

RECORDING REQUESTED BY & RETURN TO:
O'MELVENY & MYERS
400 SOUTH HOPE STREET
LOS ANGELES, CALIFORNIA 90071-2899

96517

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

SOUTHWEST GAS CORPORATION

AND

BANK OF AMERICA NATIONAL TRUST
AND SAVINGS ASSOCIATION

AND

D. C. EASTERDAY
As Trustees

Nineteenth Supplemental Indenture

DATED: OCTOBER 15, 1984

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

FIRST MORTGAGE BONDS, 12% SERIES A DUE 1991.

BOOK 1 30 PAGE 001

21#5119410-43

**RECONCILIATION AND TIE BETWEEN INDENTURE
DATED JUNE 1, 1951, AS SUPPLEMENTED AND
AMENDED BY VARIOUS SUPPLEMENTAL INDENTURES,
INCLUDING THE NINETEENTH SUPPLEMENTAL
INDENTURE DATED OCTOBER 15, 1984, 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
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(d).....	8.22
(e).....	8.24
315(a).....	15.01(C)(1) and (2); 15.01(D)
(b).....	12.25
(c).....	15.01(A)
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(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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* This Table of Contents does not constitute part of the Indenture or have any bearing upon the interpretation of any of its terms and provisions.

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<u>Series</u>	<u>Principal Amount Outstanding</u>
First Mortgage Bonds, 6% Series due 1985	\$ 48,000
First Mortgage Bonds, 5½% Series due 1987	\$ 2,136,000
First Mortgage Bonds, 5½% Series B due 1987	\$ 3,640,000
First Mortgage Bonds, 4.85% Series due 1989	\$ 2,542,000
First Mortgage Bonds, 4⅞% Series due 1990	\$ 2,961,000
First Mortgage Bonds, 6¾% Series due 1991	\$ 4,329,000
First Mortgage Bonds, 9⅛% Series due 1995	\$ 2,900,000
First Mortgage Bonds, 8⅞% Series due 1996	\$ 8,650,000
First Mortgage Bonds, 8¼% Series due 1992	\$33,425,000
First Mortgage Bonds, 9¾% Series due 1993	\$ 5,760,000
First Mortgage Bonds, 10½% Series due 1994	\$ 3,775,000
First Mortgage Bonds, 13½% Series due 2004	\$20,000,000

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 for any series of Bonds; and

WHEREAS, the Company has duly determined to create and secure under the Indenture a twentieth series of Bonds to be known as "First Mortgage Bonds, 12% Series A due 1991" (herein sometimes called "1991 Series A 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, 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 enrolling 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 (except property specifically excepted from the lien of the Indenture by the terms of the Indenture), 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, in GILA COUNTY, GREENLEE COUNTY, MOHAVE COUNTY, PIMA COUNTY and PINAL COUNTY in the STATE OF ARIZONA, in SAN JUAN COUNTY, NEW MEXICO, and in LA PLATA COUNTY, COLORADO, and also all other property, real, personal and mixed, now owned by the Company or hereafter acquired by it 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) all and

singular the properties and rights described in Exhibit A annexed hereto and by this reference incorporated herein as an integral part hereof and with the effect as though described in the Original Indenture, and the following:

I

PIPE LINES

All pipe lines of the Company, including, but not limited to, those located and to be located in the States of Arizona, California, Nevada, New Mexico and Colorado, 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 those described in Exhibit A annexed hereto and by this reference incorporated herein.

II

FEE LANDS

The real property owned by the Company is fee, more particularly described in Exhibit A.

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 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.

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 Nineteenth 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 Nineteenth 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. Article I through Article XVI of the Indenture, as heretofore amended, be and they hereby are amended and restated by the substitution therefor of the following Articles I through XVI, the provisions of the Indenture which are not so amended and restated (including, without limitation, the several conveyances and the prescribed forms of Bonds of the several series) being hereby in all respects ratified and confirmed:

ARTICLE I.

Definitions and Constructions.

Definitions

§ 1.01. 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.

"*Affiliate*" shall mean a person which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, the Company or any other person who is liable on the Bonds. The term "*control*" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an individual, firm, corporation or other legal entity, whether through the ownership of voting securities, by contract or otherwise.

"*Application of the Company*", "*Written Order of the Company*", "*Written Request of the Company*", "*Written Consent of the Company*" and "*Certificate of the Company*" shall mean, respectively, an application, order, request, consent or certificate signed by the President or a Vice President and by the

Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Company.

"Authorized Newspaper", when used with reference to a particular municipality or county, shall mean a newspaper printed in the English language and customarily published and of general circulation in such municipality or county at least once on each day, other than holidays and Sundays, in each calendar week, unless no such newspaper shall be published once on each day in such municipality or county, in which case such a newspaper published at least once in each week in such municipality or county may be substituted.

"Bond" shall mean one of the bonds issued hereunder. *"1973 Series Bond"* shall mean one of the First Mortgage Bonds, 4% Series due 1973, issued hereunder. The term *"1981 Series Bond"* shall mean one of the First Mortgage Bonds, 5% Series due 1981, issued hereunder. The term *"1979 Series Bond"* shall mean one of the First Mortgage Bonds, 4 $\frac{3}{4}$ % Series due 1979, issued hereunder. The term *"1981 Series Convertible Bond"* shall mean one of the First Mortgage Bonds, 5% Convertible Series due 1981, issued hereunder. The term *"1973 Series A Bond"* shall mean one of the First Mortgage Bonds, 5% Series A due 1973, issued hereunder. The term *"1977 Series B Bond"* shall mean one of the First Mortgage Bonds, 5% Series B due 1977, issued hereunder. The term *"1985 Series Bond"* shall mean one of the First Mortgage Bonds, 6% Series due 1985, issued hereunder. The term *"1973 Series B Bond"* shall mean one of the First Mortgage Bonds, 5% Series B due 1973, issued hereunder. The term *"1976 Series Bond"* shall mean one of the First Mortgage Bonds, 5% Series due 1976, issued hereunder. The term *"1987 Series Bond"* shall mean one of the First Mortgage Bonds, 5 $\frac{1}{2}$ % Series due 1987, issued hereunder. The term *"1987 Series B Bond"* shall mean one of the First Mortgage Bonds, 5 $\frac{1}{2}$ % Series B due 1987, issued hereunder. The term *"1989 Series Bond"* shall mean one of the First Mortgage Bonds, 4.85% Series due 1989, issued hereunder. The term *"1990 Series Bond"* shall mean one of the First Mortgage Bonds, 4 $\frac{7}{8}$ % Series due 1990, issued hereunder. The term *"1991 Series Bond"* shall mean one of the First Mortgage Bonds, 6 $\frac{3}{4}$ % Series due 1991, issued hereunder. The term *"1995 Series Bond"* shall mean one of the First Mortgage Bonds, 9 $\frac{1}{8}$ % Series due 1995, issued hereunder. The term *"1996 Series Bond"* shall mean one of the First Mortgage Bonds, 8 $\frac{7}{8}$ % Series due 1996, issued hereunder. The term *"1992 Series Bond"* shall mean one of the First Mortgage Bonds, 8 $\frac{1}{4}$ % Series due 1992, issued hereunder. The term *"1993 Series Bond"* shall mean one of the First Mortgage Bonds, 9 $\frac{3}{8}$ % Series due 1993, issued hereunder. The term *"1994 Series Bond"* shall

mean one of the First Mortgage Bonds, 10.5% Series due 1994, issued hereunder. The term "*2004 Series Bond*" shall mean one of the First Mortgage Bonds, 13.5% Series due 2004, issued hereunder. The term "*1991 Series A Bond*" shall mean one of the First Mortgage Bonds, 12% Series A due 1991, issued hereunder. Bonds shall be deemed to have been "*issued*" hereunder when duly authenticated by the Trustee and delivered to or upon the order of the Company pursuant to any of the provisions of this Indenture. "*Bondholder*" or "*holder of Bonds*" or any similar terms shall mean, as to any unregistered Bond, the bearer thereof and, as to any coupon Bond registered as to principal or registered Bond without coupons, the person in whose name the same is registered.

Any reference to the holders of a particular percentage or proportion of the Bonds, or to the holders of a particular percentage or proportion of the Bonds of a particular series, shall mean the holders at the time in question of the specified percentage or proportion in aggregate principal amount of all the Bonds then outstanding under this Indenture, or of all the Bonds of such particular series then outstanding under this Indenture, as the case may be, excluding Bonds owned by or for the account or benefit of the Company or an Affiliate of the Company; *provided* that for the purpose of determining whether the Trustees, or either of them shall be protected in relying on any direction, consent or waiver by the holders of Bonds, only Bonds which the Trustees, or either of them knows are so owned shall be excluded.

"*Capitalization*" shall have the meaning specified in § 8.18.

"*Company*" shall mean the party of the first part hereto, SOUTHWEST GAS CORPORATION (formerly Southwest Gas Corporation, Ltd.), and shall also include its successors and assigns, *provided* that no successor or assign which shall become such otherwise than in accordance with the provisions of § 14.03A shall be entitled to procure the authentication and delivery of Bonds hereunder.

"*cost basis*", when used with reference to Retirements, shall mean, as to any property owned by the Company on June 1, 1951, the amount at which the same was carried on the books of the Company at such date, after deducting therefrom applicable reserves for depreciation and/or for retirements as of that date, and as to any property acquired subsequent to such date, the cost thereof.

"*Counsel*" shall mean a person or firm of persons engaged in the independent practice of law, acceptable to the Trustee, who may but need not be a person or persons regularly retained by the Company or by an Affiliate.

"*current indebtedness*" shall have the meaning specified in § 8.14.

"*Debt*" shall have the meaning specified in § 8.18.

"*Deposited Cash*" shall have the meaning specified in § 6.03.

"*Engineer*" shall mean an individual, a copartnership or a corporation engaged in the engineering profession, who shall be selected by the Company and approved by the Trustee in the exercise of reasonable care (unless specifically required to be selected by the Trustee, in which case the Trustee shall make such selection in the exercise of reasonable care), and who may be but need not be an officer or employee of the Company or of an Affiliate, unless specifically required to be an Independent Engineer.

"*Events of Default*" shall have the meaning specified in § 12.02.

"*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 therefore, if required by law, to such persons, if any, as may be lawfully entitled to such an accounting.

"*Funded Debt*" shall have the meaning specified in § 8.18.

"*Indenture*" shall mean this indenture of mortgage, as the same may from time to time be supplemented, modified or amended. "*First Supplemental Indenture*" shall mean the Supplemental Indenture dated April 7, 1955, supplemental to the Indenture; "*Second Supplemental Indenture*" shall

mean the Supplemental Indenture dated November 1, 1956, supplemental to the Indenture; "*Third Supplemental Indenture*" shall mean the Supplemental Indenture dated February 1, 1957, supplemental to the Indenture; "*Fourth Supplemental Indenture*" shall mean the Supplemental Indenture dated October 1, 1957, supplemental to the Indenture; "*Fifth Supplemental Indenture*" shall mean the Supplemental Indenture dated March 4, 1958, supplemental to the Indenture; "*Sixth Supplemental Indenture*" shall mean the Supplemental Indenture dated August 1, 1960, supplemental to the Indenture; "*Seventh Supplemental Indenture*" shall mean the Supplemental Indenture dated December 1, 1961, supplemental to the Indenture; "*Eighth Supplemental Indenture*" shall mean the Supplemental Indenture dated July 1, 1962, supplemental to the Indenture; "*Ninth Supplemental Indenture*" shall mean the Supplemental Indenture dated December 31, 1963, supplemental to the Indenture; "*Tenth Supplemental Indenture*" shall mean the Supplemental Indenture dated September 1, 1964, supplemental to the Indenture; "*Eleventh Supplemental Indenture*" shall mean the Supplemental Indenture dated April 1, 1965, supplemental to the Indenture; "*Twelfth Supplemental Indenture*" shall mean the Supplemental Indenture dated November 1, 1966, supplemental to the Indenture; "*Thirteenth Supplemental Indenture*" shall mean the Supplemental Indenture dated March 1, 1970, supplemental to the Indenture; "*Fourteenth Supplemental Indenture*" shall mean the Supplemental Indenture dated June 1, 1971, supplemental to the Indenture; "*Fifteenth Supplemental Indenture*" shall mean the Supplemental Indenture dated September 1, 1972, supplemental to the Indenture; "*Sixteenth Supplemental Indenture*" shall mean the Supplemental Indenture dated June 30, 1978, supplemental to the Indenture; "*Seventeenth Supplemental Indenture*" shall mean the Supplemental Indenture dated September 30, 1979, supplemental to the Indenture; "*Eighteenth Supplemental Indenture*" shall mean the Eighteenth Supplemental Indenture dated June 1, 1984, supplemental to the Indenture; "*Nineteenth Supplemental Indenture*" shall mean the Nineteenth Supplemental Indenture dated October 15, 1984, supplemental to the Indenture.

