Company, but your termination of employment does not constitute a "severance from employment" in accordance with applicable law, your before-tax and Roth after-tax account may not be distributed to you at that time. Nevertheless, you may request a lump-sum distribution of the remainder of your account. Your before-tax and Roth after-tax account will be distributed at the time permitted by applicable law.

If your account value is $5,000 or less, you will automatically receive a lump-sum payment in accordance with the ESP's cash-out requirements. If your account value is more than $5,000, you must request a distribution. In these cases, the value of your account will be distributed from the ESP as soon as practical after your request. You may defer the distribution of your account. However, except with respect to certain owners of the Company, you must begin receiving payments by April 1 of the calendar year following the later of the calendar year in which you reach 70½ or terminate employment with the Company. If you die, an account will be established for your beneficiary (or beneficiaries).

B. Military Leave

If you are performing qualifying service with the Uniformed Services, you have additional, special opportunities to receive a distribution of some or all of your account balance in the ESP, subject to a 6-month suspension of employee contributions. In addition, qualified reservist distributions are allowed from pre-tax and Roth after-tax contribution accounts. If you are interested, you should call Merrill Lynch at 1-800-369-9890 to get more information about these opportunities.

C. Cash-Out Requirements

If your account value is $5,000 or less, you will automatically receive a lump-sum payment in a manner described below:

Automatic Rollover to an IRA

Any lump-sum payments from the ESP greater than $1,000 and less than or equal to $5,000 must be automatically rolled over to an individual retirement plan (i.e., IRA) if you do not make your own distribution election. To initiate the distribution election, you should look to the detailed notice you will receive after you terminate employment. You should follow the instructions in such notice to initiate a distribution.

If you fail to make a timely distribution election, your account value will be automatically rolled over to either a traditional IRA or a Roth after-tax IRA, as appropriate, maintained by Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill Lynch"). Merrill Lynch will invest rolled-over proceeds through the Retirement Asset Savings Program. The investment specifications of this Program are designed to preserve principal and provide a reasonable rate of return and liquidity. Generally, annual expenses necessary to maintain such an IRA equal $35. The expenses associated with this IRA will not exceed expenses charged by Merrill Lynch for comparable individual retirement plans established for rollovers on distributions generally.

After the automatic rollover is made, you will still have the option to transfer such amount to another individual retirement plan or request a distribution of your IRA account balance.

Automatic Distribution

If your vested account balance is $1,000 or less, the balance will automatically be paid out the last business day of the second month following the month in which you separated from service. If you have any questions about the ESP's cash-out requirements, please contact Merrill Lynch at 1-800-369-9890.

D. Your Beneficiary

Your beneficiary is the person who will receive the total value of your account if you die. You should designate a beneficiary (or beneficiaries) when you are enrolled in the ESP. You can designate or change a beneficiary election by calling Merrill Lynch at 1-800-369-9890 or through Benefits OnLine® at **benefits.ml.com**. You may change or revoke your beneficiary designation at any time by filing the change with Merrill Lynch.

If you have designated more than one beneficiary, and one or more of these individuals dies before you, the benefit of the deceased beneficiary (or beneficiaries) will be allocated among the remaining beneficiaries in the same proportion as your initial designation.

If you do not designate a beneficiary or if no beneficiary survives you, your account will be distributed in the following order of preference:

- Your surviving spouse;
- Your surviving children (equally);
- Your surviving parents (equally);
- Your surviving brothers and sisters (equally); then
- Your trust or estate.

If you are married, your beneficiary must be your spouse, and any beneficiary designation previously made by you will be automatically revoked. You may only choose another beneficiary if your spouse consents to another beneficiary by signing a statement witnessed by a notary public. Your spouse's written consent must be timely filed with Merrill Lynch and state that your spouse understands the effect of your designating someone other than your spouse as your beneficiary.

If your account value is $5,000 or less, your beneficiary will automatically receive a lump-sum payment in accordance with the ESP's cash-out requirements.

