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SOUTHWEST GAS CORPORATION

AND

BANK OF AMERICA NATIONAL TRUST  
AND SAVINGS ASSOCIATION

AND

D. C. EASTERDAY

As Trustees

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**Thirteenth Supplemental Indenture**

Dated: June 1, 1971

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

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First Mortgage Bonds,  $8\frac{7}{8}\%$  Series due 1996.

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**SOUTHWEST GAS CORPORATION**  
**INDENTURE OF MORTGAGE AND DEED OF TRUST**  
**Dated June 1, 1951 as Supplemented and Amended**

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

**INDENTURE**, dated June 1, 1971, 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 **D. C. EASTENDAY**, residing at 12731 Califa Street, North Hollywood, California 91607 (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, September 1, 1964, April 1, 1965, November 1, 1966 and March 1, 1970; 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 several series, of which the respective series and principal amounts specified below are outstanding at June 1, 1971:

<u>Series</u>	<u>Principal Amount Outstanding</u>
First Mortgage Bonds, 4% Series due 1973 .....	\$ 17,000
First Mortgage Bonds, 5% Series A due 1973 .....	\$ 75,000
First Mortgage Bonds, 5% Series B due 1973 .....	\$ 190,000
First Mortgage Bonds, 5% (now 5.28%) Series due 1976	\$ 750,000
First Mortgage Bonds, 5% Series B due 1977 .....	\$ 86,000
First Mortgage Bonds, 4¾% Series due 1979 .....	\$ 528,000
First Mortgage Bonds, 5% Series due 1981 .....	\$ 846,000
First Mortgage Bonds, 6% Series due 1985 .....	\$ 939,000
First Mortgage Bonds, 5½% Series due 1987 .....	\$4,148,000
First Mortgage Bonds, 5½% Series B due 1987 .....	\$7,280,000
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First Mortgage Bonds, 4⅞% Series due 1990 .....	\$5,700,000
First Mortgage Bonds, 6¼% Series due 1991 .....	\$7,350,000
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; 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 sixteenth series of Bonds to be known as "First Mortgage Bonds, 8⅞% Series due 1996" (herein sometimes called "1996 Series Bonds"); 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, the Indenture provides, and the Bonds recite, that subject to certain exceptions not presently relevant, if and to the extent authorized by the written consent of the holders for the time being of at least sixty-six and two-thirds per cent. (66 $\frac{2}{3}$ %) in principal amount of the Bonds then outstanding under the Indenture, such changes in or additions to the provisions of the Indenture may be made as such holders and the Company may deem necessary or advisable; and

WHEREAS, the holders of at least sixty-six and two-thirds per cent. (66 $\frac{2}{3}$ %) in principal amount of the Bonds outstanding under the Indenture have authorized by their written consent the execution of this Fourteenth Supplemental Indenture and the changes in and additions to the provisions of the Indenture hereinafter set forth; 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 sealing 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, unto the Trustees, their respective successors in the trust, and their assigns forever, and created a security interest in favor of the Trustees, their successors and assigns in, 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, and has created and does hereby create a security interest in favor of the Trustees, their successors and assigns in, all of the property, real, personal and mixed, now owned by the Company and situated in SAN BERNARDINO COUNTY and PLACER COUNTY in the STATE OF CALIFORNIA, in CARSON CITY and CHURCHILL, CLARK, DOUGLAS, ELKO, EUREKA, HUMBOLDT, LANDER, LYON, MINERAL, NYE, 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 following:

## "DAVIS DAM 16" LOOP LINE"

Commencing at the northeast corner of Section 12, T-32-S, R-64-E, M.D.M., Clark County, Nevada; thence southwesterly, on a course bearing South 65° 43' West a distance of 3887.03 feet more or less, to a point in the Southeast Quarter (SE $\frac{1}{4}$ ) of the Northwest Quarter (NW $\frac{1}{4}$ ) of said Section 12, said point being the True Point of Beginning; thence on a Southeasterly course, said course bearing South 21° 08' East through Sections 12, 13 and 24 T-32-S, R-64-E, and continuing said course to a point in



the Southeast Quarter (SE $\frac{1}{4}$ ) of the Southwest Quarter (SW $\frac{1}{4}$ ) of Section 19, T-32-S, R-65-E, a distance of 14,291.56 feet to a point; thence South 38° 20' East through said Section 19 and continuing through Section 30, T-32-S, R-65-E, a distance of 1507.87 feet to a point, said point being on the quarter Section line, South 1° 46' East a distance of 311.39 feet from the north quarter corner of said Section 30, T-32-S, R-65-E, M.D.M., the True Point of Ending.

