

This Indenture is, among other things, a mortgage of chattels.

SOUTHWEST GAS CORPORATION
AND
BANK OF AMERICA NATIONAL TRUST
AND SAVINGS ASSOCIATION
AND
C. F. FELT
AS TRUSTEES

Eleventh Supplemental Indenture
Dated: April 1, 1965

Supplemental to Indenture of Mortgage and Deed of Trust
Dated June 1, 1951.

First Mortgage Bonds, 4 $\frac{7}{8}$ % Series due 1990.

**RECONCILIATION AND TIE BETWEEN INDENTURE
DATED JUNE 1, 1951, AS SUPPLEMENTED AND
AMENDED BY VARIOUS SUPPLEMENTAL INDENTURES,
INCLUDING THE ELEVENTH SUPPLEMENTAL INDENTURE
DATED AS OF APRIL 1, 1965, AND THE
TRUST INDENTURE ACT OF 1939.**

<u>Trust Indenture Section</u>	<u>Indenture Section</u>
310(a) (1).....	15.03
(a) (2).....	15.03
(a) (3).....	15.05
(a) (4).....	Not Applicable
(b).....	15.06
(c).....	Not Applicable
311(a).....	15.07
(b).....	15.07
(c).....	Not Applicable
312(a).....	8.19; 15.08
(b).....	15.08
(c).....	15.08
313(a).....	15.09
(b).....	15.09
(c).....	15.09
(d).....	15.09
314(a) (1).....	8.20
(a) (2).....	8.20
(a) (3).....	8.20
(b).....	8.06
(c).....	8.23
(d).....	8.22
(e).....	8.24
315(a).....	15.01(C)(1) and (2); 15.01(D)
(b).....	12.25
(c).....	15.01(A)
(d).....	15.01(C)
(e).....	12.24
316(a) (1).....	12.20; 15.10
(a) (2).....	Not Included
(b).....	12.15
317(a) (1).....	12.14
(a) (2).....	12.26
(b).....	8.21
318(a).....	1.05

SOUTHWEST GAS CORPORATION
INDENTURE OF MORTGAGE AND DEED OF TRUST
DATED JUNE 1, 1951 AS SUPPLEMENTED AND AMENDED

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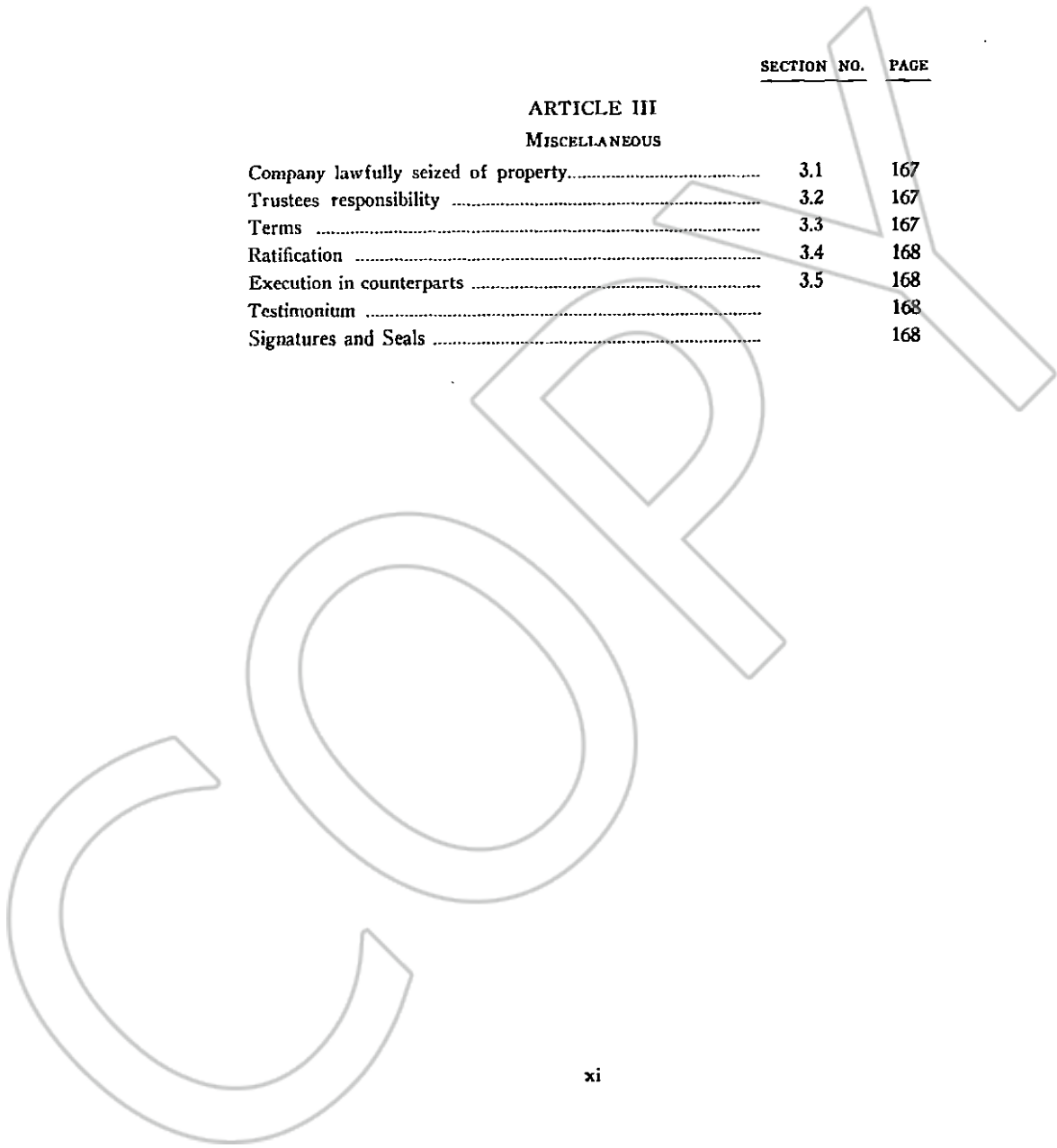
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This Indenture is, among other things, a mortgage of chattels.

INDENTURE, dated April 1, 1965, between **SOUTHWEST GAS CORPORATION** (formerly named Southwest Gas Corporation, Ltd.), a corporation duly organized and existing under the laws of the State of California (hereinafter called the "Company") having its office at No. 2011 Las Vegas Boulevard South, Las Vegas, State of Nevada, party of the first part, and **BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION**, a national banking association organized and existing under the laws of the United States of America, having a principal office at No. 650 South Spring Street, Los Angeles, California (hereinafter called the "Trustee") and **C. F. FELT**, residing at No. 12075 Smallwood Avenue, Downey, California (hereinafter called the "Individual Trustee"), the Trustee and the Individual Trustee being hereinafter sometimes called the "Trustees", under the Indenture of Mortgage and Deed of Trust hereinafter mentioned, parties of the second part,

WHEREAS, the Company heretofore executed and delivered its Indenture of Mortgage and Deed of Trust dated June 1, 1951 (hereinafter called the "Original Indenture") to Union Bank & Trust Co. of Los Angeles, as Trustee, to secure the payment of the principal of and the interest and premium (if any) on all Bonds at any time issued and outstanding thereunder, and to declare the terms and conditions upon which Bonds are to be issued thereunder, and has also executed and delivered indentures supplemental thereto dated April 7, 1955, November 1, 1956, February 1, 1957, October 1, 1957, March 4, 1958, August 1, 1960, December 1, 1961, July 1, 1962, December 31, 1963, and September 1, 1964; and

WHEREAS, said Union Bank & Trust Co. of Los Angeles has resigned as Trustee, and the Trustees have been duly appointed as successor Trustees under the Indenture; and

WHEREAS, Bonds have heretofore been issued under and in accordance with the terms of the Indenture (the term "Indenture" and other terms used herein having the meanings assigned thereto in said Indenture of Mortgage and Deed of Trust dated June 1, 1951, as heretofore and hereby amended), in the several series specified below, of which the respective principal amounts specified below are outstanding at April 1, 1965:

<u>Series</u>	<u>Principal Amount Outstanding</u>
First Mortgage Bonds, 4% Series due 1973.....	\$ 157,000
First Mortgage Bonds, 4¾% Series due 1979.....	\$ 816,000
First Mortgage Bonds, 5% Series A due 1973.....	\$ 291,000
First Mortgage Bonds, 5% Series B due 1973.....	\$ 550,000
First Mortgage Bonds, 5% (now 5.28%) Series due 1976....	\$1,650,000
First Mortgage Bonds, 5% Series B due 1977.....	\$ 152,000
First Mortgage Bonds, 5% Series due 1981.....	\$1,400,000
First Mortgage Bonds, 5½% Series due 1987.....	\$5,000,000
First Mortgage Bonds, 6% Series due 1985.....	\$1,335,000
First Mortgage Bonds, 5½% Series B due 1987.....	\$8,000,000
First Mortgage Bonds, 4.85% Series due 1989.....	\$5,000,000
; and	

WHEREAS, the Indenture provides that the Company and the Trustees may enter into an Indenture supplemental thereto to convey, transfer and assign unto the Trustees and to subject to the lien of the Indenture additional properties acquired by the Company, to add to the covenants and agreements of the Company contained in the Indenture other covenants and agreements thereafter to be observed, to cure any ambiguity, or to cure, correct or supplement any defect or inconsistent provision contained in the Indenture or in any indenture supplemental thereto, to add to the provisions of the Indenture such provisions which would at the time be required in an indenture then to be qualified under the Trust Indenture Act of 1939 and to provide for the creation of any series of Bonds; and

WHEREAS, the Company has duly determined to create and secure under the Indenture a thirteenth series of Bonds to be known as "First Mortgage Bonds, 4¾% Series due 1990" (herein sometimes called "1990 Series Bonds"); and

WHEREAS, the Company desires that the Indenture shall conform to the requirements of the Trust Indenture Act of 1939 as such Act is now in effect; and

WHEREAS, the Company, in the exercise of the powers and authority conferred upon and reserved to it under the provisions of the Indenture and pursuant to appropriate resolutions of its Board of Directors, has duly resolved and determined to make, execute and deliver to the Trustees a Supplemental Indenture in the form hereof for the purposes herein provided; and

WHEREAS, all conditions and requirements necessary to make this Supplemental Indenture a valid, binding and legal instrument have been done, performed and fulfilled and the execution and delivery hereof have been in all respects duly authorized;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That SOUTHWEST GAS CORPORATION, by way of further assurance and in consideration of the premises and of the acceptance by the Trustees of the trusts hereby created and of One Dollar to it duly paid by the Trustees at or before the ensembling and delivery of these presents, the receipt whereof is hereby acknowledged, and in order to secure the payment of the principal of and any premium which may be due and payable on and the interest on all Bonds at any time issued and outstanding under the Indenture, according to their tenor and effect, and the performance and observance by the Company of all the covenants and conditions therein contained, has granted, bargained, sold, warranted, aliened, remised, released, conveyed, assigned, transferred, mortgaged, pledged, set over and confirmed, and by these presents does grant, bargain, sell, warrant, alien, remise, release, convey, assign, transfer, mortgage, pledge, set over and confirm, unto the Trustees, and to their respective successors in the trust, and to them and their assigns forever, all of the property, real, personal and mixed, now owned by the Company and situated in SAN BERNARDINO COUNTY in the STATE OF CALIFORNIA, in CHURCHILL, CLARK, DOUGLAS, ELKO, EUREKA, HUMBOLDT, LANDER, LYON, MINERAL, NYE, ORMSBY, PERSHING, STOREY, WASHOE and WHITE PINE COUNTIES, in the STATE OF NEVADA and in GILA COUNTY, GREENLEE COUNTY, MOHAVE COUNTY and PINAL COUNTY, in the STATE OF ARIZONA (except property specifically excepted from the lien of the Indenture by the terms of the Indenture), and also all of the property, real, personal and mixed, hereafter acquired by the Company wherever situate (except property specifically excepted from the lien of the Indenture by the terms of the Indenture), including (without in any wise limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in the Indenture) the following:

I

PIPE LINES

All pipe lines of the Company, located and to be located in the States of Arizona, California and Nevada, including all transmission

lines and lateral lines, together with all easements and rights of way for constructing, maintaining, replacing and operating the same, and all pipes, structures, valves, regulators, meters, machinery, fixtures, equipment and apparatus comprising or appurtenant to said transmission lines and lateral lines including without limitation the pipe lines described in Exhibit A annexed hereto and by this reference incorporated herein as an integral part hereof.

II

PLANT AND EQUIPMENT

All gas distribution and gas transmission systems of the Company, all buildings, erections, structures, generating and purifying apparatus, holders, engines, boilers, benches, retorts, tanks, pipe lines, connections, service pipes, meters, regulators, conduits, tools, instruments, appliances, apparatus, facilities, machinery, fixtures, and all other property used or provided for use in the construction, maintenance, repair or operation of such distribution and transmission systems, together with all the certificates, rights, privileges, rights-of-way, franchises, licenses, easements, grants, liberties, immunities, permits of the Company, howsoever conferred or acquired, under, over, or upon any private property or any public streets or highways within as well as without the corporate limits of any municipal corporation.

All gas generating plants, gas storage plants and gas manufacturing plants of the Company, all the buildings, erections, structures, generating and purifying apparatus, holders, engines, boilers, benches, retorts, tanks, instruments, appliances, apparatus, facilities, machinery, fixtures, and all other property used or provided for use in the generation, manufacturing and purifying of gas, together with the land on which the same are situated, and all other lands and easements, rights-of-way, permits, privileges, and sites forming a part of such plants or any of them or occupied, enjoyed or used in connection therewith.

III

FRANCHISES

All and singular, the franchises, grants, permits, immunities, privileges, and rights of the Company owned and held by it at the date of the execution hereof or hereafter acquired for the construction,

maintenance, and operation of the gas plants and systems now owned or hereafter acquired by the Company, as well as all certificates, franchises, grants, permits, immunities, privileges, and rights of the Company used or useful in the operation of the property now or hereafter mortgaged hereunder, including all and singular the franchises, grants, immunities, privileges, and rights of the Company granted by the governing authorities of any cities and towns, or other municipalities or political subdivisions, and all renewals, extensions and modifications of said certificates, franchises, grants, permits, privileges, and rights.