"*Independent*", when applied to any Engineer or other person signing any other certificate or report, shall mean such a person who (1) is in fact independent, (2) does not have any substantial interest, direct or indirect, in the Company or in any Affiliate and (3) is not connected with the Company or any Affiliate of the Company, as an officer, employee, promoter, underwriter, trustee, partner, director or person performing similar functions.

"*Individual Trustee*" shall mean D. C. Easterday or his successor for the time being in the trust hereunder.

"Interest Charges on the Secured Bonded Debt" shall have the meaning specified in § 5.01 B(10).

"Lien hereof" and "Lien of this Indenture" shall mean the lien created by these presents (including the lien created by the granting clauses hereof on properties hereafter acquired) and the lien created by any subsequent conveyance or delivery to the Trustees, or either of them (by whomever made), effectively constituting any property a part of the security held by the Trustees, or either of them, upon the terms and trusts and subject to the conditions specified in this Indenture.

"Net Amount of Property Additions" under any particular Certificate of the Company shall be computed by deducting from (1) the lesser of cost (determined in compliance with sound accounting practice) or the fair value to the Company (as certified in such Certificate) of the Property Additions used for the purpose of the Indenture under such Certificate (herein called the "Gross Amount of Property Additions"), (2) an amount (herein called the "Retirement and Renewal Deduction") equal to the greater of the following (a) or (b):

(a) the excess, if any, of (i) the cost basis of all Retirements for the period from (x) the date to which Retirements were certified in Certificates of the Company filed pursuant to § 5.01 of the Indenture as in effect prior to the execution and delivery of the Nineteenth Supplemental Indenture, to (y) the end of the period reflected in the computation of Retirements in the particular Certificate of the Company, over the sum of (ii) and (iii); (ii) the cost basis of all such Retirements for such period specified in (i) above which have been previously reflected in computations of the Retirement and Renewal Deduction filed with the Trustee, and (iii) Retirement Credits, if any, during, the period specified in (i) above, or

(b) the excess, if any, of (iv) the aggregate amount of the Renewal and Replacement Obligation of the Company for the period from October 1, 1963, to the end of the quarter-annual period (accrued on a quarterly basis as to any period less than a fiscal year) next preceding the date of the particular Certificate of the Company, over (v) the amount of such Renewal and Replacement Obligation for such period specified in (iv) above which has been previously reflected in computations of the Retirement and Renewal Deduction filed with the Trustee.

(If in any case, by reason of applicable Retirements Credits, the sum of (a)(ii) and (iii) exceeds the amount of (a)(i), the amount of (a) shall be deemed to be

zero, but any such excess credit may be carried forward and used as a Retirements Credit in connection with a subsequent computation of (a).)

"Net Earnings" of the Company for any period shall be determined by deducting from the amount of its gross revenues for such period, all operating expenses and other proper deductions from income for such period, including (without in any respect limiting the generality of the foregoing) interest on all outstanding indebtedness, amortization of debt discount and expense, amortization of all other deferred items properly subject to amortization, provisions for all taxes, including income taxes, provisions for all contingency reserves, whether general or special, provisions for depletion, if any, and provisions for depreciation and obsolescence of the depreciable properties of the Company located in each of the states in which the Company conducts its business, in the amounts actually deducted on the books of the Company in respect of such properties in compliance with applicable rulings and regulations of the respective regulatory authorities having rate making jurisdiction in such states, *provided* that the aggregate amount of such provisions for depreciation and obsolescence shall in no event be less than 3% of gross depreciable property of the Company, *provided, however, that*

(a) Profits realized or losses incurred upon the sale or other disposition of capital assets shall be excluded.

(b) Net Earnings shall not reflect as earnings or as a deduction from earnings any adjustment made during such period (whether made through surplus or income accounts) properly attributable to operations prior to September 1, 1956, or mere reversals of reserves existing on September 1, 1956.

(c) Net Earnings shall not reflect any write-down or write-off (either by one direct charge or by amortization over a period) of the excess of cost of properties to the Company or its predecessors over the original cost of such properties when first devoted to public use or any write-up of any deficiency of such cost over the original cost thereof.

"Net Earnings Available for Interest" of the Company for any period shall be determined by adding to the Net Earnings of the Company for such period (but only to the extent that the same were deducted in computing such Net Earnings) (i) all interest charges for such period, (ii) all amortization of debt discount and expense for such period, and (iii) all income taxes, excess profits taxes or other like taxes imposed on, or measured by, income determined after deduction of interest charged for such period, and by

deducting from such Net Earnings of the Company for such period the amount, if any, by which net non-operating revenues of the Company for such period exceeds ten percent (10%) of the gross operating revenues of the Company for such period.

If at the time of any such computation any property of the Company is subject to any lien or other encumbrance (other than Permitted Encumbrances) prior to the lien hereof, securing indebtedness in excess of Fifty Thousand Dollars (\$50,000), the net earnings of such property, estimated if necessary, shall be excluded in making the foregoing computation of Net Earnings Available for Interest.

In case the Company shall have acquired any property which is subject to the lien of this Indenture within or after the period for which Net Earnings Available for Interest is calculated, the Company, in computing the same, shall be entitled to include the net earnings of such property for the whole of such period, to the extent that the same may not have been otherwise included and might have been included if such property had been owned by the Company during the whole of such period. The net earnings of any property so acquired for the period preceding such acquisition shall be ascertained and computed as if such property had been owned by the Company during such period.

If any Retirements having an aggregate cost basis in excess of Fifty Thousand Dollars (\$50,000), the earnings of which can be separately determined under the bookkeeping practice of the Company, shall have occurred within or after the period for which the calculation of net earnings is made and before the authentication and delivery of the Bonds in respect to which the Net Earnings Available for Interest have been computed, the Net Earnings Available for Interest for such period shall exclude the net earnings, estimated if necessary, of such Retirements.

"Nevada Northern" shall mean Nevada Northern Gas Company, a Nevada corporation.

"Nevada Northern bonds" shall have the meaning specified in § 2.05K.

"Original Indenture" shall mean the Indenture of Mortgage and Deed of Trust dated June 1, 1951 between the Company (then named "Southwest Gas Corporation, Ltd.") and Union Bank & Trust Co. of Los Angeles, as Trustee, as originally executed.

"*outstanding*", when used as of any particular time with reference to Bonds, shall mean all the Bonds which theretofore shall have been issued under this Indenture, except:

(a) Bonds theretofore cancelled or surrendered to the Trustee for cancellation;

(b) Bonds for the payment or redemption of which money in the necessary amount shall have been deposited with the Trustee, whether upon or prior to the maturity or the redemption date of such Bonds, *provided* that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given, as provided herein, or provision satisfactory to the Trustee shall have been made therefor;

(c) Bonds in lieu of and in substitution for which other Bonds shall have been authenticated and delivered pursuant to the terms of § 2.10; and

(d) Bonds deposited with or held by the Trustee under any of the provisions of this Indenture, including any so held under any Sinking Fund or other similar fund.

"*Permitted Encumbrances*" shall mean as of any particular time any of the following:

(1) Liens for taxes, assessments, or governmental charges for the then current year or which are not yet delinquent.

(2) Liens for taxes, assessments or governmental charges already due, but the validity of which is being contested at the time in good faith as provided in § 8.05.

(3) Liens and charges incidental to current operation or construction during the six months next preceding such time, which have not been filed or asserted.

(4) Liens, securing obligations neither assumed by the Company nor on account of which it customarily pays interest, existing, either at the date of execution hereof, or, as to property thereafter acquired, at the time of acquisition by the Company, upon real estate or rights in or relating to real estate acquired by the Company for transmission line, distribution line, or right of way purposes.

(5) Liens for workmen's compensation awards not due or delinquent.

(6) Rights reserved to or vested in any municipality or other public authority to purchase or acquire any properties of the Company.

(7) Liens or other encumbrances as to which cash sufficient to pay or redeem all indebtedness secured thereby shall be held in trust for such purpose by the Trustee.

(8) Zoning laws and ordinances, easements, restrictions and similar encumbrances and minor defects or irregularities of title which do not impair the use of the property in the operation of the business. In determining, for the purpose of any opinion to be delivered hereunder, whether any such defect, irregularity, law or ordinance, or easement, restriction or similar encumbrance impairs the use of the property subject thereto in the operation of the business of the Company, counsel giving such opinion may rely on a Certificate of an Engineer.

(9) The lien of this Indenture.

(10) Liens junior to this Indenture.

"*person*" shall mean an individual, a corporation, a partnership, a trust or unincorporated organization, a joint stock company or other similar organization, a government (including, without limitation, the United States of America) or political subdivision thereof, or any other legal entity.

"*Property Additions*" shall mean and comprise only tangible property of a permanent nature (including easements and rights-of-way and permanent tangible betterments, improvements and additions of, upon and to the property of the Company, and equipment and appliances installed as a part of the operating property of the Company), located in the States of Arizona, California or Nevada, or in any other states used by or useful to the Company in the business (herein called the "*Gas Business*"), of purchasing, transmitting, distributing, selling and/or supplying as a public utility natural and/or liquefied petroleum gas and any by-products thereof (such properties being herein sometimes referred to as "*Gas Properties*"), acquired by the Company subsequent to the date of execution hereof, by purchase, consolidation, merger, construction or in any other way, and the term "*Property Additions*" shall include but not be limited to the following:

(1) Permanent improvements, betterments and additions of the character above described in process of construction or partially completed construction work, insofar as actually constructed or erected subsequent to such date.

(2) Property of the character above described constructed or acquired to replace an item of property whose retirement has been credited to plant account.

(3) Paving, grading and other improvements to public highways, streets and alleys and other public lands required for or in connection with the installation or repair of overhead, surface or underground facilities of the Company and paid for by the Company (notwithstanding the fact that title thereto may not be in the Company).

"Property Additions" shall not include

(a) any Excepted Property, or

(b) any property acquired or constructed by the Company the cost of which may not under sound accounting practice properly be capitalized, or

(c) any property subject to a lien or encumbrance other than Permitted Encumbrances, or

(d) natural gas wells and leases, or natural gas production property, or gathering lines.

"Renewal and Replacement Fund" shall have the meaning specified in § 9.06.

"Resolution" and "Resolution of the Board" shall mean a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors of the Company.

"Responsible officer or officers" of the Trustee shall mean the chairman and vice-chairman of the board of directors and the executive committee, the president, any vice-president, any trust officer, any assistant vice-president, the secretary, the treasurer, the cashier, and every officer and assistant officer of the Trustee customarily performing functions similar to those performed by the foregoing individuals or to whom any corporate trust matter is referred because of his knowledge of, and familiarity with, a particular subject.

"Retirement and Renewal Deduction": See definition of Net Amount of Property Additions.

"Retirements" shall mean:

(a) All property which shall have been released from the lien hereof,

(b) All mortgaged property which shall have been worn out, retired or abandoned or which has otherwise permanently ceased to be used or useful in the Gas Business of the Company, and

(c) All mortgaged property which has been destroyed.

"*Retirements Credits*" shall mean the following credits, which (to the extent that the same have not previously been so used) may be applied against Retirements:

(a) The amount of cash and/or other consideration received by the Trustee in connection with the release of any mortgaged property, and

(b) The amount of insurance moneys paid to the Trustee pursuant to the provisions of § 8.08 on account of the destruction of any mortgaged property.