"20' PIPELINE FROM FORT MOHAVE STEAM GENERATING PLANT  
METERING AND REGULATING SITE,  
SOUTHEASTERLY TO CENTER COLORADO RIVER"

PARCEL No. 1

A right of way and easement twenty five (25) feet in width, being five (5) feet on the northerly side of and twenty (20) feet on the southerly side of the following described centerline through portions of Sections 21 and 22, Township 33 South, Range 66 East, M.D.M., Clark County, Nevada, said description being based upon the "Limited Dependent Resurvey and Accretion Survey", executed by Eldon W. Sibley, Cadastral Surveyor, from November 27 to December 8, 1961, pursuant to special instructions dated October 8, 1961, for Group 395, Nevada and accepted by the United States Department of the Interior, Bureau of Land Management, Washington, D.C., on May 17, 1962, C. E. Remington, Chief, Division of Engineering, signing for the Director.

NOTE: There are several metes and bounds descriptions for the northeasterly boundary of the Fort Mohave Indian Reservation. The survey as made by Leavitt & Holler, Surveyors Limited and completed in November of 1969, indicates the bearing of said boundary as South 53° 51' 06" East; the U. S. B. L. M. Master Title Plat Map indicates the said boundary as bearing South 56° 51' East; the U. S. G. L. O. indicates the said boundary as bearing South 56° 51' 52" East; and the Executive Order creating said Indian Reservation indicates the boundary as bearing South 56° 51' 32" East. For the purpose of this Legal Description the survey made by said Leavitt & Holler, Surveyors Limited shall be used as the bearing (South 53° 51' 06" East) for the northeasterly boundary of said Fort Mohave Indian Reservation. Therefore;



Commencing at the Northwest corner of Section 21; thence southerly along the west line of said Section 21, a distance of 243.76 feet to a point, said point being 20.00 feet in a northeasterly direction from and perpendicular to the northeast boundary line of the Fort Mohave Indian Reservation; thence South 53° 51' 06" East along a line parallel to, and 20.00 feet distant from said Fort Mohave Indian Reservation northeast boundary a distance of 6007.00 feet to the True Point of Beginning; thence continuing South 53° 51' 06" East a distance of 1033.00 feet more or less to a point; thence South 74° 18' East a distance of 1371.00 feet more or less to a point; thence South 33° 43' East a distance of 605.00 feet more or less to a point, said point being the center of the Colorado River, the True Point of Ending.

PARCEL No. 2

Commencing at the Northeast corner of Section 21, T-33-S, R-66-E, M.D.M., Clark County, Nevada; thence Southerly along the east line of said Section 21 a distance of 3650.26 feet to a point, said point being 20.00 feet in a Northeasterly direction from and perpendicular to the Northeast boundary line of the Fort Mohave Indian Reservation; thence North 53° 51' 06" West along a line parallel to, and 20.00 feet distant from said Fort Mohave Indian Reservation Northeast boundary a distance of 348.00 feet more or less to a point, said point being the True Point of Beginning; thence continuing Northwesterly across Sections 21, 20 and 17 on a course bearing North 53° 51' 06" West a distance of 7594.09 feet to a point, said point being 20.00 feet west of the east 1/16 section line of said Section 17 and Section 8; thence Northerly, parallel to and 20.00 Westerly of said 1/16 section line bearing North 02° 58' 14" East a distance of 3,121.51 to a point said point being on the "Davis Dam-Needles County Road" right of way in the Southwest Quarter (SW $\frac{1}{4}$ ) of the Northeast Quarter (NE $\frac{1}{4}$ ) of said Section 8, T-33-S, R-66-E and being the True Point of Ending.