IV

CONTRACTS

All contracts relating to the purchase of natural gas by the Company and all contracts relating to the sale of natural gas by the Company.

V

FURTHER PROPERTY CONVEYED TO TRUSTEES

All property, including Excepted Property, which may from time to time after the date of this Eleventh Supplemental Indenture be delivered, or which may by writing of any kind be conveyed, pledged, assigned or transferred, to the Trustees, or either of them, by the Company or by any person or corporation to be held as part of the Trust Estate, as hereinafter defined; and the Trustees are, and each of them is, hereby authorized to receive any such property, and any such conveyance, pledge, assignment or transfer, as and for additional security hereunder, and to hold and apply any and all such property subject to and in accordance with the terms of the Indenture.

VI

TOGETHER WITH ALL AND SINGULAR the tenements, hereditaments and appurtenances belonging or in anywise appertaining to the aforesaid property, or any part thereof, with the reversion or reversions, remainder and remainders, rents, issues, income and profits thereof, and all the right, title, interest and claim whatsoever, at law or in equity, which the Company now has or which it may hereafter acquire in and to the trust estate and every part and parcel thereof.

To HAVE AND To HOLD the property and franchises hereby conveyed and assigned, or intended so to be, unto the Trustees and their successors in the trust forever;

SUBJECT, HOWEVER, as to property hereby conveyed, to Permitted Encumbrances;

BUT IN TRUST NEVERTHELESS, under and subject to the terms and conditions set forth in the Indenture, for the equal pro rata benefit and security of each and every the persons who may be or become the holders of the Bonds and coupons secured by the Indenture, without preference, priority or distinction as to lien or otherwise of one Bond or coupon over or from the others by reason of priority in the issue or negotiation thereof, or by reason of the date of maturity thereof, or otherwise (except as any sinking, amortization, improvement, renewal or other analogous fund, established in accordance with the provisions hereof, may afford additional security for the Bonds of any particular series and except as provided in § 12.01), and for securing the observance and performance of all the terms, provisions and conditions of the Indenture.

UPON CONDITION that, if the Company, its successors and assigns, shall duly perform all conditions precedent to the discharge of the Indenture in compliance with the provisions thereof, then this Eleventh Supplemental Indenture and the estate and rights hereby granted shall cease, determine and be void, otherwise to be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, that the Company has agreed and covenanted, and hereby does agree and covenant with the Trustees and their respective successors and assigns and with the respective holders from time to time of the Bonds and coupons, or any thereof, as follows:

ARTICLE FIRST

Certain Amendments of Indenture.

§ 1.1. The Indenture as heretofore amended be and it hereby is further amended in the following respects, the section numbers specified below being the sections of the Indenture in which such amendments occur:

§ 1.01. The first paragraph of § 1.01 of the Indenture as heretofore amended be and it hereby is deleted, and the following paragraph be and it hereby is inserted in lieu thereof:

"The terms defined in this § 1.01 (except as in this Indenture otherwise expressly provided or unless the context otherwise requires) for all purposes of this Indenture and of any indenture supplemental hereto shall have the respective meanings specified in this § 1.01. All other terms used in this Indenture which are defined in the Trust Indenture Act of 1939 or which are by reference in such Act defined in the Securities Act of 1933, as amended, shall have the meanings (except as herein otherwise expressly provided or unless the context otherwise requires) assigned to such terms in said Trust Indenture Act and in said Securities Act as in force at the date of the execution of this Indenture as originally executed."

§ 1.01. The following be and it hereby is added immediately after the definition of the term "*1989 Series B Bond*" in § 1.01, as heretofore amended:

"The term '*1990 Series Bond*' shall mean one of the First Mortgage Bonds, $4\frac{7}{8}\%$ Series due 1990, issued hereunder."

The following be and it hereby is added immediately after the definition of the term "Indenture" in § 1.01, as heretofore amended:

"; '*Eleventh Supplemental Indenture*' shall mean the Supplemental Indenture dated April 1, 1965, supplemental to the Indenture."

§ 1.01. The Following be and it hereby is added immediately after the definition of the term "*Events of Default*" in § 1.01, as heretofore amended:

"*Excepted Property*" shall mean (1) any cash, or any bills, notes or accounts receivable, contracts or choses in action (except cash deposited with the Trustee pursuant to any of the provisions of this Indenture and except any bills, notes or accounts receivable, contracts or choses in action specifically subjected or required to be subjected to the lien hereof), or (2) any bonds, notes, evidences of indebtedness, shares of stock or other securities, except such as are or may be specifically subjected or required to be subjected to the lien hereof, (3) any automobiles or trucks, or (4) any gas or by-products thereof, materials, supplies, merchandise, goods and

appliances held for the purpose of sale in the ordinary course of business, and all fuel, materials, supplies, and similar personal property which is consumable in its use in the operation of the plants or systems of the Company; provided, however, that if an Event of Default shall happen and be continuing and if thereafter the Trustee or a receiver or trustee shall enter upon and take possession of the mortgaged property, such Trustee or receiver or trustee may, to the extent not prohibited by law, take possession of any and all of the Excepted Property then on hand and use and administer and consume the same to continue the operations of the mortgaged property in all respects as if such Excepted Property were part of the mortgaged property, accounting therefor, if required by law, to such persons, if any, as may be lawfully entitled to such an accounting.

§ 1.05. The following § 1.05 be and it hereby is added immediately following the end of § 1.04:

Trust Indenture Act.

§ 1.05. If any portion of this Indenture limits, qualifies, conflicts with or is inconsistent with any other provision hereof which is required or specifically permitted to be included herein by any of Sections 310 to 317, both inclusive, of the Trust Indenture Act of 1939, such limiting, qualifying, conflicting or inconsistent provision shall be superseded and replaced by such required or permitted provision and such required or permitted provision shall control. The term "Trust Indenture Act of 1939" as used in this § 1.05 or elsewhere in the Indenture shall mean such Act in the form in which it is in effect from time to time.

§ 2.01. All of § 2.01 of the Indenture as heretofore amended be and it hereby is deleted and the following be and it hereby is inserted in lieu thereof:

"All Bonds to be secured hereby shall be signed by the President or a Vice-President of the Company, and the corporate seal of the Company shall be thereto affixed and attested by the Secretary or an Assistant Secretary. The signature of any such President, Vice President, Secretary or Assistant Secretary and the corporate seal of the Company may be affixed to any Bond by printing, engraving, lithographing, stamping or otherwise making, placing or affixing upon such Bond, by any process whatever, an impression, facsimile or other reproduction of such signature or corporate seal,

unless the form of Bond of any series approved by the Board of Directors of the Company for issuance hereunder shall expressly prohibit the use thereof. In case any officer who shall sign or seal any Bond as aforesaid, or whose facsimile signature shall appear thereon as herein permitted, shall cease to be such officer before the Bond so signed or sealed shall have been actually authenticated and delivered by the Trustee, such Bond may, nevertheless, upon the request of the Company, be issued, authenticated and delivered as though such person had not ceased to be an officer of the Company. Any Bond secured hereby may be signed or sealed manually or in facsimile by any person who may be an officer of the Company at the time of such signing or sealing, although such person may not have been such officer at the date of such Bond."

§ 2.07. The third paragraph of § 2.07 of the Indenture as heretofore amended be and it hereby is deleted and the following paragraph be and it hereby is inserted in lieu thereof: The Bonds of any other series which may be issued hereunder may (1) be of such denomination or denominations, (2) bear such rate of interest, payable on such interest payment dates, (3) mature at such time, and in the case of Bonds of serial maturities, at such times, (4) be registered Bonds without coupons and/or coupons Bonds, (5) be payable and/or subject to registration and transfer at such place or places, (6) contain such provisions as to payment of, or payment without deduction for, or reimbursement for, any tax or taxes, (7) contain such provisions respecting any sinking, amortization, improvement, renewal or other analogous fund and/or exchangeability for or convertibility into stock or other securities, (8) be redeemable upon such terms, (9) be payable in such currency or currencies, and (10) contain such other provisions not inconsistent with the terms of this Indenture, all as may be specified in such Bonds and in the resolutions of the Board of Directors and in the supplemental indenture providing for the issue of such series, provided that, so long as any Bonds of any series created prior to March 1, 1965 shall be outstanding, no series of Bonds shall be created under the Indenture by any supplemental indenture made subsequent to the Ninth Supplemental Indenture which either (i) shall have any provision for a sinking, amortization, improvement, renewal or other analogous fund, or which shall have serial maturities, if the effect of such fund or serial maturities would be to retire, in any twelve months' period, a percentage of the original principal amount of the Bonds of such new series greater than the percentage required to retire fully such series of Bonds at maturity by level payments to maturity, without

the consent in writing of the holders of at least 66⅔% in principal amount of the Bonds of each series created prior to March 1, 1965 then outstanding, or (ii) shall mature on any date earlier than the maturity date of the Bonds of any series created prior to March 1, 1965 then outstanding without the consent in writing of the holders of at least 66⅔% in principal amount of each series of Bonds created prior to March 1, 1965 maturing at such a later date, except that, in the case of a new series of Bonds having serial maturities only the final maturity date need be subsequent to the maturity date of the Bonds of any series then outstanding, if the plan of serial maturities complies with the requirements of the foregoing Clause (i).

§ 2.07. The fourth paragraph of § 2.07 of the Indenture as heretofore amended be and it hereby is deleted, and the following paragraph be and it hereby is inserted in lieu thereof:

All Bonds of any one series shall be identical in all respects, except that (a) they may differ as to date and, in the case of Bonds with serial maturities, as to time of maturity, interest rate and redemption price, (b) they may comprise both coupon Bonds and registered Bonds without coupons, and (c) they may differ as to whether they bear actual or facsimile signatures and an actual or facsimile corporate seal.

§ 3.01. The following paragraph be and it hereby is added at the end of § 3.01 as heretofore amended:

"Upon the execution and delivery of the Eleventh Supplemental Indenture, and upon delivery to the Trustee at any time or from time to time thereafter of all or any part of Six Million Dollars (\$6,000,000) principal amount of 1990 Series Bonds executed by the Company, the Trustee shall, upon receipt of the documents and/or cash required by the applicable provisions of Articles V, VI and VII of the Indenture in respect of the issue of such Bonds, authenticate the same, and deliver them to or upon the Written Order of the Company."

§ 5.01. The second sentence of § 5.01B(G) be and it hereby is deleted, and the following sentence be and it hereby is inserted in lieu thereof:

"The fair value to the Company at the date of this Certificate of said Property Additions to be so used (identifying the particular Property Additions to be so used in compliance with § 1.01 of the Indenture) is \$....."

§ 5.01. The date "January 1, 1964" appearing in § 5.01 B (7) (b) (i) be and it hereby is deleted, and there is inserted in lieu thereof the date "October 1, 1963".

§ 5.01. The two italicized paragraphs which appear immediately following § 5.01 B (12) as heretofore amended be and they hereby are deleted, and the following paragraph be and it hereby is inserted in lieu thereof:

"[The Certificate of Independent Accountants required to be annexed pursuant to the foregoing Clause (12) may be omitted, if not required by any other provisions of this Indenture, in connection with the authentication and delivery of Bonds issued subsequent to the 1989 Series Bonds, if the period of twelve consecutive calendar months specified in the foregoing Clause (9) does not coincide with a period for which a regular examination of the Company's financial statements has been made and if such Independent Accountants certify that the requirements of § 5.01B(9), (10) and (11) were satisfied for the last period for which a regular examination of the Company's financial statements was made.]"

§ 8.06. The second to the last word in the fourth line of the first paragraph of subparagraph A of § 8.06 is hereby deleted and there is hereby inserted in lieu thereof the word "Trustee".

§ 8.13. Clause (a) of the first paragraph of § 8.13 of the Indenture as heretofore amended be and it hereby is deleted, and the following Clause (a) be and it hereby is inserted in lieu thereof:

"(a) the Net Earnings of the Company for such period, taken as one accounting period, plus \$200,000 for so long as any of the Bonds created prior to March 1, 1965 shall be outstanding, and plus \$500,000 thereafter, over"

§ 8.16. The first paragraph of § 8.16 of the Indenture as heretofore amended be and it hereby is deleted, and the following be and it hereby is inserted in lieu thereof:

"§ 8.16. Except as otherwise authorized by the written consent of the holders of at least sixty-six and two-thirds per cent. (66⅔%) in principal amount of the Bonds created prior to March 1, 1965 which are at the time outstanding"

§ 8.18. The first paragraph of § 8.18 of the Indenture as heretofore amended be and it hereby is deleted, and the following be and it hereby is inserted in lieu thereof:

"§ 8.18. So long as any Bonds created prior to March 1, 1965 shall be outstanding, but not thereafter, the Company will not permit the aggregate principal amount of all Funded Debt of the Company (including without limitation any Bonds then being issued pursuant to Articles IV, V, VI or VII of the Indenture) to exceed sixty-six and two-thirds per cent. (66 $\frac{2}{3}$ %) of the Capitalization of the Company."

§ 8.19. The following §§ 8.19 through 8.24, be and they hereby are added to Article VIII of the Indenture immediately following the end of § 8.18:

Furnishing of Bondholders' Lists.

§ 8.19. The Company covenants and agrees that it will furnish or cause to be furnished to the Trustee between June 15 and June 30 and between December 15 and December 30 in each year beginning in December, 1965 and at such other times as such Trustee may request in writing, within thirty days after receipt by the Company of any such request, a list in such form as such Trustee may reasonably require containing all information in the possession or control of the Company, or of any of its paying agents, other than such Trustee, as to the names and addresses of the Bondholders obtained since the date as of which the next previous list, if any, was furnished. Any such list may be dated as of a date not more than fifteen days prior to the time such information is furnished or caused to be furnished, and need not include information received after such date.

Furnishing of Periodic Information.

§ 8.20. (a) The Company covenants and agrees to file with the Trustee, within fifteen days after the Company is required to file the same with the Securities and Exchange Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as said Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with said Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934; or, if the Company is not required to file information, documents or reports pursuant to either of such sections, then to file with the Trustee and said Commission, in accordance with the rules and regulations prescribed from time to time by said Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Securities Exchange Act of 1934 in respect of a security listed and registered on a national securities

exchange as may be prescribed from time to time in such rules and regulations.