If your account value is more than $5,000, your beneficiary may request a distribution in the form of a partial withdrawal or in installments to be paid under IRS required minimum distribution (RMD) rules. In these cases, the value of your account will be distributed from the ESP as soon as practical after your request. Your beneficiary may defer the distribution of your account. However, if the beneficiary is subject to RMD rules, the benefit must be distributed within five years after the participant's death.

Former RSP Plan and Thrift Plan Participants

For former RSP Plan and Thrift Plan participants who died before January 1, 2017, and did not designate a beneficiary, or if no beneficiary survives the participant, those accounts are distributed first to a surviving spouse and next to the participant's estate.

E. Form of Payment

All distributions will be made in cash. However, you may ask to have your shares of Southern Company stock distributed as stock. Any partial shares will be paid in cash.

F. Former RSP Plan and Thrift Plan Participants

Former RSP Plan and Thrift Plan participants in pay status will continue to receive their installments and have the option to cancel the installment stream at any time.

VIII. Rollovers and Withholding

When you become eligible to receive a distribution under the ESP, subject to the ESP's cash-out requirements discussed in this Summary under the section entitled "Distributions from the ESP," in most cases you may choose to have your distribution directly rolled over to another qualified plan or an appropriate type of individual retirement account (IRA). With respect to amounts in a Roth after-tax account, some or all of your balance may only be rolled over to a Roth after-tax IRA or to another tax-qualified retirement plan that accepts Roth after-tax 401(k) contributions. Hardship withdrawals, annual installment distributions of 10 or more years, and distributions that are required to be made after you reach 70½ are not eligible to be rolled over. If you do not elect a direct rollover of a distribution eligible to be rolled over, the ESP is required by law to withhold 20% of your taxable distribution for federal income taxes. If your distribution is from your Roth after-tax account and it is not a "qualified distribution," your distribution will be subject to tax. A qualified distribution is one that is taken after the five tax-year period beginning with the year of your first Roth after-tax contribution and after you have attained age 59½ (or

upon death or disability). You will get a detailed notice regarding your options when you request a withdrawal or distribution.

IX. Distribution of Dividends

Southern Company may pay cash dividends on the shares of Southern Company common stock allocated to your account. When paid, they are credited to your Plan account and reinvested in Southern Company common stock, unless you elect during the first month of any calendar quarter (i.e. January, April, July, or October) to receive all or a portion of future quarterly dividends in cash. To do this, call Merrill Lynch at 1-800-369-9890 or through Benefits OnLine® at **benefits.ml.com**. Your election remains in effect until you change it (but it can only be changed during the months of January, April, July, or October).

Dividends paid to you in cash are treated as taxable income in the year they are received.

X. Claiming Benefits

To receive benefits under the ESP, you or your beneficiary must call Merrill Lynch at 1-800-369-9890 or, in certain cases, may perform benefit transactions through Benefits OnLine® at **benefits.ml.com**. All claims for benefits under the ESP are subject to review before payment.

For information about what happens if your claim for Plan benefits is denied, it is particularly important that you review the provisions of this Summary entitled “Your Rights Under ERISA” and “Claim Denial.” The ESP’s full claims review procedure is set forth under the “Claim Denial” heading.

XI. Tax Implications

The ESP is intended to be qualified under Section 401(a) of the Internal Revenue Code. Before-tax contributions, Company matching contributions, and all earnings on such contributions will not be considered taxable income as long as they stay in the ESP. Payments from the ESP in the form of withdrawals or distribution at termination of employment, retirement, disability, or death may result in taxable income to you or your beneficiary (to the extent you have not already paid tax on these amounts).

With respect to Roth after-tax contributions, you are subject to current income tax on all contributions you make to the ESP and will not be allowed to deduct these contributions for income tax purposes, but such contributions and the investment earnings thereon are not thereafter subject to income tax when paid to you provided you take a “qualified distribution.” A qualified distribution is one that is taken after the five tax-year period beginning with the year of your first Roth after-tax contribution and after you have attained age 59½ (or upon death or disability).