"*Stock Payments*" shall have the meaning specified in § 8.13. "*Amount*" when used with reference to a Stock Payment shall mean the amount of cash paid, and the greater of net book value or fair market value at the time of distribution of property distributed, in respect of such Stock Payment.

"*Subsidiary*" of the Company shall mean any corporation more than fifty per cent. (50%) of the issued and outstanding stock of which having ordinary voting power (other than stock which has acquired such power only by reason of the happening of a contingency) shall at the time be directly or indirectly through one or more intermediaries owned or controlled by the Company.

"*Trustee*" shall mean BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION (successor Trustee to Union Bank & Trust Co. of Los Angeles), the party of the second part, or its successor for the time being in the trust hereunder.

"*Trustees*" shall mean the Trustee and the Individual Trustee, collectively.

"*Trust Estate*", "*mortgaged premises*" and "*mortgaged property*" shall mean as of any particular time the property which at said time is subject to the lien of this Indenture.

"*Trust Moneys*" shall have the meaning specified in § 11.09.

"*used for any purpose of the Indenture*". Whenever the Company is required to state in any Certificate of the Company delivered hereunder that the property has not theretofore been "*used for the purpose of the Indenture*"

such phrase shall mean (a) (when used with reference to property other than Bonds) that the property in question

(i) Was not owned by the Company on the date of the execution and delivery of the Original Indenture;

(ii) Has not been (and will not, by any then pending application, be) made the basis for the authentication of additional Bonds hereunder or for the withdrawal of any cash from the Trustee or from the trustee or other holder of a prior lien or for any credit in lieu of cash under any provision of the Indenture;

(iii) Has not been acquired or constructed to replace any property disposed of pursuant to § 11.01(b) which has not been reflected in Retirements, or to repair, replace or restore insured property the proceeds of the insurance on which shall not have been required to be paid to the Trustee pursuant to the provisions hereof;

(iv) Has not been included in a Certificate of the Company delivered to the Trustee to meet the requirements of any other provisions of the Indenture which may be satisfied by the use of Property Additions; and

(v) Was not Funded Property as defined in Section 1.08 of the Indenture as in effect immediately prior to the execution and delivery of the Ninth Supplemental Indenture;

and (b) (when used with reference to Bonds) that the Bonds in question

(i) Have not been (and will not, by any then pending application, be) made the basis for the authentication of additional Bonds hereunder or for the withdrawal of any cash from the Trustee or from a trustee or other holder of a prior lien;

(ii) Have not been redeemed or paid through the application of cash by the Trustee or the trustee or other holder of a prior lien;

(iii) Have not been retired through the operation of the Sinking Fund or of any other amortization, improvement, renewal, replacement, sinking, or other analogous fund, or delivered to the Trustee in satisfaction of the obligation of the Company in respect of the Sinking Fund or of any such other fund;

(iv) Have not been cancelled upon the issuance of other Bonds in exchange or substitution therefor; and

(v) Have not been delivered to the Trustee to meet the requirements of any other provisions of the Indenture which may be satisfied by the delivery of Bonds.

Property Additions reflected in the Gross Amount of Property Additions shown in a Certificate delivered to the Trustee to meet the requirements of § 9.06 shall not be deemed to have theretofore been "used by the Company for the purpose of the Indenture." The fact that property has theretofore become subject to the lien of the Indenture, or is required so to be, shall not be deemed to mean that the same has theretofore been "used by the Company for the purpose of the Indenture" within the meaning of this definition.

The Company, at its option, may include in any Certificate of the Company filed with the Trustee any or all Property Additions not theretofore used for the purpose of the Indenture, notwithstanding that the amount of Property Additions so included exceeds the amount of Property Additions required to be used for the purpose for which such Certificate is filed. In such case,

(i) the amount of Property Additions which shall thereafter be deemed to have been "used for the purpose of the Indenture" under such Certificate shall be the amount of Property Additions so required to be used and not the total amount of Property Additions included in such Certificate, and

(ii) particular Property Additions (and, if necessary to produce an exact amount of Property Additions, an undivided interest in a particular Property Addition) shall be deemed to have been "used for the purpose of the Indenture" in the order of acquisition of such Property Additions by the Company, as shown on its books and records of account.

Determinations of Costs of Property Additions or Earnings.

§ 1.02. Subject to the provisions of the definitions of Property Additions, Net Earnings and Net Earnings Available for Interest in § 1.01, all determinations of costs of Property Additions or of earnings pursuant to this Indenture shall be made and all financial statements to be delivered hereunder shall be prepared in accordance with the practice lawfully prescribed by the Public Utilities Commission of the State of California, or other regulatory authority having jurisdiction over the Company or other lawfully

prescribed practice and, in the absence of any practice so prescribed, in accordance with sound accounting practice.

Effect of Documents Filed With Trustee.

§ 1.03. Wherever in this Indenture, in connection with any application or certificate or report to the Trustee hereunder, it is provided that the Company shall deliver certificates, opinions, reports and/or other documents as a condition of the granting of such application, or as evidence of compliance with any condition or covenants herein contained, it is intended that the truth and accuracy, at the time of the granting of such application or at the effective date of such certificate or report (as the case may be), of the facts and opinions stated in such documents shall in each and every such case be conditions precedent to the right of the Company to have such application granted or to the effectiveness of such certificate or report. Nevertheless, upon any such application, certificate or report, the documents required by any of the provisions of this Indenture to be delivered to the Trustee as a condition of the granting of such application, or as evidence of such compliance, may, subject to the provisions of § 15.01, be received by the Trustee as conclusive evidence of any statement therein contained, and shall be full warrant, authority and protection to the Trustee acting on the faith thereof. Before granting any such application, or accepting such evidence of compliance, the Trustee in its discretion may make such independent inquiry or investigation as to it may seem proper into the truth and accuracy of the matters evidenced by any such document. If the Trustee shall determine to make such further inquiry, it shall be entitled to examine the books, records and premises of the Company, either itself or by agent or attorney, and unless satisfied, with or without such examination, of the truth and accuracy of the matters stated in such documents, it shall be under no obligation to grant the application or to accept such evidence of compliance. The reasonable expenses of such examination or other inquiry shall be paid by the Company, or if paid by the Trustee shall be repaid by the Company, upon demand, with interest at the rate of six per cent. (6%) per annum, and, until such repayment shall be secured under this Indenture, in priority to the Bonds and coupons.

Cross References.

§ 1.04. All references herein to "Articles" and other subdivisions are to the corresponding Articles or other subdivisions of this Indenture; references by the symbol "§" are to corresponding Sections of this Indenture; and the words "herein," "hereof," "hereby," "hereunder," "hereinbefore" and "hereinafter"

and other words of similar purport refer to this Indenture generally and not to any particular Article, Section or other subdivision hereof. References to any Section by number and one or more other letters or numbers refer to that clause, paragraph or subdivision of said Section so lettered or numbered and not to said Section as a whole.

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.

ARTICLE II.

**Form, Execution, Delivery, Registration and
Exchange of Bonds.**

Execution of Bonds.

§ 2.01. 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.

Numbering of Bonds.

§ 2.02. The 1973 Series Bonds in coupon form shall be numbered from M1 upward. Any other and further Bonds which may be authenticated under this Indenture shall be numbered in such manner as may be determined by the Company and approved by the Trustee. Any such Bond may bear such additional letter or letters and/or other designation or designations and may contain therein or have imprinted thereon such legend or legends as may be required in order to comply with any law or with any rules or regulations made pursuant thereto or with the rules and regulations of any stock exchange or of the Securities and Exchange Commission or to conform to usage.

Authentication of Coupons; Facsimile Signatures.

§ 2.03. The coupons to be attached to coupon Bonds shall be authenticated by the facsimile signature of the present Treasurer or any future Treasurer of the Company, it being intended that the Company may adopt and use for that purpose the facsimile signature of any such Treasurer notwithstanding that he may have ceased to be the Treasurer of the Company at the time when said Bonds shall be authenticated and delivered.

Authentication of Bonds.

§ 2.04. All Bonds, when executed by the Company, shall be delivered to the Trustee, to be authenticated by it, and the Trustee shall authenticate and deliver the same only as provided in this Indenture. Only such Bonds as shall bear thereon the certificate of the Trustee, duly signed, shall be secured by this Indenture or entitled to any lien or benefit hereunder, and such certificate of the Trustee upon any such Bond executed on behalf of the Company shall be conclusive evidence and the only evidence that the Bond so authenticated has been duly issued hereunder and is entitled to the benefits of the trust hereby created.

Denominations; Issuable in Series; Terms of Particular Series; Forms of Bonds and Coupons.

§ 2.05. At the option of the Company the Bonds may be issued in one or more series.

A. There shall be a initial series of Bonds, known as and entitled "First Mortgage Bonds, 4% Series due 1973" (herein called the "1973 Series

Bonds"). The 1973 Series Bonds are not further described herein inasmuch as no 1973 Series Bonds remain outstanding. For a statement of the terms and provisions applicable to the 1973 Series Bonds, reference is made to the Original Indenture.

B. There shall be a second series of Bonds, known as and entitled "First Mortgage Bonds, 5% Series due 1981" (herein called the "1981 Series Bonds"). The 1981 Series Bonds are not further described herein inasmuch as no 1981 Series Bonds remain outstanding. For a statement of the terms and provisions applicable to the 1981 Series Bonds, reference is made to the Second Supplemental Indenture.

C. There shall be a third series of Bonds, known as and entitled "First Mortgage Bonds, 4¾% Series due 1979" (herein called the "1979 Series Bonds"). The 1979 Series Bonds are not further described herein inasmuch as no 1979 Series Bonds remain outstanding. For a statement of the terms and provisions applicable to the 1979 Series Bonds, reference is made to the Third Supplemental Indenture.

D. There shall be a fourth series of Bonds, known as and entitled "First Mortgage Bonds, 5% Convertible Series due 1981" (herein called the "1981 Series Convertible Bonds"). The 1981 Series Convertible Bonds are not further described herein inasmuch as no 1981 Series Convertible Bonds remain outstanding. For a statement of the terms and provisions applicable to the 1981 Series Convertible Bonds, reference is made to the Third Supplemental Indenture.

E. There shall be a fifth series of Bonds, known as and entitled "First Mortgage Bonds, 5% Series A due 1973" (herein called the "1973 Series A Bonds"). The 1973 Series A Bonds are not further described herein inasmuch as no 1973 Series A Bonds remain outstanding. For a statement of the terms and provisions applicable to the 1973 Series A Bonds, reference is made to the Fourth Supplemental Indenture.

F. There shall be a sixth series of Bonds, known as and entitled "First Mortgage Bonds, 5% Series B due 1977" (herein called the "1977 Series B Bonds"). The 1977 Series B Bonds are not further described herein inasmuch as no 1977 Series B Bonds remain outstanding. For a statement of the terms and provisions applicable to the 1977 Series B Bonds, reference is made to the Fourth Supplemental Indenture.

G. There shall be a seventh series of Bonds, known as and entitled "First Mortgage Bonds, 6% Series due 1985" (herein called the "1985 Series

Bonds"), and the form thereof shall contain suitable provisions with respect to the matters hereinafter in this Paragraph G specified and shall in other respects be substantially as set forth in § 2.02 of the Sixth Supplemental Indenture.

The aggregate principal amount of 1985 Series Bonds which may be authenticated and delivered and outstanding under the Indenture is One Million Five Hundred Thousand Dollars (\$1,500,000). No additional 1985 Series Bonds may be authenticated and delivered pursuant to Article V, VI or VII of the Indenture without the consent in writing of the holders of all then outstanding 1985 Series Bonds.

The 1985 Series Bonds shall bear interest at the rate of six per cent. (6%) per annum and shall mature August 1, 1985. The date of commencement of the first interest period for the 1985 Series Bonds shall be August 1, 1960.

The 1985 Series Bonds shall be coupon Bonds of the denomination of One Thousand Dollars (\$1,000) and One Hundred Thousand Dollars (\$100,000) and registered Bonds without coupons of the denominations of One Thousand Dollars (\$1,000) and any multiple thereof. The coupon Bonds of the 1985 Series Bonds shall be dated as of August 1, 1960. The registered Bonds of the 1985 Series Bonds without coupons shall be dated as provided in § 2.08. All 1985 Series Bonds shall bear interest from their respective dates, such interest to be payable semi-annually on the first day of February and August in each year, the first interest payment date being February 1, 1961. Both the principal of and the interest on the 1985 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 coupon 1985 Series Bonds shall be numbered from MG-1 upward, and the registered 1985 Series Bonds shall be numbered from RG-1 upward.