(b) The Company covenants and agrees to file with the Trustee and the Securities and Exchange Commission, in accordance with the rules and regulations prescribed from time to time by said Commission, such additional information, documents, and reports with respect to compliance by the Company with the conditions and covenants provided for in this Indenture as may be required from time to time by such rules and regulations, including, in the case of annual reports required by such rules and regulations, certificates or opinions of independent public accountants, conforming to the requirements of § 8.24 as to compliance with conditions or covenants, compliance with which is subject to verification by accountants, but no such certificate or opinion shall be required as to any matter specified in Clauses (A), (B), or (C) of subsection (c) of § 8.23.

(c) The Company covenants and agrees to transmit to the Bondholders within thirty days after the filing thereof with the Trustee, in the manner and to the extent provided in subsection (c) of § 15.09 with respect to reports pursuant to subsection (a) of said § 15.09, such summaries of any information, documents and reports required to be filed by the Company pursuant to subsections (a) and (b) of this § 8.20 as may be required by rules and regulations prescribed from time to time by the Securities and Exchange Commission.

Appointment of Paying Agent.

§ 8.21. The Company covenants that, if it shall appoint a paying agent other than the Trustee it will cause such paying agent to execute and deliver to the Trustee an instrument in which such agent shall agree with the Trustee, subject to the provisions of this § 8.21 that such paying agent shall hold in trust for the benefit of the Trustee or the Bondholders all sums held by such paying agent for the payment of the principal of or interest on the Bonds (and premium, if any); and that such paying agent shall give the Trustee notice of default by the Company (or any other obligor on the Bonds) in the making of any such payment. Such agent shall not be obligated to segregate such sums except to the extent required by law. The Company further covenants that if it acts as its own paying agent it will, on or before each due date of each installment of principal of or interest on the Bonds, set aside and segregate and hold in trust for the benefit of the Bondholders a sum sufficient to pay such principal or interest so becoming due (and

premium, if any) and will notify the Trustee of such action or of any failure to take such action.

Furnishing Certificates or Opinions.

§ 8.22. Notwithstanding any other provision of this Indenture, the Company covenants and agrees to furnish to the Trustee:

(a) A certificate or opinion of an engineer, appraiser, or other expert as to the fair value of any property or securities to be released from the lien of this Indenture, which certificate or opinion shall state that in the opinion of the person making the same the proposed release will not impair the security under this Indenture in contravention of its provisions; such certificate or opinion shall be made by an independent engineer, appraiser, or other expert, if the fair value of such property or securities and of all other property or securities released since the commencement of the then current calendar year, as set forth in the certificates or opinions required by this subdivision (a), is ten per cent (10%) or more of the aggregate principal amount of Bonds issued hereunder and at the time outstanding under this Indenture; but such certificate or opinion of an independent engineer, appraiser, or other expert shall not be required in the case of any release of property or securities, if the fair value thereof as set forth in the certificate or opinion required by this subdivision (a) is less than twenty-five thousand dollars (\$25,000) or less than one per cent (1%) of the aggregate principal amount of Bonds issued hereunder and at the time outstanding;

(b) A certificate or opinion of an engineer, appraiser, or other expert as to the fair value to the Company of any securities (other than Bonds issued hereunder and securities secured by a lien prior to the lien of this Indenture upon property subject to the lien hereof) the deposit of which with such Trustee is to be made the basis for the authentication and delivery of Bonds under this Indenture, the withdrawal of cash constituting a part of the Trust Estate, or the release of property or securities subject to the lien of this Indenture; if the fair value to the Company of such securities and of all other such securities made the basis of any such authentication and delivery, withdrawal or release since the commencement of the then current fiscal year, as set forth in the certificates or opinions required by this subdivision (b) is ten per cent (10%) or more of the aggregate principal amount of the Bonds issued here-

under and at the time outstanding, such certificate or opinion shall be made by an independent engineer, appraiser, or other expert, and, in the case of the authentication and delivery of Bonds issued hereunder shall cover the fair value to the Company of all other such securities so deposited since the commencement of the current fiscal year as to which a certificate or opinion of an independent engineer, appraiser, or other expert has not previously been furnished; but such a certificate of an independent engineer, appraiser, or other expert shall not be required with respect to any securities so deposited if the fair value thereof to the Company as set forth in the certificate or opinion required by this subdivision (b) is less than twenty-five thousand dollars (\$25,000) or less than one per cent (1%) of the aggregate principal amount of the Bonds issued hereunder at the time outstanding; and

(c) A certificate or opinion of an engineer, appraiser, or other expert as to the fair value to the Company, as of approximately the date of the application for the authentication and delivery of the Bonds hereunder, the withdrawal of cash, or the release of property or securities, as the case may be, of any property the subjection of which to the lien of this Indenture is to be made the basis for the authentication and delivery of Bonds hereunder, the withdrawal of cash constituting a part of the Trust Estate, or the release of property or securities subject to the lien of this Indenture; and if

(1) within six (6) months prior to the date of acquisition thereof by the Company such property has been used or operated by a person or persons other than the Company in a business similar to that in which it has been or is to be used or operated by the Company; and

(2) the fair value to the Company of such property as set forth in such certificate or opinion is not less than twenty-five thousand dollars (\$25,000) and not less than one per cent (1%) of the aggregate principal amount of Bonds issued hereunder and at the time outstanding under this Indenture,

such certificate or opinion shall be made by an independent engineer, appraiser, or other expert, and, in the case of the authentication and delivery of Bonds hereunder, shall cover the fair value to the Company (which may be as of the date of the valuation set forth in the certificate or opinion previously furnished the Trustee in connection therewith) of any property so used or operated which has been so subjected to the lien of this Indenture and which has

been used as the basis for any action as aforesaid since the commencement of the then current fiscal year, and as to which a certificate or opinion of an independent engineer, appraiser, or other expert has not previously been furnished.

Any such certificate or opinion may be made by the president or any vice president, or the treasurer or any assistant treasurer of the Company except in cases in which any foregoing provision of this § 8.22 requires that such certificate or opinion be made by an independent person. In such case such certificate or opinion shall be made by an independent engineer, appraiser, or other expert selected or approved by the Trustee in the exercise of reasonable care.

In case any other provisions of this Indenture require any certificate or opinion to be furnished to the Trustee in connection with the release of property or securities from the lien of this Indenture, the withdrawal of cash constituting a part of the mortgaged or pledged property, or the authentication and delivery of Bonds pursuant to this Indenture, the certificates required by this § 8.22 may be submitted as part of or in addition to the certificates required by such other sections but the certificates required by this § 8.22 shall be furnished to the Trustee upon the occurrence of each event set forth in subsections (a), (b) and (c) hereof whether or not any certificate is required to be furnished to the Trustee pursuant to the provisions of any other section of this Indenture, except that no certificate shall be required to be furnished to the Trustee in connection with the release of property from the lien of this Indenture pursuant to the provisions of §§ 11.01 or 11.04.

Evidence of Compliance.

§ 8.23. In addition to or as a part of certificates or opinions of officers of the Company or other persons required in any such case by the applicable provisions of this Indenture, the Company shall furnish and the Trustee shall receive, as evidence of compliance with any condition precedent provided for in this Indenture (including any covenants compliance with which constitutes a condition precedent) relating to the authentication and delivery of the Bonds hereunder, to the release or the release and substitution of property subject to the lien of this Indenture, to the satisfaction and discharge of this Indenture, or to any other action to be taken by the Trustee at the request or upon the application of the Company, the following:

- (a) A certificate of the treasurer or an assistant treasurer, or the secretary or an assistant secretary of the Company, stating that such conditions precedent have been complied with;

(b) An opinion of counsel (who may be counsel for the Company) stating that in the opinion of such counsel such conditions precedent have been complied with and that the instruments furnished to the Trustees upon any such request or application of the Company are in substantial conformity with the requirements of, and that they are all of the instruments required by, the applicable provisions of this Indenture;

(c) In the case of conditions precedent compliance with which is subject to verification by accountants, a certificate or opinion of an accountant, who, in the case of any such conditions precedent to the authentication and delivery of Bonds issued hereunder, and not otherwise, shall be an independent public accountant selected or approved by the Trustee in the exercise of reasonable care, if the aggregate principal amount of such Bonds authenticated and delivered since the commencement of the then current fiscal year (other than Bonds issued hereunder with respect to which a certificate or opinion of an accountant is not required, or with respect to which a certificate or opinion of an independent public accountant has previously been furnished) is ten per cent or more of the aggregate principal amount of Bonds issued hereunder and at the time outstanding; but, except as specifically provided elsewhere in this Indenture, no certificate or opinion need be made other than a certificate of any officer of the Company specified in this Indenture, as to (A) dates or periods not covered by annual reports required to be filed by the Company in the case of conditions precedent which depend upon a state of facts as of a date or dates or for a period or periods different from that required to be covered by such annual reports, or (B) the amount and value of property additions, except as provided in Paragraph (c) of § 8.22, or (C) the adequacy of depreciation, maintenance or repairs.

Statements to be Included in Certificates or Opinions.

§ 8.24. Notwithstanding any other provision of the Indenture, each certificate or opinion required by any provision thereof with respect to compliance with a condition or covenant shall include (1) a statement that the person making such a certificate or opinion has read such covenant or condition; (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or the opinions contained in such certificate or opinion are based; (3) a statement that in the opinion of such person he has made such examination or investigation as is necessary to enable him to express an in-

formed opinion as to whether or not such covenant or condition has been complied with; and (4) a statement as to whether or not in the opinion of such person such condition or covenant has been complied with.

§ 9.01. The following Clause M be and it hereby is added to § 9.01, immediately after the tabulation of sinking fund payments and dates for the 1989 Series Bonds:

"M. The Company will maintain a Sinking Fund (herein called the '*Sinking Fund for the 1990 Series Bonds*') to be applied as hereinafter provided for the 1990 Series Bonds, and for that purpose will pay to the Trustee two business days prior to each of the annual dates in the following tabulation the amount of cash (herein called the '*Fixed Sinking Fund Payment*') in respect of the 1990 Series Bonds) set opposite such dates:

<u>Annual Dates</u>	<u>Amount of Cash to be Deposited on the Respective Annual Dates</u>
April 1 in each year commencing April 1, 1968 and ending April 1, 1970.....	\$ 60,000
April 1 in each year commencing April 1, 1971 and ending April 1, 1973.....	\$120,000
April 1 in each year commencing April 1, 1974 and ending April 1, 1977.....	\$180,000
April 1 in each year commencing April 1, 1978 and ending April 1, 1982.....	\$210,000
April 1 in each year commencing April 1, 1983 and ending April 1, 1989.....	\$240,000

§ 10.05. The following Clause M be and it hereby is added to § 10.05 immediately after the second paragraph of Clause L thereof:

"M. The 1990 Series Bonds shall, upon compliance with the provisions of this Article X and in the manner and upon the terms therein provided, be redeemable, at the option of the Company, either as a whole at any time, or in any part equal in aggregate principal amount to Fifty Thousand Dollars (\$50,000) or more in a multiple of One Thousand Dollars (\$1,000), from time to time, at the principal amount of the Bonds so to be redeemed and accrued interest to the date fixed for redemption, together with a premium equal to a percentage of the principal amount determined by period of redemption as follows:

If redeemed in the twelve-month period ending March 31,	Premium
1966.....	4.52%
1967.....	4.33%
1968.....	4.14%
1969.....	3.96%
1970.....	3.77%
1971.....	3.53%
1972.....	3.39%
1973.....	3.20%
1974.....	3.02%
1975.....	2.83%
1976.....	2.64%
1977.....	2.45%
1978.....	2.26%
1979.....	2.07%
1980.....	1.89%
1981.....	1.70%
1982.....	1.51%
1983.....	1.32%
1984.....	1.13%
1985.....	0.95%
1986.....	0.76%
1987.....	0.57%
1988.....	0.38%
1989.....	0.19%
1990.....	0.00%

No redemption of the 1990 Series Bonds shall be made at the option of the Company prior to April 1, 1970, as a part of or in anticipation of any refunding operation by the application directly or indirectly of borrowed funds having an interest rate or cost to the Company (calculated in accordance with accepted financial practice) less than 4% per annum."

§ 12.14. The first paragraph of § 12.14 of the Indenture as heretofore amended be and it hereby is amended by deleting the last eight words thereof and inserting in lieu thereof, the words "against the Company (or any other obligor on the Bonds)."

§ 12.15. The last paragraph of § 12.15 of the Indenture as heretofore amended be and it hereby is amended to read in its entirety as follows:

"It is, however, expressly *provided* that nothing in this Indenture or in the Bonds or in the coupons contained shall affect or impair the obligation of the Company, which is absolute and unconditional, to pay at the respective dates of maturity and places therein expressed the principal of and interest on the Bonds to the respective holders of Bonds and coupons, or impair or affect the rights of the respective holders of the Bonds and coupons to receive payment of the principal of and interest on the Bonds on or after the respective due dates expressed in such Bonds or coupons, or affect or impair the right of action, which is also absolute and unconditional, of such holders to enforce any such payment on or after such respective dates. Neither enforcement by any such holder of such right of action in respect of any Bond or coupon nor entry of any judgment thereon shall in any manner or to any extent affect the lien of the Trustees upon the Trust Estate or any part thereof, or any rights, powers or remedies hereunder of the Trustees, or either of them, or of the holders of the Bonds, except to the extent, if any, that the rights, powers or remedies of such holder with respect to such Bond or coupon may under applicable law be affected thereby."

§ 12.25. The following § § 12.25 and 12.26 be and they hereby are added to Article XII of the Indenture immediately following the last paragraph of § 12.24 thereof :

Notice of Defaults.

§ 12.25. The Trustee shall give notice to all Bondholders, in the manner and to the extent provided in subsection (c) of § 15.09, of all defaults known to it, within ninety days after the occurrence of such default, provided that, except in the case of default in the payment of the principal of or interest on any Bond issued hereunder, or in the payment of any sinking fund or purchase fund installment, the Trustee shall be protected in withholding such notice if and so long as the Board of Directors, the Executive Committee or a trust committee of directors and/or responsible officers of the Trustee in good faith determine that the withholding of such notice is in the interests of the Bondholders.