You will be subject to current income tax on all traditional after-tax contributions you make to the ESP and will not be allowed to deduct these contributions for income tax purposes. Investment earnings on such after-tax contributions will be subject to income tax when paid but not the contributions themselves.

Withdrawals or distributions from the ESP before age 59½ with respect to before-tax, Roth after-tax and traditional after-tax contributions may be subject to an additional 10% tax on early distributions.

Tax laws are changed frequently, so that the tax laws in effect today may not be the same when you make a withdrawal or receive a distribution. You may wish to contact a qualified tax counselor.

XII. Withdrawals From Your Account

The ESP is designed for long-term savings goals, and therefore we discourage taking withdrawals from your account.

The following chart summarizes the types of withdrawals you can make from your account. Further explanation is provided below the chart and on the following pages.

Type of Withdrawal	When Withdrawal May Be Made	Tax Consequences
Your own traditional after-tax contributions	At any time	Withdrawals taken before age 59½ may be subject to an additional 10% tax on early distributions
Your own rollover contributions	At any time	
Your before-tax contributions	• In case of hardship • After you reach age 59½ • After you separate from service	
Your Roth after-tax contributions	• In case of hardship • After you reach age 59½ • After you separate from service	
Company matching contributions	• After you participate in the ESP for five years • After you reach age 59½	

You may withdraw your own traditional after-tax contributions and rollover contributions at any time. However, you may withdraw before-tax and Roth after-tax contributions only under the following circumstances: in case of hardship (as described below), after you reach age 59½, or after you separate from service with the Company. You may withdraw your Company matching contributions after you participate in the ESP for five years. (For this purpose, you will be treated as participating in the ESP as of the date you began participating in the ESOP, if that date was earlier.)

A. Order of Withdrawals

Unless you direct that your withdrawal only comes from your Roth after-tax account, your withdrawal will be taken from all of your accounts in the following order:

- Traditional after-tax contributions credited before January 1, 1987;
- Traditional after-tax contributions credited after December 31, 1986, and earnings and appreciation on after-tax contributions;
- Rollover contributions and earnings and appreciation thereon;
- Company matching contributions, including earnings (only after you participate for at least 60 months; a minimum $300 withdrawal is required);
- Before-tax contributions, not including earnings and appreciation thereon for Plan Years beginning after December 31, 1988 (only for hardship or after age 59½ or after severance from employment);
- Roth after-tax contributions, not including earnings and appreciation thereon for Plan Years beginning after December 31, 1988 (only for hardship or after age 59½ or after severance from employment); then
- The rest of your account balance (only after age 59½ or after severance from employment).

Notwithstanding the above, if you are eligible for a “qualified distribution,” you may direct that all or a portion of only your Roth after-tax account be distributed. A qualified distribution is one that is taken after the five tax-year period beginning with the year of your first Roth after-tax contribution and after you have attained age 59½ (or upon death or disability).

There is no minimum withdrawal amount and there is no limit on the number of withdrawals you may take.

B. Hardship Withdrawal

You may take a hardship withdrawal for an immediate and heavy financial need provided you do not have other reasonably available resources. You may receive a hardship withdrawal only if the payment is to (i) cover outstanding medical expenses incurred by you, your spouse, or your eligible dependent, (ii) purchase (excluding mortgage payments) your principal residence, (iii) pay tuition, room, and board for the next year of postsecondary education for you, your spouse, children, or eligible dependent, (iv) prevent eviction from or foreclosure on your principal residence, (v) pay for burial or funeral expenses for your spouse, parent, child, or eligible dependent, or (vi) pay for the repair of damages to your principal residence that would qualify for the casualty deduction on your federal tax return.