H. There shall be a eighth series of Bonds, known as and entitled "First Mortgage Bonds, 5% Series B due 1973" (herein called the "1973 Series B Bonds"). The 1973 Series B Bonds are not further described herein inasmuch as no 1973 Series B Bonds remain outstanding. For a statement of the terms and provisions applicable to the 1973 Series B Bonds, reference is made to the Seventh Supplemental Indenture.

I. There shall be a ninth series of Bonds, known as and entitled "First Mortgage Bonds, 5% Series due 1976" (herein called the "1976 Series Bonds"). The 1976 Series Bonds are not further described herein inasmuch as no 1976 Series Bonds remain outstanding. For a statement of the terms and provisions applicable to the 1976 Series Bonds, reference is made to the Seventh Supplemental Indenture.

J. There shall be a tenth series of Bonds, known as and entitled "First Mortgage Bonds, 5½% Series due 1987" (herein called the "1987 Series Bonds"), and the form thereof shall contain suitable provisions with respect to the matters hereinafter in this Paragraph J specified and shall in other respects be substantially as set forth in § 2.02 of the Eighth Supplemental Indenture.

The aggregate principal amount of 1987 Series Bonds which may be authenticated and delivered and outstanding under the Indenture is Five Million Dollars (\$5,000,000). No additional 1987 Series Bonds may be authenticated and delivered pursuant to Article V, VI or VII of the Indenture without the consent in writing of the holders of all then outstanding 1987 Series Bonds.

The 1987 Series Bonds shall bear interest at the rate of five and one-half per cent. (5½%) per annum, and shall mature July 1, 1987. The date of commencement of the first interest period for the 1987 Series Bonds shall be July 13, 1962.

The 1987 Series Bonds shall be coupon Bonds of the denomination of One Thousand Dollars (\$1,000) and One Hundred Thousand Dollars (\$100,000) and registered Bonds without coupons of the denominations of One Thousand Dollars (\$1,000) and any multiple thereof. The coupon Bonds of the 1987 Series Bonds shall be dated as of said date of commencement of the first interest period for such series. The registered Bonds of the 1987 Series Bonds without coupons shall be dated as provided in § 2.08. All 1987 Series Bonds shall bear interest from their respective dates, such interest to be payable semi-annually on the first day of January and July in each year. Both the principal of and the interest on the 1987 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 coupon 1987 Series Bonds shall be numbered from MJ-1 upward, and the registered 1987 Series Bonds shall be numbered from RJ-1 upward.

K. The bonds of Nevada Northern (herein called "*Nevada Northern bonds*") which have become obligations of the Company upon the merger of Nevada Northern into the Company on December 31, 1983, pursuant to Merger Agreement dated as of November 12, 1963, shall be and constitute (when authenticated by the Trustee as provided in § 3.01) an eleventh series of Bonds of the Company, known as and entitled "*First Mortgage Bonds, 5½% Series B due 1987*" (herein called the "*1987 Series B Bonds*"), and the form thereof shall be either

(1) in the form of such Nevada Northern bonds as the same were outstanding at December 31, 1963, the date of the merger of Nevada Northern into the Company, except that the same shall upon authentication hereunder bear a stamped or typewritten legend reading substantially as follows, such authentication to be effected in the case of 1987 Series B Bonds in such form by affixing and executing such legend:

"This Bond has become the obligation of Southwest Gas Corporation, a California corporation ("*Southwest*"), by Agreement of Merger between the within mentioned Company and Southwest dated November 12, 1963. The within mentioned Indenture of the Company has been discharged at the direction and consent of all holders of Bonds of this issue, the trust estate subject to the lien of said Indenture of said Company having become subject to the lien of the Indenture of Mortgage and Deed of Trust dated June 1, 1951, executed by Southwest, as supplemented and amended. This Bond is presently entitled to the benefits and security of said Indenture of Southwest, as supplemented and amended. Reference is made to said Indenture of Southwest and all indentures supplemental thereto for a description of the property mortgaged and pledged, the nature and extent of the security and other matters set forth therein.

BANK OF AMERICA NATIONAL TRUST AND
SAVINGS ASSOCIATION, Trustee under
within mentioned Southwest Indenture

By
Authorized Officer"

; or

(2) substantially in form set forth in § 2.1 of the Ninth Supplemental Indenture.

The aggregate principal amount of 1987 Series B Bonds which may be authenticated and delivered and outstanding under the Indenture is Eight Million Dollars (\$8,000,000). No additional 1987 Series B Bonds may be authenticated and delivered pursuant to Article V, VI or VII of the Indenture without the consent in writing of the holders of all then outstanding 1987 Series B Bonds.

Anything in the 1987 Series B Bonds or in the Indenture to the contrary notwithstanding, the holders of Nevada Northern bonds shall suffer no gain or loss in principal, premium or interest by reason of the fact that the Nevada Northern bonds shall have been constituted 1987 Series B Bonds of the Company.

The 1987 Series B Bonds shall bear interest at the rate of five and one-half per cent. (5½%) per annum, and shall mature November 1, 1987.

The 1987 Series B Bonds shall be coupon Bonds of the denomination of One Thousand Dollars (\$1,000) and One Hundred Thousand Dollars (\$100,000) and registered Bonds without coupons of the denominations of One Thousand Dollars (\$1,000) and any multiple thereof. The 1987 Series B Bonds shall be dated so that neither gain nor loss in interest shall occur by reason of constituting the Nevada Northern bonds as Bonds of the Company outstanding under the Indenture, and shall otherwise be dated as provided in § 2.08. All 1987 Series B Bonds shall bear interest from their respective dates, such interest to be payable semi-annually on the first day of November and May in each year. Both the principal of and the interest on the 1987 Series B 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 coupon 1987 Series B Bonds issued in the form set forth in § 2.1 of the Ninth Supplemental Indenture shall be numbered from MK-1 upward, and the registered 1987 Series B Bonds so issued shall be numbered from RK-1 upward.

L. There shall be a twelfth series of Bonds, known as and entitled "First Mortgage Bonds, 4.85% Series due 1989" (herein called the "1989 Series Bonds"), and the form thereof shall contain suitable provisions with respect to the matters hereinafter in this Paragraph L specified and shall in other respects be substantially as set forth in § 2.2 of the Tenth Supplemental Indenture.

The aggregate principal amount of 1989 Series Bonds which may be authenticated and delivered and outstanding under the Indenture is Five Million Dollars (\$5,000,000). No additional 1989 Series Bonds may be authenticated and delivered pursuant to Article V, VI or VII of the Indenture without the consent in writing of the holders of all then outstanding 1989 Series Bonds.

The 1989 Series Bonds shall bear interest at the rate of four and eighty-five hundredths per cent. (4.85%) per annum, and shall mature September 1, 1989. The date of commencement of the first interest period for the 1989 Series Bonds shall be as specified in § 3.6 of the Tenth Supplemental Indenture.

The 1989 Series Bonds shall be coupon Bonds of the denomination of One Thousand Dollars (\$1,000) and One Hundred Thousand Dollars (\$100,000) and registered Bonds without coupons of the denominations of One Thousand Dollars (\$1,000) and any multiple thereof. The coupon Bonds of the 1989 Series Bonds shall be dated as of said date of commencement of the first interest period for such series. The registered Bonds of the 1989 Series Bonds without coupons shall be dated as provided in § 2.08 of the Indenture. All 1989 Series Bonds shall bear interest from their respective dates, such interest to be payable semi-annually on the first day of March and September in each year. Both the principal of and the interest on the 1989 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 1989 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 1989 Series Bonds shall be numbered from ML-1 upward, and the registered 1989 Series Bonds shall be numbered from RL-1 upward.

1989 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.

M. 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 Paragraph M specified and shall in other respects be substantially as set forth in § 2.2 of the Eleventh 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 § 2.08 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.

N. There shall be a fourteenth series of Bonds, known as and entitled "First Mortgage Bonds, 6¾% Series due 1991" (herein called the "1991 Series Bonds"), and the form thereof shall contain suitable provisions with respect to the matters hereinafter in this Paragraph N. specified and shall in other respects be substantially as set forth in § 2.2 of the Twelfth Supplemental Indenture.

The aggregate principal amount of 1991 Series Bonds which may be authenticated and delivered and outstanding under the Indenture is Seven Million Five Hundred Thousand Dollars (\$7,500,000). No additional 1991 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 1991 Series Bonds.

The 1991 Series Bonds shall bear interest at the rate per annum specified in the title of the 1991 Series Bonds and shall mature December 1, 1991. The date of commencement of the first interest period for the 1991 Series Bonds shall be December 1, 1966.

The 1991 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 1991 Series Bonds shall be dated as of said date of commencement of the first interest period for such series. The registered Bonds of the 1991 Series Bonds without coupons shall be dated as provided in § 2.08 of the Indenture. All 1991 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 1991 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 1991 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 1991 Series Bonds shall be numbered from MN-1 upward, and the registered 1991 Series Bonds shall be numbered from RN-1 upward.

1991 Series Bonds shall be entitled to the benefits of, and shall be subject to redemption through the operations of, a Renewal and Replacement Fund and a Sinking Fund, all as provided in Article IX of the Indenture.

1991 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.

O. There shall be a fifteenth series of Bonds, known as and entitled "First Mortgage Bonds, 9 $\frac{1}{8}$ % Series due 1995" (herein called the "1995 Series Bonds"), and the form thereof shall contain suitable provisions with respect to the matters hereinafter in this Paragraph O specified and shall in other respects be substantially as set forth in § 2.2 of the Thirteenth Supplemental Indenture.

The aggregate principal amount of 1995 Series Bonds which may be authenticated and delivered and outstanding under the Indenture is Eight Million Dollars (\$8,000,000). No additional 1995 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 1995 Series Bonds.

The 1995 Series Bonds shall bear interest at the rate per annum specified in the title of the 1995 Series Bonds and shall mature April 1, 1995. The date of commencement of the first interest period for the 1995 Series Bonds shall be April 1, 1970.

The 1995 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 1995 Series Bonds shall be dated as of said date of commencement of the first interest period for such series. The registered Bonds of the 1995 Series Bonds without coupons shall be dated as provided in § 2.08 of the Indenture. All 1995 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 1995 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 1995 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 1995 Series Bonds shall be numbered from MO-1 upward, and the registered 1995 Series Bonds shall be numbered from RO-1 upward.

1995 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.

1995 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.

P. 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 Paragraph P specified and shall in other respects be substantially as set forth in § 2.2 of the Fourteenth 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.

Q. There shall be a seventeenth series of Bonds, known as and entitled "First Mortgage Bonds, 8 $\frac{1}{4}$ % Series due 1992" (herein called the "1992 Series Bonds"), and the form thereof shall contain suitable provisions with respect to the matters hereinafter in this Paragraph Q specified and shall in other respects be substantially as set forth in § 2.2 of the Fifteenth Supplemental Indenture.

The aggregate principal amount of 1992 Series Bonds which may be authenticated and delivered and outstanding under the Indenture is Five Million Dollars (\$5,000,000). No additional 1992 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 1992 Series Bonds.

The 1992 Series Bonds shall bear interest at the rate per annum specified in the title of the 1992 Series Bonds and shall mature September 1, 1992. The date of commencement of the first interest period for the 1992 Series Bonds shall be September 1, 1972.

The 1992 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 1992 Series Bonds shall be dated as of said date of commencement of the first interest period for such series. The registered Bonds of the 1992 Series Bonds without coupons shall be dated as provided in § 2.08 of the Indenture. All 1992 Series Bonds shall bear interest from their respective dates, such interest to be payable semi-annually on the first day of March and September in each year. Both the principal of and the interest on the 1992 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 1992 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 1992 Series Bonds shall be numbered from MQ-1 upward, and the registered 1992 Series Bonds shall be numbered from RQ-1 upward.

1992 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.

1992 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.