The term "default" as used in this § 12.25 shall mean the happening of an event of default as defined in § 12.02, exclusive, however, of any periods of grace provided in that or any other section of this Indenture.

Filing Proofs of Claim.

§ 12.26. In the case of the pendency of any receivership, insolvency, bankruptcy, or reorganization or any other judicial proceedings affecting the Company or any other obligor on the Bonds, its creditors, or its property, the Trustee and Individual Trustee, irrespective of whether there shall exist any default in payment of the principal of or interest on any of the Bonds or whether the Trustee or Individual Trustee shall have made any demand for payment thereof and without the possession of any Bonds or coupons, shall be entitled to file such proofs of claim and other papers and documents as may be necessary or advisable in order to have the claims of the Trustee or Individual Trustee and the Bondholders allowed in such proceeding, for the whole amount so due and unpaid, with interest as hereinabove provided, and to enforce any such judgment or claim against the Company or any other obligor on the Bonds, and to collect the moneys adjudged or found to be due and payable, out of any property of the Company or of any other obligor on the Bonds, wherever situated.

The right of the Trustee or Individual Trustee to recover such judgment or to have such claim allowed, and to issue execution thereon, shall be independent of and in no way affected by any other right given to it or action taken by it, nor shall any such judgment, claim, or execution in any way affect the lien hereof upon the mortgaged property, or other rights, powers, or remedies of the Trustee or Individual Trustee or Bondholders.

§ 13.01. The first paragraph of § 13.01 of the Indenture, as heretofore amended, be and it hereby is amended by inserting the words "and, except as otherwise required herein, without the consent or approval of any Bondholder," after the phrase "Board of Directors" in the second line thereof.

§ 15.01. § 15.01 (B) of the Indenture be and it hereby is deleted and there is hereby added in lieu thereof the following § 15.01 (B):

"Except as elsewhere in this Indenture or any indenture supplemental hereto otherwise expressly provided, unless an Event of Default shall have occurred and be continuing, the Trustees shall not be under any obligation to take any action unless requested in writing so to do by the holders or registered owners of not less than a majority in principal amount of the Bonds then outstanding."

§ 15.01. § 15.01 (C) (4) of the Indenture be and it hereby is deleted and there is hereby added in lieu thereof the following § 15.01 (C) (4):

"(4) The Trustees shall not be personally liable with respect to any action taken or omitted to be taken by them in good faith in accordance with the direction of the holders of not less than a majority in principal amount of the Bonds at the time outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture."

§ 15.01. § 15.01 (J) of the Indenture be and it hereby is deleted and there is hereby inserted in lieu thereof the following paragraph (J):

"(J) Except as otherwise provided in this Indenture, the Trustee may acquire and hold Bonds and coupons issued hereunder."

§ 15.02. The following paragraph be and it hereby is added immediately following the end of § 15.02:

"Notwithstanding the foregoing, there shall at all times be a corporate Trustee hereunder which shall at all times meet the requirements specified in § 15.03."

§ 15.03. The fourth paragraph of § 15.03 of the Indenture be and it hereby is deleted and there is hereby inserted in lieu thereof the following paragraph:

"The Company covenants and agrees that there shall at all times be a corporate Trustee which shall at all times be a state or national bank or trust company in good standing, organized under the laws of the State of California or the State of New York or of the United States of America and doing business in the State of California or in the Borough of Manhattan, The City of New York, which is authorized by law to exercise corporate trust powers and is subject to supervision or examination by Federal or State authority, having a capital, undivided profits and surplus aggregating at least Three Million Dollars (\$3,000,000), if there be such a bank or trust company willing and able to accept such trust upon reasonable and customary terms. Every Individual Trustee appointed under the provisions of this § 15.03 shall be an individual who is a citizen of, and resident in, the United States of America."

§ 15.04. The first sentence of § 15.04 of the Indenture be and it hereby is amended by deleting the last seven words therefrom.

§ 15.05. The second paragraph of § 15.05 be and it hereby is amended by inserting the word "be" between the eighth and ninth words of the first sentence thereof.

§ 15.05. The third paragraph of § 15.05 be and it hereby is amended by deleting the word "of" appearing as the fifth from the last word in Clause (1) thereof and inserting the word "or" in lieu thereof.

§§ 15.06, 15.07, 15.08, 15.09 and 15.10 be and they hereby are added to Article XV of the Indenture immediately following the end of § 15.05 thereof.

Disqualification of Trustee.

§ 15.06. (a) If any Trustee or Individual Trustee under this Indenture has or shall acquire any conflicting interest as hereinafter defined, such Trustee or Individual Trustee shall within 90 days after ascertaining that it has such conflicting interest either eliminate such conflicting interest or resign in the manner and with the effect specified in § 15.02, except that any resignation pursuant to this § 15.06 shall become effective upon the appointment of a successor Trustee or Individual Trustee and such successor's acceptance of such appointment, and the Company shall take prompt steps to have a successor appointed in the manner provided in § 15.03.

(b) In the event that any such Trustee or Individual Trustee shall fail to comply with the provisions of the foregoing paragraph, such Trustee or Individual Trustee shall within 10 days after the expiration of such 90-day period transmit notice of such failure to the Bondholders in the manner and to the extent provided in subsection (c) of § 15.09.

Subject to the provisions of § 12.24, any Bondholder who has been a bona fide holder of such Bonds for at least six months may on behalf of himself and all others similarly situated petition any court of competent jurisdiction for the removal of a Trustee or Individual Trustee under this Indenture and the appointment of a successor if such Trustee or Individual Trustee fails after written request therefor by such holder to comply with the provisions of subsection (a) of this § 15.06.

(c) For the purposes of this § 15.06 a Trustee or Individual Trustee under this Indenture shall be deemed to have a conflicting interest if

(1) such Trustee or Individual Trustee is trustee under another indenture under which any other securities or certificates of interest or participation in any other securities of the Company are outstanding, unless such other indenture is a collateral trust indenture under which the only collateral consists of Bonds issued under this Indenture, provided that there shall be excluded from the operation of this paragraph any indenture or indentures under which other securities, or certificates of interest or participation in other securities of the Company are outstanding if the Company shall have sustained the burden of proving, on application to the Securities and Exchange Commission and after opportunity for hearing thereon, that the trusteeship under this Indenture and such other indenture or indentures is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify such Trustee or Individual Trustee from acting as such under one of such indentures;

(2) such Trustee or any of its directors or executive officers or such Individual Trustee is an obligor upon the Bonds issued hereunder or an underwriter for the Company;

(3) such Trustee or Individual Trustee directly or indirectly controls or is directly or indirectly controlled by or is under direct or indirect common control with the Company or an underwriter for the Company;

(4) such Trustee or any of its directors or executive officers or such Individual Trustee is a director, officer, partner, employee, appointee, or representative of the Company, or of an underwriter (other than such Trustee itself) for the Company who is currently engaged in the business of underwriting, except that (A) one individual may be a director and/or an executive officer of such Trustee and a director and/or an executive officer of the Company, but may not be at the same time an executive officer of both such Trustee and the Company; (B) if and so long as the number of directors of such Trustee in office is more than nine, one additional individual may be a director and/or an executive officer of such Trustee and a director of the Company; and (C) such Trustee may be designated by the Company or by any underwriter for the Company to act in the capacity of transfer agent, registrar, custodian, paying agent, fiscal agent, escrow agent, or depository, or in any other similar capacity, or, subject to the provisions of paragraph (1) of this subsection (c), to act as trustee whether under an indenture or otherwise;

(5) ten per cent or more of the voting securities of such Trustee is beneficially owned either by the Company or by any director, partner, or executive officer thereof, or twenty per cent or more of such voting securities is beneficially owned, collectively, by any two or more of such persons; or ten per cent or more of the voting securities of such Trustee is beneficially owned by an underwriter for the Company or by any director, partner, or executive officer thereof, or is beneficially owned, collectively, by any two or more such persons;

(6) such Trustee or Individual Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default, (A) five per cent or more of the voting securities, or ten per cent or more of any other class of securities, of the Company, not including the Bonds issued under this Indenture and securities issued under any other indenture under which such Trustee or Individual Trustee is also trustee, or (B) ten per cent or more of any class of securities of an underwriter for the Company;

(7) such Trustee or Individual Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default, five per cent or more of the voting securities of any person who, to the knowledge of such Trustee or Individual Trustee, owns ten per cent or more of the voting securities of, or controls directly or indirectly or is under direct or indirect common control with, the Company;

(8) such Trustee or Individual Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default, ten per cent or more of any class of securities of any person who, to the knowledge of such Trustee or Individual Trustee, owns fifty per cent or more of the voting securities of the Company; or

(9) such Trustee or Individual Trustee owns, on May 15 in any calendar year, in the capacity of executor, administrator, testamentary or inter vivos trustee, guardian, committee or conservator, or in any other similar capacity, an aggregate of twenty-five per cent or more of the voting securities, or any class of securities, of any person, the beneficial ownership of a specified percentage of which would have constituted a conflicting interest under paragraphs (6), (7), or (8) of this subsection (e). As to any such securities of which such Trustee or Individual Trustee acquired ownership through becoming executor, administrator, or testamentary trustee of an estate which included them, the pro-

visions of the preceding sentence shall not apply, for a period of two years from the date of such acquisition, to the extent that such securities included in such estate do not exceed twenty-five per cent of such voting securities or twenty-five per cent of any such class of security. Promptly after May 15, in each calendar year, such Trustee and such Individual Trustee shall make a check of its holdings of such securities in any of the above mentioned capacities as of May 15. If the Company fails to make payment in full of principal of or interest on any of the Bonds issued hereunder when and as the same shall become due and payable, and such failure continues for thirty days thereafter, such Trustee and such Individual Trustee shall make a prompt check of its holdings of such securities in any of the above-mentioned capacities as of the date of the expiration of such thirty day period, and after such date, notwithstanding the foregoing provisions of this paragraph (9), all such securities so held by such Trustee or Individual Trustee, with sole or joint control over such securities vested in it, shall, but only so long as such failure shall continue, be considered as though beneficially owned by such Trustee or Individual Trustee for the purpose of paragraphs (6), (7) and (8) of this subsection (c).

The specification of percentages in paragraphs (5) to (9), inclusive, of this subsection (c) shall not be construed as indicating that the ownership of such percentages of the securities of a person is or is not necessary or sufficient to constitute direct or indirect control for the purposes of paragraphs (3) or (7) of this subsection (c).

For the purposes of paragraphs (6), (7), (8), and (9) of this subsection (c) only, (A) the terms "security" and "securities" shall include only such securities as are generally known as corporate securities, but shall not include any note or other evidence of indebtedness issued to evidence an obligation to repay moneys lent to a person by one or more banks, trust companies, or banking firms, or any certificate of interest or participation in any such note or evidence of indebtedness; (B) an obligation shall be deemed to be in default when a default in payment of principal shall have continued for thirty days or more, and shall not have been cured; and (C) a Trustee or Individual Trustee under this Indenture shall not be deemed to be the owner or holder of (i) any security which it holds as collateral security (as trustee or otherwise) for an obligation which is not in default as above defined, or (ii) any security which it holds as collateral security under this Indenture, irrespective of any default hereunder, or (iii) any security which it holds

as agent for collection, or as custodian, escrow agent, or depository, or in any similar representative capacity.

Except as above provided, the word "security" or "securities" as used in this Indenture shall mean any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, pre-organization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in oil, gas, or other mineral rights, or, in general, any interest or instrument commonly known as a "security", or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing.

(d) For the purpose of this § 15.06:

(1) The term "underwriter" means any person who has purchased from an issuer with a view to, or offers or sells for an issuer in connection with, the distribution of any security, or participates or has a direct or indirect participation in any such undertaking, or participates or has a participation in the direct or indirect underwriting of any such undertaking; but such term shall not include a person whose interest is limited to a commission from an underwriter or dealer not in excess of the usual and customary distributors' or sellers' commission; provided however that for the purposes of subsection (c) hereinabove, the term "underwriter" when used with reference to the Company shall mean every person, who, within three years prior to the time as of which the determination is made, was an underwriter of any security of the Company outstanding at such time.

(2) The term "director" means any director of a corporation, or any individual performing similar functions with respect to any organization whether incorporated or unincorporated.

(3) The term "executive officer" means the president, every vice president, every trust officer, the cashier, the secretary, and the treasurer of a corporation, and any individual customarily performing similar functions with respect to any organization whether incorporated or unincorporated, but shall not include the chairman of the board of directors.

(4) The term "voting security" means any security presently entitling the owner or holder thereof to vote in the direction or

management of the affairs of a person, or any security issued under or pursuant to any trust, agreement, or arrangement whereby a trustee or trustees or agent or agents for the owner or holder of such security are presently entitled to vote in the direction or management of the affairs of a person; and a specified percentage of the voting securities of a person means such amount of the outstanding voting securities of such person as entitles the holder or holders thereof to cast such specified percentage of the aggregate votes which the holders of all the outstanding voting securities of such person are entitled to cast in the direction or management of the affairs of such person.

(5) The term "person" means an individual, a corporation, a partnership, an association, a joint-stock company, a trust, any unincorporated organization, or a government or political subdivision thereof. As used in this paragraph the term "trust" shall include only a trust where the interest or interests of the beneficiary or beneficiaries are evidenced by a security.

(6) The term "Company" means the Company or any other obligor upon the Bonds issued hereunder.

The percentage of voting securities and other securities specified in this § 15.06 shall be calculated in accordance with the following provisions:

(A) A specified percentage of the voting securities of such Trustee, the Company or any other person referred to in this § 15.06 (each of whom is referred to as a "person" in this paragraph) means such amount of the outstanding voting securities of such person as entitles the holder or holders thereof to cast such specified percentage of the aggregate votes which the holders of all the outstanding voting securities of such person are entitled to cast in the direction or management of the affairs of such person.

(B) A specified percentage of a class of securities of a person means such percentage of the aggregate amount of securities of the class outstanding.

(C) The term "amount", when used in regard to securities, means the principal amount if relating to evidences of indebtedness, the number of shares if relating to capital shares, and the number of units if relating to any other kind of security.

