

Policy – Matching Educational Gift Program

Effective Date: June 1, 2005

Subject: Matching Educational Gift Program

1. Statement of Purpose

To encourage and support institutions of higher learning in delivering to society individuals capable of supporting economic growth in the United States and the rest of the world.

Southwestern Energy Company recognizes the vital role that educational organizations play in the development of our communities. Southwestern also recognizes that support for these organizations must come not only from the business sector but from private citizens as well. To foster financial support for these organizations, the Company has established a Matching Educational Gift Program for Southwestern employees and directors.

2. Program

- 2.1 Gifts given to degree granting graduate and professional schools, universities, and four-year colleges located in the United States that are regionally or professionally accredited and recognized by the Internal Revenue Service as tax-exempt.
- 2.2 Gifts given to an alumni fund, foundation, or association that are tax-exempt, and that certify that the gift will be used for the institution's educational objectives.

3. Southwestern Contributions

Southwestern will match employee and director contributions \$1.00 per dollar of contribution to those eligible organizations described above to a maximum of \$10,000.00 per individual, per calendar year. Each single gift to be matched must be at least \$100.00. Contributions must be paid, not merely pledged, in cash/check or in securities having a quoted market value.

4. Evidence Of Eligibility

The Company reserves the full, absolute and final right to determine whether a gift is eligible for matching, and the Company may require the recipient or contributor to produce evidence of eligibility. To be eligible, the contribution and the recipient must be qualified under Section 170(c) and 501(c)(3) of the Internal Revenue Code as they relate to educational organizations.

The following gifts are not eligible for matching:

- 4.1 Dues or gifts to alumni groups that are not distributed to affiliated eligible educational institutions.
- 4.2 Amounts payable as alumni dues or subscription fees for publications.
- 4.3 Payments in lieu of tuition, books, or other student fees.
- 4.4 Gifts for non-scholastic programs, such as athletics (including booster clubs) or stadium construction.
- 4.5 Gifts in which some award or anticipated reward is received (raffle tickets, fund-raising dinners, etc.)
- 4.6 Gifts that in spirit or letter violate the intent of this program

5. Administrative Policies and Procedures

- A. All requests for matching gifts must include the matching gift verification form, which is available on SWNet under the HR tab. Verification forms should be returned to Anita Thrasher or Jim Mullins in Human Resources. Gifts will be matched upon verification or receipt of contributions.
- B. The program will be reviewed annually and administered on a calendar year basis.