R. There shall be a eighteenth series of Bonds, known as and entitled "First Mortgage Bonds, 9 $\frac{3}{8}$ % Series due 1993" (herein called the "1993 Series Bonds"), and the form thereof shall contain suitable provisions with respect to the matters hereinafter in this Paragraph R specified and shall in other respects be substantially as set forth in § 2.2 of the Sixteenth Supplemental Indenture.

The aggregate principal amount of 1993 Series Bonds which may be authenticated and delivered and outstanding under the Indenture is Ten Million Dollars (\$10,000,000). No additional 1993 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 1993 Series Bonds.

The 1993 Series Bonds shall bear interest at the rate per annum specified in the title of the 1993 Series Bonds and shall mature June 30, 1993. All computations of interest shall be calculated on the basis of a year of 360 days, consisting of 12 months of 30 days each.

The 1993 Series Bonds shall be registered Bonds without coupons of the denominations of One Thousand Dollars (\$1,000) and any multiple thereof. The 1993 Series Bonds shall be dated as provided in § 2.08 of the Indenture and shall bear interest from their respective dates, such interest to be payable semi-annually on the last day of June and December in each year. Both the principal of and the interest on the 1993 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 1993 Series Bonds shall be subject to redemption at the option of the Company in the manner provided in § 10.05 of the Indenture.

The 1993 Series Bonds shall be numbered from RR-1 upward.

1993 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.

1993 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.

S. There shall be a nineteenth series of Bonds, known as and entitled "First Mortgage Bonds, 10.5% Series due 1994" (herein called the "1994 Series Bonds"), and the form thereof shall contain suitable provisions with respect to the matters hereinafter in this Paragraph S specified and shall in other respects be substantially as set forth in § 2.2 of the Seventeenth Supplemental Indenture.

The aggregate principal amount of 1994 Series Bonds which may be authenticated and delivered and outstanding under the Indenture is Thirty-Five Million Dollars (\$35,000,000). No additional 1994 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 1994 Series Bonds.

The 1994 Series Bonds shall bear interest at the rate per annum specified in the title of the 1994 Series Bonds and shall mature December 15, 1994. All computations of daily interest shall be calculated on the basis of a year of 360 days, consisting of 12 months of 30 days each.

The 1994 Series Bonds shall be registered Bonds without coupons of the denominations of One Thousand Dollars (\$1,000) and any multiple thereof. The 1994 Series Bonds shall be dated as provided in § 2.08 of the Indenture and shall bear interest from their respective dates, such interest to be payable semi-annually on the fifteenth days of June and December in each year. Both the principal of and the interest on the 1994 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 1994 Series Bonds shall be subject to redemption at the option of the Company in the manner provided in § 10.05 of the Indenture.

The 1994 Series Bonds shall be numbered from SS-1 upward.

1994 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.

1994 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.

T. There shall be a twentieth series of Bonds, known as and entitled "First Mortgage Bonds, 13.5% Series due 2004" (herein called the "2004 Series Bonds"), and the form thereof shall contain suitable provisions with respect to the matters hereinafter in this Paragraph T specified and shall in other respects be substantially as set forth in § 2.2 of the Eighteenth Supplemental Indenture.

The aggregate principal amount of 2004 Series Bonds which may be authenticated and delivered and outstanding under the Indenture is Twenty Million Dollars (\$20,000,000). No additional 2004 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 2004 Series Bonds.

The 2004 Series Bonds shall bear interest at the rate per annum specified in the title of the 2004 Series Bonds and shall mature June 1, 2004. All computations of interest shall be calculated on the basis of a year of 365 days.

The 2004 Series Bonds shall be registered Bonds without coupons of the denominations of One Thousand Dollars (\$1,000) and any whole multiple thereof. The 2004 Series Bonds shall be dated as provided in § 2.08 of the Indenture and shall bear interest from their respective dates, such interest to be payable semi-annually on the first days of June and December in each year. Both the principal of and the interest on the 2004 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 2004 Series Bonds shall be subject to redemption at the option of the Company in the manner provided in § 10.05 of the Indenture.

The 2004 Series Bonds shall be numbered from SS-1 upward.

2004 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; provided, any redemption of any of the 2004 Series Bonds shall comply with the provisions of Article X of the Indenture.

2004 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.

U. There shall be a twenty-first series of Bonds, known as and entitled "First Mortgage Bonds, 12% Series A due 1991" (herein called the "1991 Series A Bonds"), and the form thereof shall contain suitable provisions with respect to the matters hereinafter in this Paragraph U specified and shall in other respects be substantially as set forth in § 2.13 of ARTICLE SECOND of this Nineteenth Supplemental Indenture.

The aggregate principal amount of 1991 Series A Bonds which may be authenticated and delivered and outstanding under the Indenture is Eighty Million Dollars (\$80,000,000). No additional 1991 Series A 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 1991 Series A Bonds.

The 1991 Series A Bonds shall bear interest at the rate per annum specified in the title of the 1991 Series A Bonds and shall mature 1991. All computations of interest shall be calculated on the basis of a year of 365 days.

The 1991 Series A Bonds shall be registered Bonds without coupons, the denomination of Bond TT-1 being Ten Thousand Dollars (\$10,000) and the denomination of all other 1991 Series A Bonds being any whole multiple of One Thousand Dollars (\$1,000). The 1991 Series A Bonds shall be dated as provided in § 2.08 of the Indenture and shall bear interest from their respective dates, such interest to be payable semi-annually on the first days of and in each year. Both the principal of and the interest on the 1991 Series A 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 1991 Series A Bonds shall be subject to redemption at the option of the Company in the manner provided in § 10.05 of the Indenture.

The 1991 Series A Bonds shall be numbered from TT-1 upward.

1991 Series A 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.

All Bonds Ratably Secured.

§ 2.06. No series of Bonds issued hereunder shall have any preference as to the security afforded by this Indenture over any other series of Bonds issued or to be issued hereunder, and no Bond of any series shall have any such preference over any other Bond of the same or any other series; *provided, however,* that the Company at any time, subject to the provisions of § 2.07, may establish sinking, amortization, improvement, renewal or other analogous fund or funds for the exclusive benefit of any particular series (one or more) of such Bonds or make other provision for the amortization thereof, and the holders of any Bonds other than those for whose exclusive benefit any such sinking, amortization, improvement, renewal or other analogous

fund or funds shall have been so established shall have no interest therein or benefit therefrom, whether upon default under the provisions of this Indenture or otherwise.

Creation of New Series of Bonds.

§ 2.07. Whenever the Company shall determine to create a new series of Bonds secured by this Indenture, it shall file with the Trustee a Resolution authorizing such series, and shall execute, acknowledge and deliver a supplemental indenture describing such series and containing such other provisions as may be necessary or appropriate in the premises.

The Bonds and coupons of any other series which may be issued hereunder shall be in the form specified in the Supplemental Indenture creating such series, or if no such form is specified, in substantially the same form as the form specified in preambles to the Original Indenture, subject to such variations, additions, substitutions and omissions as are required or permitted by this Indenture.

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 $66\frac{2}{3}\%$ 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 $66\frac{2}{3}\%$ 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).

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.

The certificate of the Trustee for the authentication of Bonds shall in each case be substantially in the same form as the form thereof set forth in the preambles of the Original Indenture, except as provided in § 2.5K with respect to 1987 Series B Bonds.

Exchange and Transfer of Bonds; Dating; Who Treated as Owners.

§ 2.08. The definitive Bonds of each series may be issued in the form of engraved Bonds or Bonds printed or lithographed on steel engraved borders. Subject to the provisions of this § 2.08, all definitive Bonds of any series shall be fully interchangeable for other Bonds of the same series, of like aggregate principal amounts, and, upon surrender to the Trustee at its principal office, shall be exchangeable for other Bonds of the same series of a different authorized form and/or denomination or denominations, as requested by the holder surrendering the same. The Company will execute, and the Trustee shall authenticate and deliver, coupon Bonds and/or registered Bonds without coupons, whenever the same shall be required for any such exchange.

The Company shall keep or cause to be kept at the principal trust office of the Trustee, books for the registration and transfer of Bonds issued hereunder. The holder of any coupon Bond which by its terms is registrable as to principal may have the ownership thereof registered on the said books,

such registration being noted on the Bond, and after such registration no transfer of the said Bond shall be valid unless made on said books by the registered holder, in person or by his attorney duly authorized in writing and similarly noted on the Bond; but such Bond may be discharged from registration by being in like manner transferred to bearer, which shall restore transferability by delivery, and the said Bond shall continue subject to successive registrations and transfers to bearer at the option of each holder. Registration of coupon Bonds shall not affect the negotiability of the coupons by delivery only.

Whenever any Bond or Bonds in coupon form with all unmatured coupons of any series shall be surrendered for exchange for a registered Bond without coupons of such series, the Company shall issue, and the Trustee shall authenticate and deliver, a registered Bond or Bonds without coupons of such series, for the same aggregate principal amount of an authorized denomination. Whenever a registered Bond or Bonds without coupons of any series shall be surrendered for transfer, accompanied by a duly executed instrument of transfer, in form approved by the Company, the Company shall issue, and the Trustee shall authenticate and deliver, a new registered Bond or Bonds without coupons of such series, for the same aggregate principal amount. Whenever any registered Bonds without coupons of any series shall be duly assigned to bearer and surrendered for exchange for a coupon Bond or Bonds of such series, the Company shall issue, and the Trustee shall authenticate and deliver, a coupon Bond or Bonds of such series, for a like aggregate principal amount with coupons attached representing interest from the date to which interest shall have been paid on such surrendered Bond or Bonds.

In every case of exchange, the surrendered Bonds and coupons forthwith shall be cancelled by the Trustee and thereafter all coupon Bonds so cancelled, together with the coupons appurtenant thereto, shall be cremated by the Trustee. Upon every exchange of Bonds and every transfer of Bonds provided for in this § 2.08, the Company may make a charge therefor sufficient to reimburse it for any tax or taxes or other governmental charge required to be paid by the Company and in addition may charge a sum not exceeding Two Dollars (\$2) for every Bond issued upon any such exchange or transfer, which shall be paid by the party requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Company shall not be required to make exchanges or transfers of Bonds during a period of two (2) days next preceding any interest date, or to make exchanges or transfers of any Bond

after the determination by the Trustee pursuant to § 10.02 that such Bond or a portion thereof is to be called for redemption or after first publication or mailing of notice of redemption of such Bond.

Registered Bonds without coupons shall bear interest from, and shall be dated as of, the interest date next preceding the date on which the same shall be authenticated by the Trustee, or, if such date of authentication shall be an interest date, such Bonds shall bear interest from, and shall be dated as of, such interest date, or if such date of authentication shall be a date prior to the first interest payment date for Bonds of the series being authenticated, such Bonds shall bear interest from, and shall be dated as of, the commencement of the first interest period for such series; *provided, however,* that, if at the time of authentication of any registered Bond without coupons, of any series, interest is in default on outstanding Bonds of such series, such Bond shall bear interest from, and shall be dated as of, the interest date for such series to which interest has previously been paid or made available for payment on outstanding Bonds of such series.

The coupon Bonds of each series shall bear such date as may be determined by the Board of Directors of the Company and designated in § 2.05 or in the supplemental indenture establishing such series.

As to any registered Bond without coupons and any coupon Bond registered as to the principal, the registered holder shall for all the purposes of this Indenture be regarded as the owner thereof and the payment of or on account of the principal of such Bond, if it be a registered coupon Bond, and of the principal and interest, if it be a registered Bond without coupons, shall be made only to such registered holder or upon his or its order and all such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. The Company and the Trustees may treat the bearer of any coupon Bond which at the time shall not be registered as to principal and the bearer of any interest coupon as the owner of such Bond or coupon for the purpose of receiving payment thereof and on account thereof and for all other purposes whatsoever and neither the Company nor the Trustees shall be affected by any notice to the contrary.

Temporary Bonds.