(D) The term "outstanding" means issued and not held by or for the account of the issuer. The following securities shall not be deemed outstanding within the meaning of this definition;

(i) Securities of an issuer held in a sinking fund relating to securities of the issuer of the same class.

(ii) Securities of an issuer held in a sinking fund relating to another class of securities of the issuer, if the obligation evidenced by such other class of securities is not in default as to principal or interest or otherwise.

(iii) Securities pledged by the issuer thereof as security for an obligation of the issuer not in default as to principal or interest or otherwise.

(iv) Securities held in escrow if placed in escrow by the issuer thereof.

Provided, however, that any voting securities of an issuer shall be deemed outstanding if any person other than the issuer is entitled to exercise the voting rights thereof.

(E) A security shall be deemed to be of the same class as another security if both securities confer upon the holder or holders thereof substantially the same rights and privileges, provided, however, that, in the case of secured evidences of indebtedness, all of which are issued under a single indenture, differences in the interest rates or maturity dates of various series thereof shall not be deemed sufficient to constitute such series different classes, and provided, further, that, in the case of unsecured evidences of indebtedness, differences in the interest rates or maturity dates thereof shall not be deemed sufficient to constitute them securities of different classes, whether or not they are issued under a single indenture.

Preferential Collection of Claims.

§ 15.07. (a) Subject to the provisions of subsection (b) of this § 15.07, if a Trustee or Individual Trustee under this Indenture shall be or shall become a creditor, directly or indirectly, secured or unsecured, of the Company or of any other obligor on the Bonds issued hereunder within four months prior to a default, as defined in subsection (c) of this § 15.07, or subsequent to such a default, then, unless and until such default shall be cured, such Trustee or Individual Trustee shall set apart and hold in a special account for the benefit of such Trustee or Individual Trustee individually, the Bondholders and the holders of other indenture securities (as defined in subsection (c) of this § 15.07).

(1) an amount equal to any and all reductions in the amount due and owing upon any claim as such creditor in respect of principal or interest, effected after the beginning of such four months' period and valid as against the Company and its other creditors, except any such reduction resulting from the receipt or disposition of any property described in paragraph (2) of this subsection, or from the exercise of any right of set-off which such Trustee or Individual Trustee could have exercised if a petition in bankruptcy had been filed by or against the Company upon the date of such default; and

(2) all property received by such Trustee or Individual Trustee in respect of any claim as such creditor, either as security therefor, or in satisfaction or composition thereof, or otherwise, after the beginning of such four months' period, or an amount equal to the proceeds of any such property, if disposed of, subject, however, to the rights, if any, of the Company and its other creditors in such property or such proceeds.

Nothing herein contained, however, shall affect the right of such Trustee or Individual Trustee

(A) to retain for its own account (i) payments made on account of any such claim by any person (other than the Company) who is liable thereon, and (ii) the proceeds of the bona fide sale of any such claim by such Trustee or Individual Trustee to a third person, and (iii) distributions made in cash, securities, or other property in respect of claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the National Bankruptcy Act or applicable State law;

(B) to realize, for its own account, upon any property held by it as security for any such claim, if such property was so held prior to the beginning of such four months' period;

(C) to realize, for its own account, but only to the extent of the claim hereinafter mentioned, upon any property held by it as security for any such claim, if such claim was created after the beginning of such four months' period and such property was received as security therefor simultaneously with the creation thereof, and if such Trustee or Individual Trustee shall sustain the burden of proving that at the time such property was so received such Trustee or Individual Trustee had no reasonable cause to believe that a default as defined in subsection (c) of this § 15.07 would occur within four months; or

(D) to receive payment on any claim referred to in paragraph (B) or (C), against the release of any property held as security for such claim as provided in such paragraph (B) or (C), as the case may be, to the extent of the fair value of such property.

For the purposes of paragraphs (B), (C), and (D), property substituted after the beginning of such four months' period for property held as security at the time of such substitution shall, to the extent of the fair value of the property released, have the same status as the property released, and, to the extent that any claim referred to in any of such paragraphs is created in renewal of or in substitution for or for the purpose of repaying or refunding any pre-existing claim of such Trustee or Individual Trustee as such creditor, such claim shall have the same status as such preexisting claim.

If a Trustee or Individual Trustee under this Indenture shall be required to account, the funds and property held in such special account and the proceeds thereof shall be apportioned between such Trustee or Individual Trustee, the Bondholders and the holders of other indenture securities in such manner that such Trustee or Individual Trustee, the Bondholders and the holders of other indenture securities realize, as a result of payments from such special account and payments of dividends on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the National Bankruptcy Act or applicable State law, the same percentage of their respective claims, figured before crediting to the claim of such Trustee or Individual Trustee anything on account of the receipt by it from the Company of the funds and property in such special account and before crediting to the respective claims of such Trustee or Individual Trustee, the Bondholders and the holders of other indenture securities dividends on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the National Bankruptcy Act or applicable State law, but after crediting thereon receipts on account of the indebtedness represented by their respective claims from all sources other than from such dividends and from the funds and property so held in such special account. As used in this paragraph, with respect to any claim, the term "dividends" shall include any distribution with respect to such claim, in bankruptcy or receivership or in proceedings for reorganization pursuant to the National Bankruptcy Act or applicable State law, whether such distribution is made in cash, securities, or other property, but shall not include any such distribution with respect to the secured portion, if any, of such claim. The court in which such bankruptcy, receivership, or proceeding for reorganization is pending shall have jurisdiction

(i) to apportion between the Trustee or Individual Trustee, the Bondholders and the holders of other indenture securities, in accordance with the provisions of this paragraph, the funds and property held in such special account and the proceeds thereof, or (ii) in lieu of such apportionment, in whole or in part, to give to the provisions of this paragraph due consideration in determining the fairness of the distributions to be made to such Trustee or Individual Trustee, the Bondholders and the holders of other indenture securities with respect to their respective claims, in which event it shall not be necessary to liquidate or to appraise the value of any securities or other property held in such special account or as security for any such claim, or to make a specific allocation of such distributions as between the secured and unsecured portions of such claims, or otherwise to apply the provisions of this paragraph as a mathematical formula.

Any Trustee or Individual Trustee under this Indenture who has resigned or been removed after the beginning of such four months' period shall be subject to the provisions of this subsection (a) as though such resignation or removal had not occurred. If any such Trustee or Individual Trustee has resigned or been removed prior to the beginning of such four months' period, such Trustee or Individual Trustee shall be subject to the provisions of this subsection (a) if and only if the following conditions exist:

(i) The receipt of property or reduction of claim which would have given rise to the obligation to account, if such Trustee or Individual Trustee had continued as trustee, occurred after the beginning of such four months' period; and

(ii) such receipt of property or reduction of claim occurred within four months after such resignation or removal.

(b) There shall be excluded from the operation of subsection (a) of this § 15.07 a creditor relationship arising from

(1) the ownership or acquisition of securities issued under any indenture, or any security or securities having a maturity of one year or more at the time of acquisition by a Trustee or Individual Trustee under this Indenture;

(2) advances authorized by a receivership or bankruptcy court of competent jurisdiction, or by this Indenture, for the purpose of preserving any property which shall at any time be subject to the lien of this Indenture or of discharging tax liens or other prior liens or encumbrances thereon, if notice of such advance and

of the circumstances surrounding the making thereof is given to the Bondholders at the time and in the manner provided in this Indenture;

(3) disbursements made in the ordinary course of business in the capacity of trustee under an indenture, transfer agent, registrar, custodian, paying agent, fiscal agent or depository, or other similar capacity;

(4) an indebtedness created as a result of services rendered or premises rented; or an indebtedness created as a result of goods or securities sold in a cash transaction as defined in subsection (c) of this § 15.07;

(5) the ownership of stock or of other securities of a corporation organized under the provisions of Section 25(a) of the Federal Reserve Act, as amended, which is directly or indirectly a creditor of the Company; or

(6) the acquisition, ownership, acceptance or negotiation of any drafts, bills of exchange, acceptances or obligations which fall within the classification of self-liquidating paper as defined in subsection (c) of this § 15.07.

(c) As used in this § 15.07.

(1) The term "default" shall mean any failure to make payment in full of the principal of or interest upon any of the bonds issued hereunder or upon the other indenture securities when and as such principal or interest becomes due and payable.

(2) The term "other indenture securities" shall mean securities upon which the Company is an obligor (as defined in the Trust Indenture Act of 1939) outstanding under any other indenture (A) under which a Trustee or Individual Trustee under this Indenture is also trustee, (B) which contains provisions substantially similar to the provisions of subsection (a) of this § 15.07, and (C) under which a default exists at the time of the apportionment of the funds and property held in said special account.

(3) The term "cash transaction" shall mean any transaction in which full payment for goods or securities sold is made within seven days after delivery of the goods or securities in currency or in checks or other orders drawn upon banks or bankers and payable upon demand.

(4) The term "self-liquidating paper" shall mean any draft, bill of exchange, acceptance or obligation which is made, drawn, negotiated or incurred by the Company for the purpose of financing the purchase, processing, manufacture, shipment, storage or sale of goods, wares or merchandise and which is secured by documents evidencing title to, possession of, or a lien upon, the goods, wares or merchandise or the receivables or proceeds arising from the sale of the goods, wares or merchandise previously constituting the security, provided the security is received by a Trustee or Individual Trustee under the Indenture simultaneously with the creation of the creditor relationship with the Company arising from the making, drawing, negotiating or incurring of the draft, bill of exchange, acceptance or obligation.

(5) The term "Company" means the Company or any other obligor upon the Bonds issued hereunder.

Bondholders' Lists.

§ 15.08. (a) The Trustee shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the Bondholders (1) contained in the most recent list furnished to it as provided in § 8.19, (2) received by it in the capacity of paying agent (if so acting) hereunder, and (3) filed with it within two preceding years pursuant to the provisions of paragraph (2) of subsection (c) of § 15.09.

The Trustee may (1) destroy any list furnished to it as provided in § 8.19 upon receipt of a new list so furnished, (2) destroy any information received by it as paying agent (if so acting) hereunder upon delivering to itself as Trustee, not earlier than forty-five days after an interest payment date of the Bonds issued hereunder, a list containing the names and addresses of the Bondholders obtained from such information since the delivery of the next previous list, if any, (3) destroy any list delivered to itself as Trustee which was compiled from information received by it as paying agent (if so acting) hereunder upon the receipt of a new list so delivered, and (4) destroy any information filed with it by Bondholders for the purpose of receiving reports pursuant to the provisions of paragraph (2) of subsection (c) of § 15.09, but not until two years after such information has been filed with it.

(b) In case three or more Bondholders (hereinafter referred to as "applicants") apply in writing to the Trustee, and furnish to such Trustee reasonable proof that each such applicant has owned a Bond

issued hereunder for a period of at least six months preceding the date of such application, and such application states that the applicants desire to communicate with other Bondholders with respect to their rights under this Indenture or under the Bonds issued hereunder, and is accompanied by a copy of the form of proxy or other communication which such applicants propose to transmit, then such Trustee shall, within five business days after the receipt of such application, at its election, either

(1) afford such applicants access to the information preserved at the time by the Trustee in accordance with the provisions of subsection (a) of this § 15.08, or

(2) inform such applicants as to the approximate number of Bondholders whose names and addresses appear in the information preserved at the time by such Trustee, in accordance with the provisions of subsection (a) of this § 15.08, and as to the approximate cost of mailing to such Bondholders the form of proxy or other communication, if any, specified in such application.

If such Trustee shall elect not to afford such applicants access to such information, such Trustee shall, upon the written request of such applicants, mail to each Bondholder whose name and address appears in the information preserved at the time by the Trustee in accordance with the provisions of subsection (a) of this § 15.08, a copy of the form of proxy or other communication which is specified in such request, with reasonable promptness after a tender to such Trustee of the material to be mailed and of payment, or provision for the payment, of the reasonable expenses of mailing, unless within five days after such tender, such Trustee shall mail to such applicants and file with the Securities and Exchange Commission, together with a copy of the material to be mailed, a written statement to the effect that, in the opinion of such Trustee, such mailing would be contrary to the best interest of the Bondholders or would be in violation of applicable law. Such written statement shall specify the basis of such opinion. If said Commission, after opportunity for a hearing upon the objections specified in the written statement so filed, shall enter an order refusing to sustain any of such objections or if, after the entry of an order sustaining one or more of such objections, said Commission shall find, after notice and opportunity for hearing, that all the objections so sustained have been met and shall enter an order so declaring, such Trustee shall mail copies of such material to all such Bondholders with reasonable promptness after the entry of such order and the renewal of such tender;

otherwise such Trustee shall be relieved of any obligation or duty to such applicants respecting their application.

(c) Each and every Bondholder, by receiving and holding the same, agrees with the Company and such Trustee that neither the Company nor such Trustee nor any paying agent shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Bondholders in accordance with the provisions of subsection (b) of this § 15.08, regardless of the source from which such information was derived, and that such Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under such subsection (b).

Reports by Trustee.

15.09. (a) On or before February 1, 1966, and on or before February 1 in every year thereafter, so long as any Bonds issued hereunder are outstanding, the Trustee and Individual Trustee shall transmit to the Bondholders as hereinafter in this §15.09 provided a brief report dated as of the preceding December 1, with respect to:

(1) its eligibility and its qualifications under §§ 15.03 and 15.06, or in lieu thereof, if to the best of its knowledge it has continued to be eligible and qualified under such Sections, a written statement to such effect;

(2) the character and amount of any advances (and if such Trustee or Individual Trustee elects so to state, the circumstances surrounding the making thereof) made by such Trustee (as such) or by such Individual Trustee (as such) which remain unpaid on the date of such report, and for the reimbursement of which it claims or may claim a lien or charge, prior to that of the Bonds issued hereunder, on the Trust Estate or on any property or funds held or collected by it as Trustee or Individual Trustee, except that such Trustee or Individual Trustee shall not be required (but may elect) to report such advances so remaining unpaid if such advances aggregate not more than one-half of one per cent of the principal amount of the Bonds issued hereunder and outstanding on the date of such report;

(3) the amount, interest rate, and maturity date of all other indebtedness owing by the Company (or by any other obligor on the Bonds issued hereunder) to such Trustee in its individual capacity or to such Individual Trustee on the date of such report, with a brief description of any property held as collateral security

therefor, except an indebtedness based upon a creditor relationship arising in any manner described in paragraphs (2), (3), (4), or (6) of subsection (b) of § 15.07;

(4) the property and funds, if any, physically in the possession of such Trustee as such Trustee or of such Individual Trustee as such Individual Trustee on the date of such report;

(5) any release, or release and substitution, of property subject to the lien of this Indenture (and the consideration therefor, if any) which it has not previously reported;

(6) any additional issue of Bonds under this Indenture which it has not previously reported; and

(7) any action taken by such Trustee or Individual Trustee in the performance of its duties under this Indenture which it has not previously reported and which in its opinion materially affects the Bonds issued hereunder, except action in respect of a default, notice of which has been or is to be withheld by it in accordance with the provisions of § 12.25.