You may take a hardship withdrawal only if:

- It is not more than the amount of the immediate and heavy financial need recognized by the Committee as a hardship (including anticipated taxes); and
- You have obtained all distributions (including the distribution of available dividends on Southern Company stock) and all non-taxable loans available under all Company and affiliated Company plans.
- You agree to suspend, for a period of six months after the hardship withdrawal is received, all contributions under the ESP and any other plans maintained by the Company or any affiliated Company.

C. Forms of Payment

A withdrawal of Company matching contributions will be made in cash unless you ask for shares of Southern Company stock.

A withdrawal of your own contributions will be taken from the funds as you direct. If you withdraw your contributions from the Southern Company Stock Fund, the payment will also be in cash unless you ask for shares of Southern Company stock.

XIII. Loans

The ESP is designed for long-term savings goals, and therefore we discourage taking loans from your account.

You are eligible for a loan if you are:

- An active employee,
- Receiving long-term disability payments from the Company,
- On an approved leave of absence from the Company, or
- A “party in interest” as defined by ERISA.

You are not eligible for a loan at any time your payments are not current under an existing Plan loan.

You may request a loan from your account by calling Merrill Lynch at 1-800-369-9890 or through Benefits OnLine® at **benefits.ml.com**.

For information concerning terms of the loan, loan limits or loan fees, please request a copy of the ESP’s loan policy by contacting the Plan Administrator.

XIV. Qualified Domestic Relations Orders

A state court may order that your spouse, former spouse, or other alternate payee is entitled to receive a portion or all of your benefits under the ESP. For example, a court may issue this type of order in the event you and your spouse divorce. Under federal law, however, your alternate payee may receive some of your Plan benefits only if the Committee receives what is known as a Qualified Domestic Relations Order (“QDRO”) signed by the court.

The Committee has established procedures for notifying you or anyone entitled to benefits that are the subject of a court order and for establishing whether a court order is a QDRO. The procedures include a sample QDRO that may be of help to you in drafting a court order to meet your particular situation. If you would like a copy of the procedures and the sample QDRO, call HR Direct at 1-888-678-6787.

XV. Effect on Other Benefits

Generally, there will be no effect on your other employee benefits when you participate in the ESP. Your full salary will continue to be recognized as the basis for such benefits as life insurance, disability, and pension. Also, pay increases will be figured on your unreduced salary.

The Pension Benefit Guaranty Corporation
The Pension Benefit Guaranty Corporation ("PBGC") is a government agency established to secure certain retirement benefits from employee pension plans. However, the PBGC does not insure individual account plans, so the ESP is not insured by the PBGC.

XVI. Merrill Lynch Contact Center

1-800-369-9890
Benefits OnLine® - benefits.ml.com

Call the Merrill Lynch Retirement & Benefits Contact Center for information and transactions for the ESP. When you call, you will need to enter your Social Security number and Merrill Lynch Personal Identification Number (PIN) in order to access your account(s).

Representatives are available from 8 a.m. to 7 p.m. ET Monday-Friday. To speak to a service representative, say "representative," or press zero (0), at any time during your call after entering your Social Security number and PIN and selecting the applicable plan. Please note that the Contact Center is closed on days the stock market is closed.

You may complete the following transactions through Benefits OnLine® at **benefits.ml.com** or, in some cases, through the Merrill Lynch Interactive Voice Response (IVR) System:

- Change your PIN
- Enroll in the ESP
- Change your contribution type and/or rate to the ESP
- Choose or change the investment direction of your funds in the ESP
- Make fund transfers in the ESP
- Designate or change a beneficiary
- Request a Plan general purpose loan (not available through IVR)
- Select the direction of your Plan dividend payment (not available through IVR)

You may also use Benefits OnLine® to:

- View your account balances, past account statements, and transaction history
- Check the rate of return on your investments for any specified time period within the most recent 18 months
- Request forms, prospectuses, and quarterly reports
- Access educational information