§ 2.09. Pending the preparation of any definitive Bonds to be issued under and secured by this Indenture, the Company may execute and deliver temporary printed Bonds without any or with one or more interest coupons,

substantially of the tenor of the definitive Bonds, in denominations of One Thousands Dollars (\$1,000) and/or any multiple thereof. Temporary Bonds may be issued without the provision entitling the holder to register the Bonds or a recital of specific redemption prices, and may contain such reference to any provision of this Indenture as may be appropriate; and the text of the temporary Bonds may express the interest rate of the Bonds and the series thereof by reference to the title of the Bonds. Any such temporary Bonds shall be authenticated by the Trustee in the same manner as the definitive Bonds and such authentication shall constitute conclusive evidence that the temporary Bonds so authenticated have been duly issued under this Indenture and that the holders thereof are entitled to the benefits of the trust hereby created. Such temporary Bonds issued and authenticated as aforesaid shall be exchangeable without expense to the holder for definitive Bonds of the same series and maturity to be issued under and secured by this Indenture, which Bonds will be made available without unnecessary delay, and upon any such exchange such temporary Bonds shall be forthwith cancelled by the Trustee and delivered to the Company. Any such temporary Bonds may also be exchanged for other temporary Bonds of the same series and maturity and for the same aggregate principal amount. Until so exchanged, said temporary Bonds shall be in all respects entitled to the lien and security of this Indenture as Bonds issued and authenticated hereunder.

Definitive Bonds and the coupons, if any, attached thereto, shall be either in fully engraved form or lithographed or printed on steel engraved borders.

Mutilated, Lost, Stolen or Destroyed Bonds.

§ 2.10. In case any Bond or coupon issued hereunder shall be mutilated, lost, stolen, or destroyed, the Company may in its discretion issue and deliver and the Trustee shall authenticate a new Bond or coupon of like tenor and date in exchange and substitution for and upon cancellation of the mutilated Bond or coupon, or in lieu of and substitution for the Bond or coupon so lost, stolen or destroyed, upon receipt of evidence satisfactory to the Company and the Trustee of the ownership of such Bond or coupon and of the loss, theft or destruction of such Bond or coupon, and upon receipt also of indemnity satisfactory to each of them. Any Bonds and coupons issued pursuant to this § 2.10 shall constitute original, additional contractual obligations on the part of the Company and shall be secured equally and ratably with all other Bonds and coupons issued hereunder. Any such new Bond

may bear such endorsement as may be prescribed by the Company, with the approval of the Trustee, and as may be required to comply with the rules and regulations of any stock exchange upon which the Bonds are listed or are to be listed or to conform to any usage with respect thereto.

No Gain or Loss in Interest.

§ 2.11. Each Bond delivered pursuant to any provision of this Indenture in exchange or substitution for the whole or any part, as the case may be, of one or more other Bonds shall carry all of the rights to interest accrued and unpaid, and to accrue, which were carried by the whole or such part, as the case may be, of such one or more other Bonds, and notwithstanding anything contained in this Indenture, such Bond shall bear such date or have attached thereto such coupons so that neither gain nor loss in interest shall result from such exchange or substitution.

ARTICLE III.

Initial Issues of Bonds.

Issue of Bonds.

§ 3.01. Upon the execution and delivery of the Sixth Supplemental Indenture, and upon delivery to the Trustee at any time or from time to time thereafter of all or any part of One Million Five Hundred Thousand Dollars (\$1,500,000) principal amount of 1985 Series Bonds executed by the Company, the Trustee shall, without awaiting the filing or recording of said Sixth Supplemental Indenture but only after receiving the documents and/or cash otherwise required by Articles V, VI or VII of the Indenture, whichever may be applicable, in respect of the issue of such Bonds, authenticate such Bonds and deliver them to or upon the Written Order of the Company.

Upon the execution and delivery of the Eighth Supplemental Indenture, and upon delivery to the Trustee at any time or from time to time thereafter of all or any part of Three Million Dollars (\$3,000,000) principal amount of 1987 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.

Upon delivery to the Trustee at any time or from time to time, at or after (i) the authentication and delivery of the above mentioned Three

Million Dollars (\$3,000,000) principal amount of 1987 Series Bonds, as aforesaid, and (ii) the due and valid pledge with the Trustee of shares of \$1.10 Dividend \$20 Par Value Cumulative Convertible Preferred Stock of Nevada Northern, having a cost to the Company of not less than Two Million Five Hundred Thousand Dollars (\$2,500,000), as shown by a Certificate of the Company delivered to the Trustee, the Company may deliver to the Trustee Two Million Dollars (\$2,000,000) principal amount of 1987 Series Bonds executed by the Company, and the Trustee shall, without receiving the documents and/or cash otherwise required by Articles V, VI or VII of the Indenture in respect of the issue of such Bonds, authenticate such Two Million Dollars (\$2,000,000) principal amount of 1987 Series Bonds and deliver them to or upon the Written Order of the Company. In lieu of the pledge with the Trustee of such shares of \$1.10 Dividend \$20 Par Value Cumulative Convertible Preferred Stock of said Nevada Northern, the Company may at its option deposit with the Trustee Two Million Dollars (\$2,000,000) in cash (without reference to any limitation contained in Article VI of the amount of Deposited Cash) to be held by the Trustee as if the same were Deposited Cash deposited pursuant to Article VI subject to withdrawal only pursuant to the provisions of § 6.03, as amended.

Upon the execution and delivery of the Ninth Supplemental Indenture, and upon delivery to the Trustee at any time or from time to time thereafter of all or any part of Eight Million Dollars (\$8,000,000) principal amount of First Mortgage Bonds, 5½% Series due 1987 issued by Nevada Northern (such bonds having been assumed by the Company pursuant to the Merger Agreement dated as of November 12, 1963 between the Company and Nevada Northern which became effective December 31, 1963 and being upon authentication hereunder constituted and eleventh series of Bonds entitled to the benefits and security of the Indenture), the Trustee shall, without receipt of any 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 Bonds, authenticate the same, and deliver them to or upon the Written Order of the Company, and the Nevada Northern bonds shall thereupon be and become entitled to the benefits and security of the Indenture as if the same had been initially issued hereunder as Bonds of the Company, and shall constitute an eleventh series of Bonds entitled to the benefits and security of the Indenture, to be known as First Mortgage Bonds, 5½% Series B due 1987. The Company has heretofore assumed and does hereby expressly confirm its assumption of the due and punctual payment of the principal of

and interest and premium, if any, on said Eight Million Dollars (\$8,000,000) principal amount of Nevada Northern bonds.

The proviso to § 4.02, as amended by the Eighth Supplemental Indenture (requiring the delivery of Certificates, Opinions and Other Instruments constituting \$1,000,000 Net Amount of Property Additions as Funded Property [as used herein Funded Property shall have the meaning assigned thereto in the Indenture prior to the execution of the Ninth Supplemental Indenture]) shall not be applicable to the authentication of said \$8,000,000 principal amount of 1987 Series B Bonds, but shall continue in full force and effect with respect to any issue of other and further additional Bonds.

Upon the execution and delivery of the Tenth Supplemental Indenture, and upon delivery to the Trustee at any time or from time to time thereafter of all or any part of Five Million Dollars (\$5,000,000) principal amount of 1989 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.

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.

Upon the execution and delivery of the Twelfth Supplemental Indenture, and upon delivery to the Trustee at any time or from time to time thereafter of all or any part of Seven Million Five Hundred Thousand Dollars (\$7,500,000) principal amount of 1991 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.

Upon the execution and delivery of the Thirteenth Supplemental Indenture, and upon delivery to the Trustee at any time or from time to time thereafter of all or any part of Eight Million Dollars (\$8,000,000) 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.

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 Million Dollars (\$5,000,000) principal amount of 1996 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.

Upon the execution and delivery of the Fifteenth Supplemental Indenture, and upon delivery to the Trustee at any time or from time to time thereafter of all or any part of Five Million Dollars (\$5,000,000) principal amount of 1992 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.

Upon the execution and delivery of the Sixteenth Supplemental Indenture, and upon delivery to the Trustee at any time or from time to time thereafter of all or any part of Ten Million Dollars (\$10,000,000) principal amount of 1993 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.

Upon the execution and delivery of the Seventeenth Supplemental Indenture, and upon delivery to the Trustee at any time or from time to time thereafter of all or any part of Thirty-Five Million Dollars (\$35,000,000) principal amount of 1994 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.

Upon the execution and delivery of the Eighteenth Supplemental Indenture, and upon delivery to the Trustee at any time or from time to time

thereafter of all or any part of Twenty Million Dollars (\$20,000,000) principal amount of 2004 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.

Upon the execution and delivery of the Nineteenth Supplemental Indenture, and upon delivery to the Trustee at any time or from time to time thereafter of all or any part of Eighty Million Dollars (\$80,000,000) principal amount of 1991 Series A 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.

ARTICLE IV.

General Provisions as to Issue of Additional Bonds.

Principal Amount of Bonds Unlimited.

§ 4.01. The aggregate principal amount of Bonds which may be secured by this Indenture is not limited except as may be provided by law, but shall include such amount as may now or hereafter from time to time be authenticated and delivered under the provisions hereof.

Additional Bonds.

§ 4.02. Bonds, in addition to the initial issue of 1973 Series Bonds may be issued hereunder from time to time pursuant to Article V (on the basis of property hereafter acquired), Article VI (on the deposit of cash), and/or Article VII (for refunding Bonds previously outstanding hereunder), upon compliance with the provisions of Articles V, VI or VII, whichever may be applicable, *provided, however*, that at or prior to making any application after July 1, 1962, for the authentication of additional Bonds of any series pursuant to Articles V, VI or VII (other than the Five Million Dollars (\$5,000,000) principal amount of 1987 Series Bonds referred to in the Eighth Supplemental Indenture), or for the withdrawal of cash or for any credit in lieu of cash pursuant to Article XI (but not for credit in lieu of cash under any Renewal and Replacement Fund nor for withdrawal of any part of Deposited Cash deposited pursuant to § 3.01 in respect of the issue of 1987 Series Bonds), the Company shall deliver to the Trustee, for the purpose of

constituting the Property Additions therein described as property used for the purposes of the Indenture, the CERTIFICATES, OPINIONS AND OTHER INSTRUMENTS which the Company would be required to furnish to the Trustee upon an application for the authentication and delivery of Bonds under Article V on the basis of One Million Dollars (\$1,000,000) Net Amount of Property Additions, but with the following variations and omissions of the instruments specified in § 5.01:

(1) It shall not be necessary for the Company to deliver to the Trustee the Resolutions required by § 5.01(A) or the data relating to the Retirement and Renewal Deduction required by Clauses (7) and (8) or the data relating to Net Earnings required by Clauses (9), (10), (11) or (12) of § 5.01 (B), or the data and signature required by Clause (14) of § 5.01 (B) or the Supplemental Indenture required by § 5.01 (E) or any of the Certificates or parts of the Opinion of Counsel referred to in § 5.01 (D), (1), (5), (6) and (7). The Certificate of the Company required by § 5.01 (B) shall contain an additional statement to the effect that the Property Additions therein described have been certified for the purpose of constituting the same "property used for the purpose of the Indenture" as required by this § 4.02.

(2) The Opinion of Counsel required by § 5.01 (B) shall contain an additional clause stating that the instruments which have been or are therewith delivered to the Trustee conform to the requirements of this § 4.02.

Such additional Bonds may be Bonds of any series, as determined by the Company, but shall not be Bonds of any series then outstanding without the consent in writing of the holders of all then outstanding Bonds of the series in question.

ARTICLE V.

Authentication and Delivery of Bonds Upon the Basis of Property Additions.

Issue of Bonds Against Net Amount of Property Additions.

§ 5.01 Additional Bonds may at any time and from time to time be executed by the Company and delivered to the Trustee, and thereupon the same shall, subject to the provisions of § 5.02, be authenticated and delivered under this Article by the Trustee upon the Written Order of the Company, upon receipt by and deposit with the Trustee of the following:

A. A RESOLUTION, requesting the authentication and delivery pursuant to the provisions of this Article of a specified principal amount of Bonds of a designated series.