(b) Each Trustee and Individual Trustee shall transmit to the Bondholders, as hereinafter provided, a brief report with respect to:

(1) the release, or release and substitution, of property subject to the lien of this Indenture (and the consideration therefor, if any) unless the fair value of such property, as set forth in the certificate or opinion required by subsection (a) of § 8.22, is less than ten per cent of the principal amount of the Bonds issued hereunder and outstanding at the time of such release, or such release and substitution, such report to be so transmitted within ninety (90) days after such time;

(2) the character and amount of any advances (and if such Trustee or Individual Trustee elects so to state, the circumstances surrounding the making thereof) made by the Trustee as such or by the Individual Trustee as such since the date of the last report transmitted pursuant to the provisions of subsection (a) of this § 15.09 (or if no such report has yet been so transmitted, since the date of execution of this Indenture), for the reimbursement of which it claims or may claim a lien or charge, prior to that of the Bonds issued hereunder on the Trust Estate or on property or funds held or collected by it as Trustee or Individual Trustee, and which it has not previously reported pursuant to this subsection, except that such Trustee or Individual Trustee shall not be required

(but may elect) to report such advances if such advances remaining unpaid at any time aggregate ten per cent or less of the principal amount of bonds issued hereunder and outstanding at such time, such report to be transmitted within ninety days after such time.

(c) Reports pursuant to this § 15.09 shall be transmitted by mail:

(1) to all registered Bondholders, as the names and addresses of such Bondholders appear on the registration books of the Company;

(2) to such Bondholders as have, within two years preceding such transmission, filed their names and addresses with the Trustee for that purpose; and

(3) except in the cases of reports pursuant to subsection (b) of this § 15.09, to each Bondholder whose name and address is preserved at the time by the Trustee, as provided in subsection (a) of § 15.08.

(d) A copy of each such report shall, at the time of such transmission to Bondholders, be filed by the Trustee and Individual Trustee with each stock exchange upon which the Bonds issued hereunder are listed and also with the Securities and Exchange Commission. The Company agrees to notify the Trustee and Individual Trustee when and as the Bonds issued hereunder become listed on any stock exchange.

Bonds Deemed Not Outstanding.

§ 15.10. In determining whether the holders of the requisite aggregate principal amount of Bonds issued hereunder have concurred in any request, direction, consent or waiver under this Indenture, Bonds issued hereunder which are owned by the Company or any other obligor upon the Bonds issued hereunder or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any other obligor upon the Bonds issued hereunder shall be disregarded and deemed not to be outstanding for the purposes of any such determination, except that for the purpose of determining whether the Trustee shall be protected in relying on any such request, direction, consent or waiver, only Bonds issued hereunder which the Trustee knows are so owned shall be disregarded.

ARTICLE SECOND**1990 Series Bonds**

§ 2.1. There shall be a thirteenth series of Bonds, known as and entitled "First Mortgage Bonds, 4 $\frac{7}{8}$ % Series due 1990" (herein called the "1990 Series Bonds"), and the form thereof shall contain suitable provisions with respect to the matters hereinafter in this Section specified and shall in other respects be substantially as set forth in § 2.2 of this Supplemental Indenture.

The aggregate principal amount of 1990 Series Bonds which may be authenticated and delivered and outstanding under the Indenture is Six Million Dollars (\$6,000,000). No additional 1990 Series Bonds may be authenticated and delivered pursuant to Article V, VI or VIII of the Indenture without the consent in writing of the holders of all then outstanding 1990 Series Bonds.

The 1990 Series Bonds shall bear interest at the rate of four and seven-eighths per cent. (4 $\frac{7}{8}$ %) per annum, and shall mature April 1, 1990. The date of commencement of the first interest period for the 1990 Series Bonds shall be April 1, 1965.

The 1990 Series Bonds shall be coupon Bonds of the denomination of One Thousand Dollars (\$1,000) and registered Bonds without coupons of the denominations of One Thousand Dollars (\$1,000) and any multiple thereof. The coupon Bonds of the 1990 Series Bonds shall be dated as of said date of commencement of the first interest period for such series. The registered Bonds of the 1990 Series Bonds without coupons shall be dated as provided in § 2.03 of the Indenture. All 1990 Series Bonds shall bear interest from their respective dates, such interest to be payable semi-annually on the first day of April and October in each year. Both the principal of and the interest on the 1990 Series Bonds shall be payable at the principal office of the Trustee in the City of Los Angeles, California, or, at the option of the holder, at the office or agency of the Company in the Borough of Manhattan, The City of New York, in any coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts. The 1990 Series Bonds shall be subject to redemption at the option of the Company in the manner provided in § 10.05 of the Indenture.

The coupon 1990 Series Bonds shall be numbered from MM-1 upward, and the registered 1990 Series Bonds shall be numbered from RM-1 upward.

1990 Series Bonds shall be entitled to the benefits of, and shall be subject to redemption through the operation of, a Renewal and Replacement Fund and a Sinking Fund, all as provided in Article IX of the Indenture.

1990 Series Bonds may be transferred or exchanged as provided for in the Indenture upon reimbursement for any tax or taxes or other governmental charge specified in §2.08, but without payment of any additional charge for such transfer or exchange.

§ 2.2. The registered Bonds without coupons of the 1990 Series Bonds, the Bonds in coupon form of such series and the coupons to be attached thereto are to be substantially in the following forms respectively with such appropriate insertions and variations as are in the Indenture provided or permitted:

[FORM OF REGISTERED BOND WITHOUT COUPONS OF THE 1990 SERIES BONDS]

SOUTHWEST GAS CORPORATION
FIRST MORTGAGE BOND, 4 7/8% SERIES DUE 1990
Due April 1, 1990

\$..... No. RM.....

For value received, SOUTHWEST GAS CORPORATION, a corporation organized and existing under the laws of the State of California (hereinafter called the "Company", which term shall include any successor corporation as defined in the Indenture hereinafter referred to), hereby promises to pay to or registered assigns on April 1, 1990, the sum of Dollars (\$.....) in coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay to the registered holder hereof interest thereon from the date hereof, at the rate of four and seven-eighths per cent. (4 7/8%) per annum in like coin or currency, payable semi-annually on the first day of April and the first day of October in each year until the principal hereof shall be paid. Payments of both principal and interest are to be made at the principal trust office of the Trustee in the City of Los Angeles, California, or, at the option of the registered holder, at the office or agency of the Company in the Borough of Manhattan, The City of New York.

This Bond is one of an authorized issue of Bonds of the Company known as its First Mortgage Bonds, not limited in aggregate principal amount except as provided in the Indenture hereinafter mentioned, all issued and to be issued in one or more series under and equally and ratably secured (except as any sinking, amortization, improvement, renewal or other analogous fund, established in accordance with the provisions of the Indenture hereinafter mentioned, may afford additional security for the Bonds of any particular series) by an Indenture of Mortgage and Deed of Trust dated June 1, 1951 executed by the Company to Union Bank & Trust Co. of Los Angeles, as Trustee, said Union Bank & Trust Co. of Los Angeles having been succeeded by Bank of America National Trust and Savings Association (herein called the "Trustee", which term shall include any successor as such Trustee) and C. F. Felt, as Trustees. The Trustee and said C. F. Felt and his successors as trustee are herein collectively called the "Trustees". Reference is made to said Indenture of Mortgage and Deed of Trust and all indentures supplemental thereto (all herein collectively called the "Indenture") for a description of the property mortgaged and pledged, the nature and extent of the security, the terms and conditions upon which the Bonds are and are to be secured and the rights of the holders or registered owners thereof and of the Trustees, or either of them, in respect of such security. As provided in the Indenture, said Bonds may be issued in series, for various principal sums, may bear different dates and mature at different times, may bear interest at different rates and may otherwise vary as in the Indenture provided or permitted. This Bond is one of the Bonds described in the Indenture and designated therein as "First Mortgage Bonds, 4 $\frac{7}{8}$ % Series Due 1990" (hereinafter referred to as the "1990 Series Bonds").

As provided in the Indenture, the 1990 Series Bonds are subject to redemption prior to maturity, at the option of the Company either as a whole at any time or in any part equal in aggregate principal amount to Fifty Thousand Dollars (\$50,000) or more in a multiple of One Thousand Dollars (\$1,000), from time to time, and in certain other cases, at the principal amount of the Bonds so to be redeemed and accrued interest to the date fixed for redemption, together with a premium equal to a percentage of the principal amount determined as follows:

[Here insert applicable table of premiums on optional redemption]

No redemption of the 1990 Series Bonds shall be made at the option of the Company prior to April 1, 1970, as a part of or in anticipation of any refunding operation by the application directly or indirectly of borrowed funds having an interest rate or cost to the Company (calculated in accordance with accepted financial practice) less than $4\frac{7}{8}\%$ per annum.

As provided in the Indenture, the 1990 Series Bonds are entitled to the benefits of the Sinking Fund and the Renewal and Replacement Fund provided for in the Indenture and are also subject to redemption, in whole or in part, out of monies deposited with the Trustee through the operation of such Sinking Fund or Renewal and Replacement Fund, but in such cases the redemption shall be effected at the principal amount of the Bonds so to be redeemed and accrued interest to the date fixed for redemption, without premium.

As provided in the Indenture, if any of the Bonds to be redeemed shall be registered Bonds without coupons or coupon Bonds which shall be registered as to principal, notice of redemption shall be mailed by registered mail, postage prepaid, not less than thirty (30) days nor more than sixty (60) days prior to the redemption date, to each registered holder of any Bonds to be so redeemed to the last address of such holder appearing on the registry books for the Bonds, and, if any coupon Bonds are to be redeemed which shall not be registered as to principal, notice of redemption shall be published once in each week for four (4) successive calendar weeks (in each instance on any day of the week) in one newspaper, printed in the English language and customarily published and of general circulation in the Borough of Manhattan, The City of New York at least once on each day, other than holidays and Sundays, and in one newspaper printed in the English language and customarily published and of general circulation in the City of Los Angeles, California, at least once on each day, other than holidays and Sundays.

If this Bond or any portion hereof (One Thousand Dollars [\$1,000] or a multiple thereof) is called for redemption and payment duly provided, this Bond or such portion hereof shall cease to bear interest from and after the date fixed for such redemption.

To the extent permitted by and as provided in the Indenture, the rights and obligations of the Company and of the holders of said Bonds may be changed and modified with the consent of the Company and upon the written consent of the holders of at least sixty-six and two-

thirds per cent. (66 $\frac{2}{3}$ %) in principal amount of the Bonds then outstanding and entitled to consent and, in case one or more but less than all of the series of Bonds issued under the Indenture are so affected, of at least sixty-six and two-thirds per cent. (66 $\frac{2}{3}$ %) in principal amount of the Bonds then outstanding and entitled to consent of each series affected thereby, *provided* that no such change shall be made (a) which would without the consent of the holders of all Bonds then outstanding and affected thereby (i) reduce the principal of, or premium on, or the rate of interest payable on the Bonds (ii) postpone the maturity date fixed in the Indenture or in the Bonds or coupons for the payment of the principal of, or any installment of interest on, the Bonds (iii) permit the creation of any lien, not otherwise permitted, prior to or on a parity with the lien of the Indenture, or (iv) reduce the percentage of the principal amount of Bonds the consent of the holders of which is required for the authorization of any such change or modification, or (b) which would modify, without the written consent of the Trustees, the rights, duties or immunities of the Trustees, or either of them.

In case an event of default as defined in the Indenture shall occur and be continuing, the principal of all the Bonds outstanding may be declared and may become due and payable in the manner and with the effect provided in the Indenture.

Like aggregate principal amounts of the 1990 Series Bonds in coupon form and 1990 Series Bonds in registered form without coupons, of authorized denominations, are exchangeable and interchangeable and in the Indenture the Company has covenanted that, upon payment of charges and otherwise as provided therein, any such exchange or interchange may be made by the holder upon presentation of any Bond or Bonds for that purpose at the aforesaid office of the Trustee.

As a condition precedent to any interchange, exchange or transfer referred to above, the Company may require payment by the holder of a sum sufficient to reimburse it for any stamp tax or any other governmental charge with respect to any transfer involved therein.

No recourse under or upon any obligation, covenant or agreement contained in the Indenture or in any indenture supplemental thereto, or in any Bond or coupon thereby secured, or because of any indebtedness thereby secured, shall be had against any incorporator, or against any past, present or future stockholder, officer or director, as such, of

the Company or of any successor corporation, either directly or through the Company or any successor corporation under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise; it being expressly agreed and understood that the Indenture, any indenture supplemental thereto and the obligations thereby secured, are solely corporate obligations, and that no personal liability whatever shall attach to, or be incurred by, such incorporators, stockholders, officers or directors, as such, of the Company or of any successor corporation, or of any of them, because of the incurring of the indebtedness thereby authorized, or under or by reason of any of the obligations, covenants or agreements contained in the Indenture or in any indenture supplemental thereto or in any of the Bonds or coupons thereby secured, or implied therefrom.

This Bond is a registered Bond without coupons and is transferable by the registered holder hereof in person or by the attorney of such holder, duly authorized in writing, on the registry books to be kept for the purpose at the aforesaid principal trust office of the Trustee, Registrar for the Bonds, upon surrender of this Bond accompanied by a written instrument of transfer in form approved by the Company, duly executed by the registered holder in person or by such attorney, and upon cancellation hereof one or more new registered Bonds without coupons, of authorized denominations, for the same aggregate principal amount, will be issued to the transferee in exchange hereof, as provided in the Indenture.