II

FED LANDS

The following described real property located in the State of Nevada, County of Washoe, to wit:

"REGULATING AND MEASUREMENT STATION  
(MAIN LINE — CARSON TAP)"

A parcel of land comprising one square acre, more or less, located in a portion of the Southwest One Quarter (SW $\frac{1}{4}$ ) of



Section One (1), Township Twenty (20) North, Range Twenty-three (23) East, Mount Diablo Base and Meridian, Washoe County, Nevada, more particularly described as follows:

Beginning at the Southeast corner of said Section One (1); thence North Eighty-nine degrees, Twenty-four minutes, Fifty-seven seconds West (N 89° 24' 57" W) a distance of Nine Hundred seventy and 00/100 (970.00) feet along the south line of said Section One (1) to a point; thence North Fifty-four degrees, Thirty-two minutes, Twenty-six seconds West (N 54° 32' 26" W) a distance of Three Thousand Seventy-three point Sixty-five (3073.65) feet to a point, said point being the True Point of Beginning; thence North Thirty-five degrees, Twenty-seven minutes, Thirty-four seconds East (N 35° 27' 34" E) a distance of One Hundred Four point Thirty-five (104.35) feet to a point; thence North Fifty-four degrees Thirty-two minutes Twenty-six seconds West (N 54° 32' 26" W) a distance of 208.71 feet to a point; thence South Thirty-five degrees Twenty-seven minutes Thirty-four seconds West (S 35° 27' 34" W) a distance of Two Hundred Eight point Seventy-one (208.71) feet to a point; thence South Fifty-four degrees Thirty-two minutes Twenty-six seconds East (S 54° 32' 26" E) a distance of Two Hundred Eight point Seventy-one (208.71) feet to a point; thence North Thirty-five degrees Twenty-seven minutes Thirty-four seconds East (N 35° 27' 34" E) a distance of One Hundred Four point Thirty-five (104.35) feet to a point; said point being the True Point of Beginning.

### III

#### 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 generating, 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.

## IV

## 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.

## V

## 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.

## VI

## FURTHER PROPERTY CONVEYED TO TRUSTEES

All property, including Excepted Property, which may from time to time after the date of this 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.

## VII

**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 one of 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 of the Indenture), 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 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 following be and it hereby is added immediately after the definition of the term "1995 Series Bond" in § 1.01, as heretofore amended:

"The term '1996 Series Bond' shall mean one of the First Mortgage Bonds, 8 $\frac{7}{8}$ % Series due 1996, issued hereunder."

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

"; 'Fourteenth Supplemental Indenture' shall mean the Supplemental Indenture dated June 1, 1971, supplemental to the Indenture."

§ 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 Fourteenth Supplemental Indenture, and upon delivery to the Trustee at any time or from time to time thereafter of all or any part of Five Mil-



lion dollars (\$5,000,000) principal amount of 1995 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."

§ 8.16. The phrase preceding clause (1) 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 (66 $\frac{2}{3}$ %) in principal amount of (a) the Bonds created prior to March 1, 1965 and (b) the 1995 Series Bonds and (c) the 1996 Series Bonds, 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 (a) any Bonds created prior to March 1, 1965 or (b) any 1995 Series Bonds or (c) any 1996 Series Bonds shall be outstanding 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."

§ 9.01. The following Clause P be and it hereby is added to § 9.01, immediately after the tabulation of sinking fund payments and dates for the 1995 Series Bonds:

"P. The Company will maintain a Sinking Fund (herein called the '*Sinking Fund for the 1996 Series Bonds*') to be applied as hereinafter provided for the 1996 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 1996 Series Bonds) necessary to redeem the principal amount of the 1996 Series Bonds set opposite such dates:

<u>Annual Dates</u>	<u>Principal Amount of Bonds to be Redeemed on the Respective Annual Dates</u>
June 1 in each year commencing June 1, 1974 and ending June 1, 1976 .....	\$ 50,000
June 1 in each year commencing June 1, 1977 and ending June 1, 1979 .....	\$100,000
June 1 in each year commencing June 1, 1980 and ending June 1, 1983 .....	\$150,000
June 1 in each year commencing June 1, 1984 and ending June 1, 1988 .....	\$175,000
June 1 in each year commencing June 1, 1989 and ending June 1, 1995 .....	\$200,000

On such annual dates the 1996 Series Bonds shall be redeemed at the principal amount of the Bonds so to be redeemed, together with accrued interest on such principal amount to the date fixed for redemption."

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

"P. The 1996 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 applicable percentage of the principal amount of the Bonds so to be redeemed set forth in the following table under the heading 'Redemption Price', together, in each case, with accrued interest on the principal



amount of the Bonds so to be redeemed to the date fixed for redemption:

If redeemed in the twelve-month period ending May 31	Redemption Price
1972	108.875%
1973	108.505%
1974	108.135%
1975	107.766%
1976	107.396%
1977	107.026%
1978	106.656%
1979	106.286%
1980	105.917%
1981	105.547%
1982	105.177%
1983	104.807%
1984	104.438%
1985	104.068%
1986	103.698%
1987	103.329%
1988	102.959%
1989	102.589%
1990	102.219%
1991	101.849%
1992	101.479%
1993	101.109%
1994	100.739%
1995	100.370%
1996	100.000%

The term 'premium' as used in the Indenture shall mean the amount, if any, by which the applicable redemption price (exclusive of accrued interest) determined in accordance with the foregoing table exceeds the principal amount of Bonds to be redeemed.