B. A CERTIFICATE OF THE COMPANY, in substantially the following form, with appropriate exhibits annexed thereto and the blanks appropriately completed:

SOUTHWEST GAS CORPORATION

INDENTURE OF MORTGAGE AND DEED OF TRUST

DATED JUNE 1, 1951

AS SUPPLEMENTED AND AMENDED

CERTIFICATE OF THE COMPANY FILED PURSUANT TO § 5.01

....., the President and the
Treasurer, of SOUTHWEST GAS CORPORATION, hereby certify:

(1) The Company has acquired, by purchase or construction *[or, in the alternative, by other specified manner]* the Property Additions briefly described in Exhibit A hereto, such description including a statement of the principal subdivisions of plant account to which the cost of such Property Additions has been charged. *[If such Property Additions include any additional tract or parcel of real estate, the following is to be added:]* A separate description of each additional tract or parcel of real estate included in such Property Additions is also set forth in Exhibit A.

(2) All of said Property Additions constitute Property Additions as said term is defined in § 1.01 of the Indenture.

(3) No part of said Property Additions has heretofore been used for any purpose of the Indenture. *[In connection with the certification of Property Additions as the basis for the authentication of additional Bonds or the withdrawal of cash deposited under § 6.01, but not otherwise, the required statement that such Property Additions have not been used for any purpose of the Indenture may be qualified if and to the extent that the Company shall show in this Clause (3) that any part of the Property Additions in question have been used only to withdraw trust moneys representing the proceeds of Retirements which themselves had not, prior to their retirement, been used for any purpose of the Indenture].*

(4) There is no outstanding indebtedness of the Company for the purchase price or construction of, or for labor, wages or material in connection with the construction of, said Property Additions prior to the lien of the Indenture which, in the opinion of the signers of this Certificate, might materially impair the security afforded thereby.

(5) The cost of all said Property Additions described above is \$.....

(6) The cost of the Property Additions so described which are to be used for the purpose of the Indenture under this Certificate is \$..... 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 \$.....

[If any part of the Property Additions was acquired by the Company for a consideration consisting of securities, the cost to the Company of said Property Additions shall be separately stated.]

The lesser of such cost or fair value is (Gross Amount of Property Additions). \$.....

(7) The amount of the Retirement and Renewal Deduction to be deducted from the Gross Amount of Property Additions shown in the above Clause (6) is as follows:

(a) Net Retirements \$.....

Such Net Retirements were computed as follows:

(i) Cost basis of all Retirements for the period from

(x) October 1, 1963 *[In the case of the first Certificate of the Company filed after the execution and delivery of the Ninth Supplemental Indenture insert latest date to which Retirements were certified in Certificates of the Company filed pursuant to § 5.01 of the Indenture as in effect prior to execution and delivery of the Ninth Supplemental Indenture],* to (y) the end of the next preceding quarter-annual period *[See instructions below]*..... \$

Less the sum of (ii) and (iii):

(ii) Cost basis of all Retirements for such period specified in (i) above which have been previously reflected in computations of the Retirement and Renewal Deduction filed with the Trustee \$

Plus

(iii) Retirements Credits during the period specified in (7)(a)(i) above \$

(iv) Total of (ii) and (iii) \$

(v) Difference between (a)(i) and (a)(iv) \$

A summary statement (by reference to principal subdivisions of plant account) of Retirements not previously reflected in a Certificate of the Company filed with the Trustee is set forth in Exhibit B hereto, as well as a summary description (by reference to the categories specified in § 1.01 of the Indenture) of all Retirements Credits not previously reflected in a Certificate of the Company filed with the Trustee.

The aggregate amount of all Retirements between the end of the next preceding quarter-annual period and the date of this Certificate is not greater than the Gross Amount of Property Additions which have not been, and are not hereby, used for any purpose of the Indenture.

[If the foregoing statement cannot be made as at the end of the last quarter-annual period, the Certificate may be brought down to a later date, with appropriate changes in the text.]

(b) Renewal and Replacement Obligation \$.....

Such Renewal and Replacement Obligation was computed as follows:

(i) The aggregate amount of the Renewal and Replacement Obligation of the Company for the period from October 1, 1963 to the end of the next preceding quarter-annual period \$

[The Renewal and Replacement Obligation for less than a full year shall be accrued on a quarterly basis.]

Less

(ii) The amount of the Renewal and Replacement Obligation for such period specified in (i) above which has been heretofore deducted for the purpose of computing the Net Amount of Property Additions in a Certificate previously filed with the Trustee \$

(iii) Excess of (i) over (ii)..... \$

[In connection with the certification of Property Additions as the basis for the authentication of additional Bonds or the withdrawal of Trust Moneys on the basis of a Net Amount of Property Additions, the Company may, at its option, eliminate certain specified Retirements included as aforesaid upon showing that at the time of its retirement the property retired had not been used for any purpose of the Indenture or had been used only to withdraw cash representing the proceeds of Retirements which themselves had not, prior to their retirement, been used for any purpose of the Indenture.]

(c) Retirement and Renewal Deduction (greater of (7)(a) (Net Retirements) and (7)(b) (Renewal and Replacement Obligation))..... \$

(8) The Net Amount of Property Additions included in this Certificate (the excess of the Gross Amount of Property Additions shown in the above Clause (6) over the Retirement and Renewal Deduction shown in the above Clause (7)(c)) is..... \$

(9) The amount of the Net Earnings Available for Interest, for the period of to inclusive (twelve [12] consecutive calendar months within the fifteen [15] calendar months immediately preceding the date on which the present application is made) is \$

(10) The aggregate amount of the annual interest charges on:

- (a) All Bonds outstanding under the Indenture at the date of this Certificate. (In the case of any Bonds pledged as security for any indebtedness of the Company, the amount of the annual interest charges on such pledged Bonds is stated as the greater of (i) the amount of the annual interest charges on such indebtedness or (ii) the amount of the annual interest charges on such pledged Bonds)..... \$
- (b) All Bonds the authentication and delivery of which is applied for in this application and in any other pending application..... \$
- (c) All indebtedness secured by a lien upon the Trust Estate, or any part thereof, prior to the lien of the Indenture, other than a Permitted Encumbrance \$
- Total such annual interest charges [*Such annual interest charges are, in the Indenture, called the annual "Interest Charges on the Secured Bonded Debt" of the Company*] \$

(11) The amount of the Net Earnings Available for Interest set forth in the above Clause (9) has been at least equal to two (2) times the aggregate amount of the annual Interest Charges on the Secured Bonded Debt of the Company, set forth in the above clause (10).

(12) The accompanying certificate of Independent Accountants, dated not more than 45 days prior to the date of this Certificate, certified the correctness of the above Clauses (9), (10) and (11).

[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.]

(13) The Company is not in default in the performance of any of the covenants on its part to be performed under the Indenture.

Dated: , 19

[The date of granting application]

SOUTHWEST GAS CORPORATION

.....
President or Vice President

.....
Treasurer or Assistant Treasurer

(14) I certify that the statements in the above Clauses (1), (2), (5), (6) and (7)(a)(i) are correct.

[The date of granting application]

.....
Independent Engineer, as defined in § 1.01 of the Indenture.

(If any part of the Property Additions was acquired by the Company for a consideration consisting of securities, the following shall be added.)

(15) I certify that I concur in the valuation of securities shown in the foregoing Certificate to constitute part of the cost of the foregoing Property Additions.

Dated: , 19

(The date of granting application)

.....
Independent Appraiser selected by the Company and approved by the Trustee in the exercise of reasonable care, who need not be engaged in the business of appraising.

The following waivers of signatures and certificates of Independent Accountants were effected by Supplemental Indentures executed and delivered prior to the Ninth Supplemental Indenture:

(Any Certificate of the Company delivered pursuant to § 5.01B in respect of the authentication and issuance of such \$950,000 principal amount of 1981 Series Bonds authenticated and delivered concurrently with the issuance and delivery of the Fifth Supplemental Indenture need not be signed by Independent Accountants and need not be accompanied by the Certificate of Independent Accountants.)

(Clause (18) of this § 5.01B, and the Certificate of Independent Accountants to be annexed as Exhibit D, may be omitted in connection with the authentication and delivery of the \$1,500,000 principal amount of 1985 Series Bonds authorized by the amendment to § 3.01 effected by the Sixth Supplemental Indenture.)

(Clause (18) of this § 5.01B, and the Certificate of Independent Accountants to be annexed as Exhibit D, may be omitted in connection with the authentication and delivery of the \$5,000,000 principal amount of 1987 Series Bonds authorized by the amendment to § 3.01 effected by the Eighth Supplemental Indenture.)

C. THE MORTGAGES, DEEDS, CONVEYANCES, ASSIGNMENTS, TRANSFERS AND INSTRUMENTS OF FURTHER ASSURANCE AND THE CERTIFICATE OR CERTIFICATES AND OTHER EVIDENCE, if any, specified in the Opinion of Counsel required by the following Paragraph D.

D. AN OPINION OR OPINIONS OF COUNSEL:

(1) Stating that the instruments which have been or are therewith delivered to the Trustee conform to the requirements of this Indenture and constitute sufficient authority under this Indenture for the Trustee to authenticate and deliver the Bonds applied for, and that the Bonds applied for may be lawfully authenticated and delivered under this Article.

(2) Specifying the mortgages, deeds, conveyances, assignments, transfers and instruments of further assurance, if any, which will be sufficient to subject to the lien of this Indenture the Property Additions described in said Certificate, and stating that upon the recordation or filing in the manner stated in such opinion of the instruments so specified, no further recording or re-recording or filing or re-filing of this Indenture or any other instrument is

required to maintain the lien of this Indenture upon such Property Additions as against creditors and subsequent purchasers, or stating what further recordation or filing of this Indenture or any supplemental indenture is or will be necessary for that purpose; or stating that said Property Additions are then subject to the direct lien of this Indenture and that no such mortgage, deed, conveyance, transfer or instrument of further assurance is necessary for such purpose.

(3) Stating that the Company has a good and valid title to said Property Additions, and that the same and every part thereof is free and clear of all liens, charges and encumbrances, except Permitted Encumbrances.

(4) Stating that the Company has lawful power to acquire, own and use said Property Additions in its business; and that the Company lawfully holds franchises, permits, liens, rights of way and/or easements necessary for the maintenance and use of said Property Additions or is otherwise entitled by law to maintain and operate said Property Additions and that no such franchise, permit, lien, right of way or easement in the opinion of such counsel contains any provisions materially prejudicial to the interests of the Bondholders.

(5) Stating that no property which has theretofore been used for any purpose of the Indenture is subject to any then subsisting lien or encumbrance (except Permitted Encumbrances) prior to the lien created by this Indenture for the security of the Bonds whose authentication and delivery is then applied for.

(6) Specifying the certificate or other evidence which will be sufficient to show compliance with the requirements, if any, of any mortgage recording tax law or other tax law applicable to the issuance of the Bonds then applied for, or stating that there are no such legal requirements.

(7) Specifying the certificate or other evidence which will be sufficient to show the authorization, approval or consent of or to the issuance by the Company of the Bonds then applied for, by the Federal, State or other governmental regulatory body or commission at the time having jurisdiction in the premises, or stating that no such authorization, approval or consent is required.

E. THE SUPPLEMENTAL INDENTURE, if any, required by § 2.07.

Authentication by Trustee.

§ 5.02. Upon compliance with the provisions of § 5.01, the Trustee shall authenticate and deliver Bonds of an aggregate principal amount equal to the amount requested in the Resolution filed pursuant to § 5.01A, up to, but not exceeding, sixty per cent. (60%) of the Net Amount of Property Additions shown in Clause (8) of the Certificate filed pursuant to § 5.01B.

Merger of Nevada Natural Gas Pipe Line Co.

§ 5.03. After the merger into the Company of Nevada Natural Gas Pipe Line Co., a Nevada corporation, and the execution and delivery of the Seventh Supplemental Indenture, the property acquired by the Company in connection with such merger (notwithstanding that the same has become Funded Property through the operation of Clause (k) of the definition of "Funded Property" in § 1.08, as heretofore in effect prior to the execution of the Ninth Supplemental Indenture) may be made in effect the basis for the authentication and delivery of additional Bonds, or the withdrawal of Funded Cash (as used herein Funded Cash shall have the meaning assigned thereto in the Indenture prior to the execution of the Ninth Supplemental Indenture) held by the Trustee hereunder, in all respects as if such property so acquired were unfunded Property Additions having a Cost to the Company, and a Fair Value to the Company at the date of certification, of Four Hundred Thousand Dollars (\$400,000), and in any Certificate of the Company delivered pursuant to § 5.01 or § 11.11 in which the Company elects to certify the same, the Company shall state, in lieu of the statements required by (or by reference to) § 5.01 (1) to (6), inclusive, that the Company elects to certify a specified unused portion of the credit of Four Hundred Thousand Dollars (\$400,000) established pursuant to this § 5.03 in lieu of a Gross Amount of Property Additions equal to such unused credit.