The Company and the Trustees may deem and treat the person in whose name this Bond is registered on such books as the absolute owner and holder hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment hereof, and on account hereof and for all other purposes, and neither the Company nor the Trustees shall be affected by any notice to the contrary.

Upon any partial redemption of this Bond, at the option of the registered holder hereof, this Bond may be either (i) surrendered to the Trustee in exchange for one or more new registered Bonds without coupons, of authorized denominations, registered in the name of such holder, in an aggregate principal amount equal to the principal amount remaining unpaid upon this Bond, or (ii) submitted to the Trustee for notation hereon of the payment of the portion of the principal hereof paid upon such partial redemption.

This Bond shall not be valid or become obligatory for any purposes until the certificate endorsed hereon shall be signed by the Trustee under the Indenture.

IN WITNESS WHEREOF, SOUTHWEST GAS CORPORATION has caused this Bond to be signed manually or by facsimile signature by its President or a Vice-President and its corporate seal or a facsimile thereof to be affixed hereto and attested by the manual or facsimile signature of its Secretary or an Assistant Secretary.

Dated,, 19.....

SOUTHWEST GAS CORPORATION

By

President

Attest:

Secretary

[TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

This Bond is one of the Bonds, of the series designated herein, described in the within-mentioned Indenture.

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, Trustee

By

Authorized Officer

[FORM OF COUPON BOND OF THE 1990 SERIES BONDS]

SOUTHWEST GAS CORPORATION

FIRST MORTGAGE BOND, 4 $\frac{7}{8}$ % SERIES DUE 1990

DUE APRIL 1, 1990

\$.....

No. MM.....

For value received, SOUTHWEST GAS CORPORATION, a corporation organized and existing under the laws of the State of California (hereinafter called the "Company", which term shall include any successor corporation as defined in the Indenture hereinafter referred to), hereby promises to pay to bearer, or if this Bond be registered as to principal, to the registered owner hereof on April 1, 1990, the sum of One Thousand Dollars (\$1,000) in coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay interest thereon from the date hereof at the rate of four and seven-eighths per cent. (4 $\frac{7}{8}$ %) per annum, in like coin or currency, payable semiannually on the first day of April and the first day of October in each year until the principal hereof shall be paid. Until the date when such principal shall have become due and payable, interest shall be paid only upon presentation and surrender and according to the tenor of the interest coupons hereto annexed as they severally mature. Payments of both principal and interest are to be made at the principal trust office of the Trustee in the City of Los Angeles, California, or at the option of the holder, at the office or agency of the Company in the Borough of Manhattan, The City of New York.

[Here insert paragraphs 2 to 12 inclusive of the foregoing form of Registered Bond without coupons]

This Bond is transferable by delivery unless registered as to principal in the name of the holder on the registry books to be kept for such purpose at the aforesaid principal trust office of the Trustee, Registrar for the Bonds, such registration being noted hereon. After such registration, no transfer hereof shall be valid unless made upon said books by the registered holder in person or by the attorney of such holder duly authorized in writing and similarly noted hereon; but this Bond may be discharged from registration by being, in like

manner, transferred to bearer, and thereupon transferability by delivery shall be restored, but again and from time to time this Bond may be registered or transferred to bearer as before. Such registration, however, shall not affect the negotiability of the coupons hereto appertaining, which shall always continue to be payable to bearer and to be transferable by delivery.

The Company and the Trustee may deem and treat the bearer of this Bond, if it be not registered as to principal, or, if this Bond be registered as herein authorized, the person in whose name the same is registered, and the bearer of any coupon hereto appertaining, as the absolute owner and holder hereof and thereof (whether or not this Bond or such coupon shall be overdue) for the purpose of receiving payment hereof and thereof, and on account hereof and thereof and for all other purposes, and neither the Company nor the Trustee shall be affected by any notice to the contrary.

Neither this Bond nor any coupon hereto attached shall be valid or become obligatory for any purpose until the certificate endorsed hereon shall be signed by the Trustee under the Indenture.

IN WITNESS WHEREOF, SOUTHWEST GAS CORPORATION has caused this Bond to be signed manually or by facsimile signature by its President or a Vice-President and its corporate seal or a facsimile thereof to be affixed hereto and attested by the manual or facsimile signature of its Secretary or an Assistant Secretary, and coupons for interest, bearing the facsimile signature of its Treasurer, to be hereunto attached.

Dated, April 1, 1965

SOUTHWEST GAS CORPORATION

By

President

Attest:

Secretary

[FORM OF COUPON]

No. \$

On the first day of _____, 19____, unless the Bond below mentioned shall have been called for previous redemption and payment thereof duly provided for, SOUTHWEST GAS CORPORATION will pay to bearer upon surrender hereof at the principal trust office of Bank of America National Trust and Savings Association, Los Angeles, California, or at the option of the bearer at the office or agency of the Company in the Borough of Manhattan, The City of New York, the amount shown hereon, in lawful money of the United States of America, being six months interest then payable on its First Mortgage Bond, 4% Series due 1990.

.....
Treasurer.**ARTICLE THIRD****Miscellaneous**

§ 3.1. The Company is lawfully seized and possessed of all the real estate, franchises and other property described or referred to in the Indenture as presently mortgaged, subject to the exceptions stated therein, such real estate, franchises and other property are free and clear of any lien prior to the lien of the Indenture except as set forth in the Granting Clauses of the Indenture and the Company has good right and lawful authority to mortgage the same as provided in and by the Indenture.

§ 3.2. The Trustees assume no duties, responsibilities or liabilities by reason of this Supplemental Indenture other than as set forth in the Indenture as heretofore and hereby amended, and this Supplemental Indenture is executed and accepted by the Trustees subject to all the terms and conditions of the acceptance of the trust under the Indenture, as heretofore and hereby amended, as fully as if said terms and conditions were herein set forth at length.

§ 3.3. The terms used in this Supplemental Indenture shall have the meanings assigned thereto in the Indenture. Reference by number

in this Supplemental Indenture to Articles or Sections shall be construed as referring to Articles and Sections contained in the Indenture, unless otherwise stated.

§ 3.4. As amended and modified by this Supplemental Indenture, the Indenture is in all respects ratified and confirmed and the Indenture as heretofore amended and this Supplemental Indenture shall be read, taken and construed as one and the same instrument.

§ 3.5. This Supplemental Indenture may be simultaneously executed in any number of counterparts and all said counterparts executed and delivered each as an original shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed on April 6., 1965, all as of the day and year first above written.

SOUTHWEST GAS CORPORATION,

By [Signature]
President.

Attest:

[Signature]
Secretary.

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION.

By [Signature]
Trust Officer.

Attest:

[Signature]
Assistant Trust Officer.

[Signature]
C. F. Felt



EXHIBIT A

SOUTH TAHOE LATERAL

Beginning at a point on the Southwest Gas Corporation's Carson City Lateral line in the NW $\frac{1}{4}$ of Sec. 4, T-14-N, R-20-E, M.D.B.&M., Douglas County, Nevada; thence in a westerly direction through Secs. 4, 5, & 6, said township & range; thence in a southerly direction through Sections 6, 7, 18, 19, 30 & 31 to a point on the south line of Sec. 31, said township & range; continuing in a southerly direction through Secs. 6, 7, 18 & 19 to a point in the SW $\frac{1}{4}$ of said Sec. 19, T-13-N, R-20-E, M.D.B.&M.; thence westerly to a point on the west line of said Sec. 19, said township & range; continuing thence in a westerly direction through sections, 24, 23, & 22 to a point in the SW $\frac{1}{4}$ of said Sec. 22, T-13-N, R-19-E, M.D.B.&M., Douglas County, Nevada; thence in a southwesterly direction through Secs. 22 & 27 to a point in the NW $\frac{1}{4}$ of said Sec. 27, said township & range; thence in a westerly direction through secs. 27, 28, 29, 20, 19 & 30 to the Point of Ending in the SE $\frac{1}{4}$ of said Section 19, T-13-N, R-19-E, M.D.B.&M., Douglas County, Nevada.

BIG BEAR LATERAL

Beginning at a point on Southwest Gas Corporation's pipeline in the N $\frac{1}{2}$ of Sec. 15, T-4-N, R-1-W, S.B.B.&M., San Bernardino County, California; thence in a southerly direction through Secs. 15, 22, 27 & 34 to a point on the south line of said Sec. 34, said township & range; continuing thence in a southerly direction through Secs. 3, 10, 9, 16, 21, 22, 27, 26, 35 & 36, T-3-N, R-1-W, S.B.B.&M., San Bernardino County, California, to a point on the east line of said Sec. 36, said township & range; continuing thence in a southerly direction to a point on the south line of Section 31, T-3-N, R-1-E, S.B.B.&M., San Bernardino County, California; continuing thence in a southerly direction through Secs. 6, 7 & 18 to an ending point in the NE $\frac{1}{4}$ of said Sec. 18, T-2-N, R-1-E, S.B.B.&M., San Bernardino, California.

FIBREBOARD LATERAL

Beginning at a point on Southwest Gas Corporation's Apex line in the NW corner of Section 20 T-19-S, R-63-E, M.D.B.&M., Clark County, Nevada; thence in a southeasterly direction through Secs. 20, 21, 28, 27, 34 & 35 to a point on the south line of Section 35, said township & range; continuing thence in a southeasterly direction through Sections 2, 1 & 12 to a point on the east line of said Section 12, T-20-S, R-63-E,

M.D.B.&M., Clark County, Nevada; continuing thence in a southeasterly direction to a point of ending in the NW $\frac{1}{4}$ of Sec. 7, T-20-S, R-64-E, M.D.B.&M., Clark County, Nevada.

GENOA LATERAL

Beginning at a point on Southwest Gas Corporation's South Tahoe Lateral line in the NW $\frac{1}{4}$ of Sec. 18, T-13-N, R-20-E, M.D.B.&M., Douglas County, Nevada; thence in a westerly direction to a point on the west line of Sec. 18, said township & range, continuing in a westerly direction through Secs. 13 & 14 to a point in the Northeast $\frac{1}{4}$ of Sec. 14, T-13-N, R-19-E, M.D.B.&M., Douglas County, Nevada; thence in a north-westerly direction through Secs. 14, 11, 10 & Sec. 9, to a point of ending in the SE $\frac{1}{4}$ of said Sec. 9, T-13-N, R-19-E, M.D.B.&M., Douglas County, Nevada.

DAYTON LATERAL LINE

Beginning at a point on Southwest Gas Corporation's Carson City Lateral line in the Northwest $\frac{1}{4}$ of Sec. 12, T-16-N, R-21-E, M.D.B.&M., Lyon County, Nevada; thence in a southwesterly direction through Secs. 12, 11, 14 & 23 to a Point of Ending in the NE $\frac{1}{4}$ of said Sec. 23, T-16-N, R-21-E, M.D.B.&M.

WINNEMUCCA LATERAL

Beginning at a point on Southwest Gas Corporation's 16" mainline in the NE $\frac{1}{4}$ of Section 26, T-36-N, R-36-E, M.D.B.&M., Humboldt County, Nevada; thence in a southeasterly direction, crossing Sections 26 & 25, said township & range, to a point on the west line of Section 30, T-36-N, R-37-E, M.D.B.&M., Humboldt County, Nevada; continuing thence in an easterly direction, crossing Sections 30, 29, 28, 27, 26, & 25, said township & range, to a point on the west line of Section 30, T-36-N, R-38-E, M.D.B.&M., Humboldt County, Nevada; continuing thence in a north easterly direction, crossing Sections 30 & 19, said township & range, to a Point of Ending in the SE $\frac{1}{4}$ of said Section 19.

GABBS LATERAL

Beginning at a point on Southwest Gas Corporation's Carson City lateral in the SW $\frac{1}{4}$ of Sec. 18, T-19-N, R-25-E, M.D.B.&M., Lyon County, Nevada; Thence in an easterly direction crossing Sections 18, 17, 20, 16, 15, 22, 23 & 24, said township & range, to a point on the west line of Section 19, T-19-N, R-26-E, M.D.B.&M., Lyon County, Nevada;

continuing thence in an easterly direction, crossing Sections 19, 20, 21, 22, 23, & 24, said township & range, to a point on the west line of Section 19, T-19-N, R-27-E, M.D.B.&M., Churchill Co., Nevada; continuing thence in an easterly direction, crossing Sections 19, 20, 17, 16, 15, 14, 13 & 24, said township and range, to a point on the west line of Section 19, T-19-N, R-28-E, M.D.B.&M., Churchill Co., Nevada; continuing thence in a southeasterly direction, crossing Sections 19, 30, 29, 28, 27, 26, 25 & 36, said township & range, to a point on the north line of Section 1, T-18-N, R-28-E, M.D.B.&M., Churchill Co., Nev.; continuing thence across said Section 1 to a point on the west line of Section 6, T-18-N, R-29-E, M.D.B.&M., Churchill Co., Nev.; continuing thence in an easterly direction crossing said Sec. 6, thence in a southerly direction crossing Secs. 6, 7, 18 & 19, said township & range; thence in an easterly direction crossing Sections 20, 29, 21 & 22, said township & range; thence in a southerly direction, crossing Sections 26 & 35, said township & range; thence in an easterly direction, crossing Sections 35 and 36, said township & range, to a point on the west line of Section 31, T-18-N, R-30-E, M.D.B.&M., Churchill Co., Nevada; continuing thence in a southeasterly direction, crossing Sections 31 & 32, said township & range, to a point on the north line of Section 5, T-17-N, R-30-E, M.D.B.&M., Churchill Co., Nevada; continuing thence in a southeasterly direction, crossing Sections 5, 8, 17, 16, 20, 29, 32 and 33, said township & range, to a point on the north line of unsurveyed T-16-N, R-30-E, M.D.B.&M., Churchill Co., Nevada; continuing thence in a southeasterly direction, crossing said township & range, to a point on the north line of unsurveyed T-15-N, R-30-E, M.D.B.&M., Churchill Co., Nevada; continuing thence in a southeasterly direction, crossing said township & range, to a point on the west line of unsurveyed T-15-N, R-31-E, M.D.B.&M., Churchill County, Nevada; continuing thence in a southeasterly direction, crossing said township & range, to a point on the west line of unsurveyed T-15-N, R-31½E, M.D.B.&M., Churchill Co., Nevada, continuing thence in a southeasterly direction, crossing said township & range, to a point on the west line of unsurveyed T-15-N, R-32-E, M.D.B.&M., Churchill Co., Nevada; continuing thence in a southeasterly direction, crossing said township & range, to a point on the north line of unsurveyed T-14-N, R-32-E, M.D.B.&M., Churchill Co., Nevada; continuing thence in a southeasterly direction, crossing said township & range, to a point on the north line of Section 4, T-13-N, R-32-E, M.D.B.&M., Mineral Co., Nevada; continuing thence in a southeasterly direction, crossing Sections 4, 9, 10, 15, 14, 23, 24 & 25, said township & range, to a point on the west line of unsurveyed T-13-N,

R-33-E, M.D.B.&M., Mineral Co., Nevada; continuing thence in an easterly direction, crossing said township & range, to a point on the west line of unsurveyed T-13-N, R-34-E, M.D.B.&M., Mineral Co., Nevada; continuing thence in a southeasterly direction, crossing said township & range, to a point on the north line of Section 5, T-12-N, R-34-E, M.D.B.&M., Nye County, Nevada; continuing thence in a southeasterly direction, crossing Sections 5, 4, 3, 2, 11 & 12, said township & range, to a point on the west line of Section 7, T-12-N, R-35-E, M.D.B.&M., Nye County, Nevada; continuing thence in a southeasterly direction, crossing Sections 7, 8, 9, 16, 15, 14, 13 & 24, said township & Range, to a point on the west line of Section 19, T-12-N, R-36-E, M.D.B.&M., Nye County, Nevada; continuing thence in a southeasterly direction, crossing Sections 19, 20, 21, 28 and 27, said township & range, to a point of ending in the NE $\frac{1}{4}$ of said Section 27.