No redemption of the 1996 Series Bonds shall be made at the option of the Company prior to June 1, 1981, 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 lower than the interest rate specified in the title of the 1996 Series Bonds or having a weighted average life to maturity less than the weighted average life to maturity of the 1996 Series Bonds (all calculations made pursuant to this paragraph to be made in accordance with accepted financial practice).

§ 10.06. The following paragraph be and it hereby is added to § 10.06:

"In case of the redemption of 1996 Series Bonds pursuant to the provisions of Article IX, or in case of redemption thereof pursuant to any other section in which the redemption prices set forth in this § 10.06 are made applicable, the same shall, upon compliance with the provisions of this Article X, be redeemable as a whole at any time or in part from time to time, at the principal amount of the 1996 Series Bonds so to be redeemed, together with accrued interest on such principal amount to the date fixed for redemption."

§ 11.02. Clause (1) of § 11.02C is amended to read as follows:

"(1) PURCHASE MONEY OBLIGATIONS secured by a mortgage on the property to be released, or a portion thereof, maturing not more than ten years after the date of such deposit and not exceeding in principal amount sixty-six and two-thirds per cent. ( $66\frac{2}{3}\%$ ) of the Fair Value (as certified as above set forth) of the property covered by such purchase money mortgage, which purchase money obligations and the mortgages securing the same, shall be duly assigned to the Trustee and shall be received by the Trustee at the principal amount thereof in lieu of cash; *provided, however,* that the Trustee shall not accept any such purchase money obligations in lieu of cash as provided in this Clause in connection with the release of securities or in any case if thereby the then outstanding aggregate principal amount of all purchase money obligations received by the Trustee pursuant to this Clause and at the time held by the Trustee would equal or exceed five per cent. (5%) of the principal amount of all Bonds then outstanding hereunder."



**ARTICLE SECOND****1996 Series Bonds**

§2.1. There shall be a sixteenth series of Bonds, known as and entitled "First Mortgage Bonds, 8 $\frac{7}{8}$ % Series due 1996" (herein called the "1996 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 1996 Series Bonds which may be authenticated and delivered and outstanding under the Indenture is Five Million Dollars (\$5,000,000). No additional 1996 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 1996 Series Bonds.

The 1996 Series Bonds shall bear interest at the rate per annum specified in the title of the 1996 Series Bonds and shall mature June 1, 1996. The date of commencement of the first interest period for the 1996 Series Bonds shall be June 1, 1971.

The 1996 Series Bonds shall be coupon Bonds of the denomination of One Thousand Dollars (\$1,000) and/or registered Bonds without coupons of the denominations of One Thousand Dollars (\$1,000) and any multiple thereof. The coupon Bonds of the 1996 Series Bonds shall be dated as of said date of commencement of the first interest period for such series. The registered Bonds of the 1996 Series Bonds without coupons shall be dated as provided in §2.08 of the Indenture. All 1996 Series Bonds shall bear interest from their respective dates, such interest to be payable semi-annually on the first day of June and December in each year. Both the principal of and the interest on the 1996 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 1996 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 1996 Series Bonds shall be numbered from MP-1 upward, and the registered 1996 Series Bonds shall be numbered from RP-1 upward.



1996 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.

1996 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 1996 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 (including insertion of the interest rate specified in § 2.1) and variations as are in the Indenture provided or permitted:

[FORM OF REGISTERED BOND WITHOUT COUPONS OF THE 1996 SERIES BONDS]

**SOUTHWEST GAS CORPORATION**

**FIRST MORTGAGE BOND, 8<sup>3</sup>/<sub>8</sub>% SERIES DUE 1996**

**DUE JUNE 1, 1996**

\$.....

No. RP.....

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 June 1, 1996, 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 per annum specified in the title of this Bond in



like coin or currency, payable semi-annually on the first day of June and the first day of December 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 D. C. Easterday, as Trustees. The Trustee and said D. C. Easterday 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 specified in the title of this Bond (hereinafter referred to as the "1996 Series Bonds").