- Model Plan account value growth, Plan withdrawals, Plan loans, and net pay effects of Plan contributions

Transactions that require the assistance of a Contact Center representative include:

- An in-service withdrawal from the ESP
- A Plan residential loan
- A Plan distribution after termination or retirement

XVII. Plan Information

Formal Plan Name	The Southern Company Employee Savings Plan
Type of Plan	Stock bonus, employee stock ownership and defined contribution pension plan.
Plan Administrator	Southern Company Employee Savings Plan Committee Southern Company Services, Inc. 30 Ivan Allen, Jr. Boulevard N.W. Bin SC1002 Atlanta, GA 30308 (888) 678-6787 The ESP is administered through a contract with Merrill Lynch, Pierce, Fenner & Smith Incorporated. Attn: Retirement Group Account Management 1400 Merrill Lynch Drive Mail Stop #04-4N-G Pennington, NJ 08534
Plan Sponsor	Southern Company Services, Inc. 30 Ivan Allen, Jr. Boulevard N.W. Bin SC 1002 Atlanta, GA 30308 (888) 678-6787 For a list of affiliated companies that have adopted the ESP, contact the Plan Administrator.
Plan Year	Calendar year (January 1 to December 31)
Plan Number	002
Employer Identification Number of Plan Sponsor	63-0274273
Trustee	Bank of America, N.A. 1400 Merrill Lynch Drive 3rd Floor Pennington, NJ 08534

Agent for Service of Legal Process	Secretary Southern Company Services, Inc. 30 Ivan Allen Jr. Blvd., N.W., Bin SC803 Atlanta, GA 30308 404-506-5000 Service of legal process also may be made on the Plan Administrator or Trustee of the ESP.

Plan Funding

The ESP is funded through employee contributions and Company matching contributions. Employee and Company contributions are held in a trust fund and invested by participants in the funds available under the ESP.

Brokerage commissions, transfer taxes, and any other expenses resulting from purchases and sales of securities within investment funds will be charged to the various investment funds. Commissions on individual securities traded through the Self-Direct Brokerage will be charged to the participant making the trade. In addition, investment management fees for all funds except the Southern Company Stock Fund are charged to participants based on their investment selections.

From time to time, certain reasonable Plan administration expenses approved in accordance with Plan requirements may be paid from Plan assets. To the extent that such expenses are charged to Plan assets, there will be a small decrease in your Plan benefit at the time the expense is charged. Based on past experience, in a given Plan Year, the amount of expense charged to Plan assets is much less than one percent of the Company's annual match contributed to the ESP.

There is a $.03 fee for each share of Southern Company common stock bought or sold in the ESP.

XVIII. Your Rights Under ERISA

As a participant in the ESP, you have certain rights and protections under the Employee Retirement Income Security Act of 1974 ("ERISA"). ERISA provides that, as a Plan participant, you will be entitled to:

- Examine all Plan documents, including insurance contracts and collective bargaining agreements, copies of the latest annual reports (Form 5500 Series) filed by the ESP with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration. All such documents may be examined in Human Resources without charge.
- Obtain by written request, copies of documents governing the operation of the ESP, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The written request should be sent to your Human Resources department. You may be asked to pay a reasonable amount for the copies.
- Receive a summary of the ESP's annual financial report. The Plan Administrator is required by law to provide you with a copy of the summary annual report each year.
- Obtain a statement once a year which shows the total balance in your Plan accounts and the vested portion, if any. The ESP may require a written request for this statement, but it must be provided free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon those who are responsible for the operation of your employee benefit plans. The people who operate your Plan, called “fiduciaries,” have a duty to do so prudently and solely in the interest of you and other Plan participants and beneficiaries. Fiduciaries who violate the provisions of ERISA may be removed and required to make good any losses they have caused the ESP by virtue of their breach of their fiduciary duties. No one — including your employer, your union or any other person — may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit for exercising your rights under ERISA.