ELKO LATERAL

Beginning at a point on Southwest Gas Corporation's 16" main line in the NE $\frac{1}{4}$ of Section 26, T-36-N, R-36-E, M.D.B.&M., Humboldt County, Nevada; thence in a southeasterly direction crossing Sections 26 & 25, said township & range, to a point on the west line of Section 30, T-36-N, R-37-E, M.D.B.&M., Humboldt County, Nevada; continuing thence in a southeasterly direction, crossing Sections 30, 29 & 28, said township & range; thence in a southerly direction, crossing Sections 28 & 33, said township & range, to a point on the north line of Section 3, T-35-N, R-37-E, M.D.B.&M., Humboldt County, Nevada; continuing thence in a southerly direction, crossing Sections 3 and 10, said township & range; thence in a southeasterly direction, crossing Sections 15, 14, 23, 24, 25 & 36, said township & range, to a point on the west line of Section 31, T-35-N, R-38-E, M.D.B.&M., Humboldt County, Nevada; continuing thence in a southeasterly direction across said Section 31 to a point on the north line of Section 6, T-34-N, R-38-E, M.D.B.&M., Pershing County, Nevada; continuing thence in a southeasterly direction, crossing Sections 6, 7, 18, 17, 20, 29, 32 & 33, said township & range to a point on the north line of Section 4, T-33-N, R-38-E, M.D.B.&M., Pershing County, Nevada; continuing thence in a southeasterly direction, crossing Sections 4, 9, 16, 21, 28, 27 & 34, said township & range, to a point on the north line of Section 3, T-32-N, R-38-E, M.D.B.&M., Pershing County, Nevada; continuing thence in a southeasterly direction, crossing Sections 3, 2, 11, 12 & 13, said township & range, to a point on the west line of Section 18, T-32-N, R-39-E, M.D.B.&M., Pershing County, Nevada; continuing thence in an easterly direction crossing

Sections 18, 17, 16, 15, 22, 23, 24 & 13, said township and range, to a point on the west line of Section 18, T-32-N, R-40-E, M.D.B.&M., Pershing County, Nevada; continuing thence in an easterly direction, crossing Sections 18, 17, 8, 9, 10, 11, 12 & 13, said township & range, to a point on the west line of Section 18, T-32-N, R-41-E, M.D.B.&M., Pershing County, Nevada; continuing thence in a southeasterly direction, crossing Sections 18, 17, 20, 21, 22, 27, 34 and 35, said township & range, to a point on the north line of Section 2, T-31-N, R-41-E, M.D.B.&M., Pershing Co., Nevada; continuing thence in a southeasterly direction, crossing Sections 2, 1, 12 & 13, said township & range, to a point on the west line of Section 18, T-31-N, R-42-E, M.D.B.&M., Humboldt County, Nevada; continuing thence in a southeasterly direction, crossing Sections 18, 19, 30, 29, 28, 27, 34, 35 & 36, said township & range, to a point on the west line of Section 31, T-31-N, R-43-E, M.D.B.&M., Lander Co., Nevada; continuing thence in a southeasterly direction across said Section 31, to a point on the north line of Section 6, T-30-N, R-43-E, M.D.B.&M., Lander County, Nevada; continuing thence in a southeasterly direction, crossing Sections 6, 5, 4, 3, 10, 11, 12 & 1, said township & range to a point on the west line of Section 6, T-30-N, R-44-E, M.D.B.&M., Lander County, Nevada; continuing thence in a northeasterly direction across said Section 6 to a point on the south line of Section 31, T-31-N, R-44-E, M.D.B.&M., Lander County, Nevada; continuing thence in a northeasterly direction, crossing Sections 31, 32, 33, 34, 35, 26 & 25, said township & range, to a point on the west line of Section 30, T-31-N, R-45-E, M.D.B.&M., Lander County, Nevada; continuing thence in a northeasterly direction, crossing Sections 30, 29, 28, 27, 22, 23 & 24, said township & range, to a point on the west line of Section 19, T-31-N, R-46-E, M.D.B.&M., Lander County, Nevada; continuing thence in a northeasterly direction, crossing Sections 19, 20, 17, 16, 15, 14 & 13, said township & range, to a point on the west line of Section 18, T-31-N, R-47-E, M.D.B.&M., Lander County, Nevada; continuing thence in a northeasterly direction, crossing Sections 18, 17, 16, 15, 10, 11 & 12, said township & range, to a point on the west line of Section 7, T-31-N, R-48-E, M.D.B.&M., Lander County, Nevada; continuing thence in an easterly direction crossing Sections 7, 8, 9, 10, 11, 2 & 1, said township & range, to a point on the south line of Section 36, T-32-N, R-48-E, M.D.B.&M., Eureka County, Nevada; continuing thence in an easterly direction across said Section 36 to a point on the west line of Section 31, T-32-N, R-49-E, M.D.B.&M., Eureka County, Nevada; continuing thence in a northeasterly direction, crossing Sections 31, 32, 33, 28, 27, 22, 23, 24 & 13, said township & range, to a point on the west line of Section 18, T-32-N, R-50-E, M.D.B.&M., Eureka County, Nevada;

continuing thence in a northeasterly direction, crossing Sections 18, 17, 8, 9, 10, 11 & 12, said township & range, to a point on the west line of Section 17, T-32-N, R-51-E, M.D.B.&M., Eureka County, Nevada; continuing thence in a northeasterly direction, crossing Sections 17, 8, 9, 16, 10, 3, 2 & 1, said township & range, to a point on the south line of Section 36, T-33-N, R-51-E, M.D.B.&M., Eureka County, Nevada; continuing thence across said Section 36 to a point on the west line of Section 31, T-33-N, R-52-E, M.D.B.&M., Eureka County, Nevada; continuing in a northeasterly direction, crossing Sections 31, 32, 29, 28, 21, 22, 15, 14 & 13, said township & range, to a point on the west line of Section 18, T-33-N, R-53-E, M.D.B.&M., Elko County, Nev.; continuing thence in a northeasterly direction, crossing Sections 18, 17, 8, 9, 10, 11 and 12, said township & range, to a point on the west line of Section 7, T-33-N, R-54-E, M.D.B.&M., Elko County, Nevada; continuing thence in a northeasterly direction, crossing sections 7, 6, 5, 4, & 3, said township and range, to a point on the south line of Section 34, T-34-N, R-54-E, M.D.B.&M., Elko County, Nevada; continuing thence in a northeasterly direction, crossing Sections 34, 35, 36 & 25, said township & range, to a point of ending in the SE $\frac{1}{4}$ of said Section 25.

CENTEX LATERAL

Beginning at a point on Southwest Gas Corporation's Fernley lateral in the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 11, T-20-N, R-24-E, M.D.B. &M., Lyon County, Nevada; thence following the northerly Right of Way line of U. S. Hwy 40 in a westerly and northerly direction to a point of ending in the NW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of said Section 11.

CARLIN LATERAL

Beginning at a point on Southwest Gas Corporation's Elko lateral in the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 22, T-33-N, R-52-E, M.D.B.&M., Elko County, Nevada; thence following the east side of the Maggie Creek Road in a southeasterly direction across Sections 22 & 23 to a point of ending in the SW $\frac{1}{4}$ of SW $\frac{1}{4}$ of said Section 23.

BATTLE MOUNTAIN LATERAL

Beginning at a point on the Southwest Gas Corporation's Elko lateral in the NE $\frac{1}{4}$ of Section 29, T-31-N, R-45-E, M.D.B.&M., Lander County, Nevada; thence in a northwesterly direction, crossing Sections 29, 20, 17, 8 & 5, said township & range, to a point on the south line of Section 32, T-32-N, R-45-E, M.D.B.&M., Lander County, Nevada; con-

tinuing thence in a northwesterly direction, crossing Sections 32, 29 & 20, said township & range, to a point of ending in the NW $\frac{1}{4}$ of said Section 20.

MINDEN LATERAL

Beginning at a point on Southwest Gas Corporation's South Tahoe lateral line in the SW $\frac{1}{4}$ of Sec. 19, T-13-N, R-20-E, M.D.B.&M., Douglas County, Nevada; thence in a southerly direction to a point in the NE $\frac{1}{4}$ of Sec. 30, said township & range; thence in a southeasterly direction to a point of ending in the SE $\frac{1}{4}$ of Sec. 30, T-13-N, R-20-E, M.D.B.&M., Douglas County, Nevada.

YERINGTON LATERAL

Beginning at a point on Southwest Gas Corporation's Carson City lateral in the SW $\frac{1}{4}$ of Sec. 2, T-17-N, R-23-E, M.D.B.&M., Lyon County, Nevada; thence in a southeasterly direction, crossing Sections 2, 11, 14, 23, 24, 25, & 36, said township & range, to a point on the north line of Section 1, T-16-N, R-23-E, M.D.B.&M., Lyon County, Nevada; continuing thence in a southeasterly direction, crossing Sections 1 & 12, said township and range, to a point on the west line of Section 7, T-16-N, R-24-E, M.D.B.&M., Lyon County, Nevada; continuing thence in a southeasterly direction, crossing Sections 7, 8, 17, 20, 21, 28, 33 & 34, said township & range, to a point on the north line of Section 3, T-15-N, R-24-E, M.D.B.&M., Lyon County, Nevada; continuing thence in a southeasterly direction, crossing Sections 3, 2, 11, 12, 13, 24, 25 & 36, said township & range, to a point on the north line of Section 1, T-14-N, R-24-E, M.D.B.&M., Lyon County, Nevada; continuing thence in a southeasterly direction, crossing Sections 1, 12 & 13, said township & range, to a point on the west line of Section 18, T-14-N, R-25-E, M.D.B.&M., Lyon County, Nevada; continuing thence in a southeasterly direction, crossing Sections 18, 19, 20, 29, 32 & 33, said township & range, to a point on the north line of Section 4, T-13-N, R-25-E, M.D.B.&M., Lyon County, Nevada; continuing thence in a southerly direction, crossing Sections 4 & 9, said township & range, to a point of ending in the SE $\frac{1}{4}$ of said Section 9.

STATE OF NEVADA }
COUNTY OF CLARK } SS.:

On this 6 day of April, 1965, personally appeared before me, a Notary Public in and for said County, W. M. LAUB, known to me to be the President of Southwest Gas Corporation, one of the corporations that executed the foregoing instrument, and upon oath did depose: that he is the officer of the said corporation as above designated; that he is acquainted with the seal of said corporation and that the seal affixed to the instrument is the corporate seal of said corporation; that the signature to the instrument was made by an officer of said corporation as indicated after said signature; and that the corporation executed said instrument freely and voluntarily and for the uses and purposes therein mentioned.

William A. Ford
Notary Public in and for said County
and State.
My Commission expires *June 4, 1967*



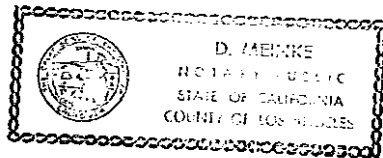
STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES } SS.:

On this 6th day of April, 1965, before me, D. MEINKE a Notary Public in and for the said County and State, residing therein, duly commissioned and sworn, personally appeared D. C. Easterday and W. F. FUQUA, known to me to be a Trust Officer and Assistant Trust Officer, respectively, of Bank of America National Trust and Savings Association, one of the corporations that executed the within instrument, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

D Meinke
Notary Public in and for the County
of Los Angeles, State of California.
My Commission expires
D. MEINKE

57 My Commission Expires Nov. 14, 1968



STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES } ss.:

On this 6th day of April, 1965, before me, D. MEINKE
a Notary Public in and for the said County and State, residing therein,
duly commissioned and sworn, personally appeared C. F. FELT, known
to me to be the person described in and who executed the within
instrument, and acknowledged to me that he executed the same.

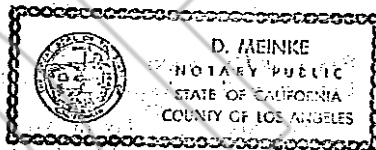
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my
official seal the day and year in this certificate first above written.

D. Meinke

Notary Public in and for the County
of Los Angeles, State of California.
My Commission expires

D. MEINKE

My Commission Expires Nov. 14, 1968



File No. 40756

RECORDED AT THE REQUEST OF
Southwest Gas Corporation

April 8 A. D. 19 65

At 02 minutes past 1 P.M.

in Book 7 of OFFICIAL RECORDS

Page 64-134 Records of

EUREKA COUNTY, NEVADA

Mills A. White Recorder

Fee \$ 64.25