As provided in the Indenture, the 1996 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 applicable percentage of the principal amount of the Bonds so to be redeemed set forth in the following table under the heading "Redemption Price", together, in each case, with accrued interest on the principal amount of the Bonds so to be redeemed to the date fixed for redemption:

*[Here insert table of Redemption Prices set forth in § 10.05 P of the Indenture]*

No redemption of the 1996 Series Bonds shall be made at the option of the Company prior to June 1, 1981, 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 lower than the interest rate specified in the title of this Bond or having a weighted average life to maturity less than the weighted average life to maturity of this Bond (all calculations made pursuant to this paragraph to be made in accordance with accepted financial practice).

As provided in the Indenture, the 1996 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, together in each case with accrued interest on the principal amount of the Bonds so to be redeemed 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 1996 Series Bonds in coupon form and 1996 Series Bonds in registered form without cou-



pons, 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 1996 SERIES BONDS]

**SOUTHWEST GAS CORPORATION**

**FIRST MORTGAGE BOND, 8<sup>7</sup>/<sub>8</sub>% SERIES DUE 1996**

**DUE JUNE 1, 1996**

\$1,000

No. MP. ....

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 June 1, 1996, 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 per annum specified in the title of this Bond, in like coin or currency, payable semiannually on the first day of June and the first day of December 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, June 1, 1971

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, 8 1/8% Series due 1996.

.....  
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 con-



strued 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.

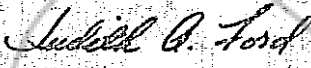
§ 3.5. This Supplemental Indenture may be simultaneously executed in any number of counterparts and all said counterparts executed and delivered each as an original shall constitute but one and the same instrument.

§ 3.6. The date of commencement of the first interest period for the 1996 Series Bonds shall be June 1, 1971.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed on June 17, 1971, all as of the day and year first above written.

SOUTHWEST GAS CORPORATION,

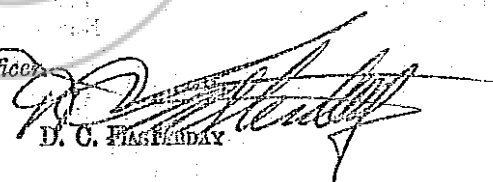
By  President.

Attest:   
Asst. Secretary.

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION,

By  Trust Officer.

Attest:   
Assistant Trust Officer.

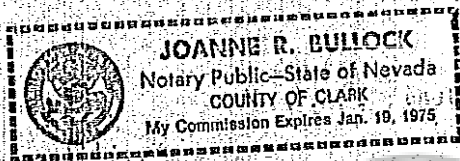
  
D. C. FLEETWAY





STATE OF NEVADA }  
COUNTY OF CLARK } SS.1

On this 17<sup>th</sup> day of June, 1971, 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.



*Joanne R. Bullock*  
Notary Public in and for said County  
and State.  
My Commission expires

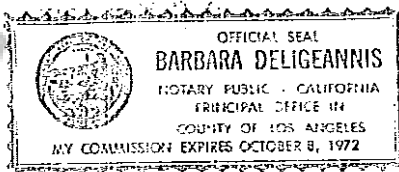
STATE OF CALIFORNIA }  
COUNTY OF LOS ANGELES } SS.:

On this 18<sup>th</sup> day of June, 1971, before me, Barbara Deligeannis a Notary Public in and for the said County and State, residing therein, duly commissioned and sworn, personally appeared A. D'Antonio and W. F. Chambers, 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.

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



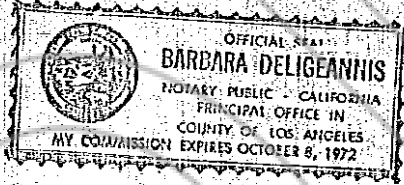


STATE OF CALIFORNIA }  
COUNTY OF LOS ANGELES } ss.:

On this 18th day of June, 1971, before me, Barbara Deligeannis a Notary Public in and for the said County and State, residing therein, duly commissioned and sworn, personally appeared D. C. BASTERDAY, 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.

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



RECORDED AT THE REQUEST OF Southwest Gas. Corp.  
on JUNE 22, 1971, at 4:45 mins. past 2 P. M. in  
Book 39 of OFFICIAL RECORDS, page 381-49 RECORDS OF  
EUREKA COUNTY, NEVADA William A. Melosh Recorder.  
File No. 54579 Fee \$40.00