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Enforce Your Rights

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the ESP and do not receive them within 30 days, you may seek assistance from the U.S. Department of Labor or, after exhaustion of the ESP’s claims and review procedures, file suit in federal court. In such case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

The ESP terms require that all claims concerning the ESP be exhausted under the ESP’s claims and review procedure. Provided you have fully exhausted the ESP’s claims and review procedures, you may file suit in a federal or state court if you have a claim that is denied or ignored in whole or in part. In addition, if you disagree with the ESP’s decision on a final appeal or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse Plan money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor or, after exhaustion of the ESP’s claims and review procedures, file suit in federal court. In the event of legal action, the court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees (for example, if the court finds your claim is frivolous).

Assistance with Your Questions

If you have any questions about the ESP, you should contact the Plan Administrator. If you have questions about this statement or about your rights under ERISA, or if you need assistance obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N. W., Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Claims Procedures

All claims concerning the ESP must be made in the manner provided by the ESP. No legal action to recover benefits, to enforce or clarify rights under the Plan, alleging breach of fiduciary duty, or alleging a statutory violation of ERISA can be commenced until you have first exhausted the claims and review procedures provided under the ESP.

If you believe you are entitled to benefits, or you disagree with a decision regarding your benefits, you (or your authorized representative) may file a claim in writing for review by the Plan Administrator (or its designee). Your written claim should explain, as best you can, what you want and why you believe you are entitled to it, and it should include copies of relevant documents.

If your claim is denied, in whole or in part, the Plan Administrator (or its delegate) must give you or your beneficiary, if applicable, written notice of the denial within a reasonable period of time, but not later than 90 days after the claim is received. If special circumstances require more time to process your claim, you will receive a written explanation of the special circumstances prior to the end of the initial 90-day period and a decision will be made as soon as possible, but not later than 180 days after your claim is received.

The written notice of your claim denial must include:

- Specific reasons why the claim was denied
- Specific references to applicable provisions of the ESP document or other relevant records or papers on which the denial is based, and information about where you may see them
- A description of any additional material or information needed to process the claim, and an explanation of why such material or information is necessary
- An explanation of the claims review procedure, including the time limits applicable to such procedure, as well as a statement notifying you of your right to file suit in federal or state court if your claim for benefits is denied, in whole or in part, on review

Upon request, you and/or your beneficiary will be provided without charge, reasonable access to, and copies of, all non-confidential documents that are relevant to any denial of benefits. If you disagree with the Plan Administrator's or insurer's decision, you have 60 days from the day you receive the original denial to request a review. Your request must be made in writing and sent to the Plan Administrator. The request should state the reasons why you want the claim reviewed and may also include evidence or documentation to support your or your beneficiary's position.

The Plan Administrator will reconsider your claim, taking into account all evidence, documentation, and other information related to your claim and submitted on your behalf, regardless of whether such information was submitted or considered in the initial denial of your claim. The Plan Administrator will make a decision within 60 days. If special circumstances require more time for this process, you will receive a written explanation of the special circumstances prior to the end of the initial 60-day period and a decision will be sent as soon as possible, but not later than 120 days after the Plan Administrator receives your request.

To the fullest extent permitted by law, no action at law or equity to recover under this Plan may be commenced later than six months from the date of the decision of the Plan Administrator on appeal (or if no decision is furnished, six months from the final date of the period during which the Plan Administrator is required to provide notification of its determination under regulations issued by the Secretary of Labor).

Plan Administrator Discretion

The Plan Administrator has the exclusive discretionary authority to:

- Interpret the ESP
- Decide all questions of eligibility for benefits
- Determine the amount of these benefits the Plan Administrator's decisions are final.

Plan Termination and Amendment

The Company intends to continue this Plan indefinitely. However, the Company, through its Board of Directors, reserves the right to terminate or amend the ESP at any time and for any reason without notice, except as such right may be limited by the obligations under a collective bargaining agreement. In addition, the Committee can make certain amendments.