ARTICLE VI.

**Authentication and Delivery of Bonds Upon Deposit of Cash
With Trustee.**

Issue of Bonds Against Deposit of Cash.

§ 6.01. Additional Bonds may at any time and from time to time be executed by the Company and delivered to the Trustee for authentication and thereupon the same shall, subject to the provisions of § 6.02, be authenticated and delivered under this Article by the Trustee upon the Written

Order of the Company, upon receipt by and deposit with the Trustee of the following:

A. A RESOLUTION OF THE BOARD, requesting the authentication and delivery pursuant to the provisions of this Article of a specified principal amount of Bonds of a designated series.

B. CASH equal to the aggregate principal amount of the Bonds the authentication and delivery of which is then applied for.

C. A CERTIFICATE OF THE COMPANY, covering Clauses (9), (10), (11) and (12) of § 5.01B.

D. The CERTIFICATES AND OTHER EVIDENCES, if any, specified in the Opinion of Counsel as provided by the following § 6.01E.

E. An OPINION OR OPINIONS OF COUNSEL, covering Clauses (1), (5), (6) and (7) of § 5.01D.

F. The SUPPLEMENTAL INDENTURE, if any, required by § 2.07.

There shall at no time be on deposit with the Trustee under the provisions of this § 6.01 an amount of cash exceeding Five Million Dollars (\$5,000,000).

Authentication by Trustee.

§ 6.02. Upon compliance with the provisions of § 6.01 the Trustee shall authenticate and deliver Bonds of an aggregate principal amount equal to the amount of the cash deposited with the Trustee pursuant to § 6.01B.

Disposition of Deposited Cash.

§ 6.03. Cash deposited with the Trustee under the provisions of § 6.01 (such cash herein called "Deposited Cash") shall be held by the Trustee as Trust Moneys constituting part of the Trust Estate and shall be paid over by the Trustee upon compliance with the applicable provisions of § 11.10.

If the Company shall have deposited Two Million Dollars (\$2,000,000) in cash pursuant to § 3.01 in connection with the authentication and delivery of 1987 Series Bonds, the Company may either withdraw such sum pursuant to the foregoing paragraph, or at its option, pursuant to the following provisions: The Trustee, upon receipt of a Resolution of the Board requesting the payment of such Deposited Cash, shall pay upon the Written Order of the Company, and the Company shall be entitled to withdraw, such Two Million Dollars (\$2,000,000) of Deposited Cash upon the due and valid

pledge with the Trustee of shares of \$1.10 Dividend \$20 Par Value Cumulative Convertible Preferred Stock of Nevada Northern, having a cost to the Company of not less than Two Million Five Hundred Thousand Dollars (\$2,500,000) and the receipt by the Trustee of (i) a Certificate of the Company showing such cost to the Company and (ii) an Opinion of Counsel that such shares of \$1.10 Dividend \$20 Par Value Cumulative Convertible Preferred Stock are validly issued, fully paid and non-assessable, have been duly deposited and pledged with the Trustee and are subject to the direct lien of the Indenture, subject to no prior lien nor encumbrance.

ARTICLE VII.

Authentication and Delivery of Bonds Upon Retirement of Bonds Previously Issued Hereunder.

Issue of Bonds Against Retirement of Bonds.

§ 7.01. Additional Bonds may at any time and from time to time be executed by the Company and delivered to the Trustee for authentication, and thereupon the same shall be authenticated and delivered under this Article by the Trustee upon the Written Order of the Company, upon receipt by and deposit with the Trustee of the following:

A. A RESOLUTION OF THE BOARD, requesting the authentication and delivery pursuant to the provisions of this Article of a specified principal amount of Bonds of a designated series.

B. A CERTIFICATE OF THE COMPANY, in substantially the following form, with appropriate exhibits annexed thereto and the blanks appropriately completed:

SOUTHWEST GAS CORPORATION
 INDENTURE OF MORTGAGE AND DEED OF TRUST
 DATED JUNE 1, 1951
 AS SUPPLEMENTED AND AMENDED
 CERTIFICATE OF COMPANY FILED PURSUANT TO § 7.01

....., the President, and
, the Treasurer of SOUTHWEST GAS CORPORATION,
 hereby certify:

(1) [Either (a) and/or (b) and/or (c)].

(a) There are delivered to the Trustee herewith Bonds heretofore authenticated and delivered, which have been paid, redeemed or otherwise retired, of the following series and principal amounts respectively:

Series	Bond Numbers	Principal Amount
		Total

[and/or]

(b) There is delivered to the Trustee herewith [or, in the alternative, the Trustee now holds] in trust, irrevocably, for the purpose of payment or redemption thereof, cash sufficient to pay or redeem the following Bonds heretofore authenticated and delivered under the Indenture:

Series	Principal Amount	Redemption Price or Amount to be Paid
		Total

Instructions with respect to the payment or redemption of such Bonds are as follows: [Insert instructions]

[and/or]

(c) The following Bonds heretofore authenticated and delivered under the Indenture have been paid, redeemed or otherwise retired and heretofore delivered to the Trustee:

Series	Bond Numbers	Principal Amount

Total

(2) The Bonds, the retirement of which (or provision therefor) is made the basis for the authentication and delivery of Bonds hereunder, do not include

(a) Any Bond which has theretofore been used by the Company for any purpose of the Indenture *[the following may be added if applicable]* except as set forth in the following paragraph (b).

(b) Any Bond purchased, paid, redeemed or otherwise retired through the operation of any sinking, amortization, improvement, renewal or other analogous fund established pursuant to the Indenture *[the following may be added if applicable]* except the following Bonds purchased, paid, retired or redeemed through the operation of the _____ fund which was created by the Supplemental Indenture dated _____ *[or other instrument]* which permits the authentication and delivery of Bonds under Article VII upon the basis of the redemption, purchase or other retirement of such Bonds: *[Insert description of such Bonds.]*

(3) The Company is not in default in the performance of any of the covenants on its part to be performed under the Indenture.

[The statements required by the following Clause need not be added if either

(a) the Bonds, the retirement of which (or provision therefor) is made the basis for the authentication and delivery of the Bonds then applied for, bear interest at a higher rate than the Bonds the authentication of which is sought, provided however, that nothing in this Item (a) shall be deemed to excuse the Company from making such statements if said first mentioned Bonds shall not have been issued by the Company or shall have ceased to be outstanding hereunder during any period or periods prior to the authentication and delivery of the Bonds then applied for, and during said period or periods a Certificate of the character required by § 5.01B shall have been delivered to the Trustee pursuant to any provision of this Indenture in which the annual interest requirements on any such bond which shall have so ceased to be outstanding shall not have been included in Interest Charges on the Secured Bonded Debt of the Company, or

(b) the payment date or the redemption date of said first mentioned Bonds (if they have been paid or have been or are to be redeemed) or the date of their surrender to the Trustee (if they have been acquired by the Company and surrendered to the Trustee) is less than three (3) years prior to the maturity date stated in such Bonds.]

(4) [Here insert statements respecting Net Earnings and Certificate of Independent Accountants required by Clauses (9), (10), (11) and (12) of § 5.01B.]

Dated:

19 .

(The date of
granting application)

SOUTHWEST GAS CORPORATION

.....
President or Vice-President

.....
Treasurer or Assistant Treasurer

C. The CERTIFICATES AND OTHER EVIDENCE, if any, specified in the Opinion of Counsel as provided by the following § 7.01 D.

D. AN OPINION OR OPINIONS OF COUNSEL, covering Clauses (1), (5), (6) and (7) of § 5.01 D.

E. The BONDS AND/OR CASH, if any, specified in Clause (1) of § 7.01 B.

F. The SUPPLEMENTAL INDENTURE, if any, required by § 2.07.

Authentication By Trustee.

§ 7.02. Upon compliance with the provisions of § 7.01, the Trustee shall authenticate and deliver Bonds of an aggregate principal amount equal to the principal amount of the Bonds deposited with the Trustee, and/or paid, redeemed or otherwise retired, and/or for whose payment or redemption cash has been deposited with or is held in trust by the Trustee, as in § 7.01 provided.

Bonds Deposited Shall Be Cancelled.

§ 7.03. Every Bond and its coupons delivered uncanceled to the Trustee, and on the basis of which an additional Bond is authenticated and delivered under this Article, shall be immediately cancelled. Such cancelled Bonds and all Bonds delivered cancelled shall be thereafter cremated if in coupon form not registered as to principal.

ARTICLE VIII.

Certain Covenants.

In addition to the covenants on its part contained elsewhere in this Indenture, the Company covenants as follows:

Warranty of Title.

§ 8.01. The Company is lawfully seized and possessed of and has good title to all property described in the granting clauses hereof as being presently mortgaged and pledged hereunder, and it has good right and lawful authority to mortgage and pledge the same as provided in and by this Indenture; said property is free and clear of all liens and encumbrances except Permitted Encumbrances and those, if any, referred to in the granting clauses hereof; and the Company warrants and will defend the title to such property and every part thereof to the Trustees, their successors in the trust and assigns, forever, for the benefit of the holders of the Bonds, against the claims and demands of all persons whomsoever.

This Indenture is and always will be kept a first lien upon the Trust Estate and upon every part thereof, subject only to encumbrances permitted by § 8.05.

Further Assurances.

§ 8.02. At any and all times the Company will do, execute, acknowledge, deliver, file and/or record, and will cause to be done, executed, acknowledged, delivered, filed and/or recorded, all and every such further acts, deeds, conveyances, mortgages, transfers and assurances in law as may be necessary or as the Trustees shall reasonably require for the better assuring, conveying, pledging, transferring, mortgaging, assigning and confirming unto the Trustees all and singular the hereditaments and premises, estates and property hereby conveyed, pledged, transferred or assigned, or intended so to be.

Payment of Bonds.

§ 8.03. The Company will duly and punctually pay or cause to be paid the principal of, and premium, if any, and interest on all of the Bonds at any time issued and outstanding hereunder in full and in strict accord with the terms thereof and of this Indenture; and on or prior to the date on which each installment of principal (and premium, if any) or interest shall become due it will set aside in trust or will deposit or cause to be deposited in trust with its paying agent or agents the amount in cash necessary to pay the principal (and premium, if any) and interest due on such date. Each such installment of money so deposited shall (subject to the provisions of § 16.02) be held in trust for the account of the holder or holders of the obligations due on such date and shall be applied to the payment thereof. All Bonds and/or coupons so paid shall be forthwith cancelled and thereafter all coupon bonds so cancelled, together with the coupons appurtenant thereto, shall be cremated by the Trustee.

Subject to the provisions of § 16.02, money deposited with the Trustee or with any paying agent or held by the Company for the purpose of paying the principal of or interest (or premium, if any) on Bonds shall constitute a trust fund for such purpose and for no other purpose whatever. Every paying agent which may be appointed for the purpose of making payments of the principal of or the interest (or premium) on any Bond shall be required to notify the Trustee promptly of any default by the Company, or any other obligor upon the Bonds, in the payment of any such principal or interest (or premium).

Office or Agency.

§ 8.04. At all times until the payment of all of the Bonds the Company will maintain in the Borough of Manhattan, The City of New York, an office or agency where the Bonds and coupons may be presented for payment and where notices and demands in respect of the Bonds and coupons or of this Indenture may be served, and for the performance of all obligations which the Company agrees in this Indenture to perform at any such office or agency.

The Company will from time to time give the Trustee written notice of the location of each such office or agency, and in case the Company shall fail to maintain any such office or agency or to give the Trustee written notice of the location thereof, any such notice, presentation or demand in respect of the Bonds or coupons or this Indenture, may be given or made, unless other provision is expressly made herein, to or upon the Trustee at its principal trust office in the City of Los Angeles, California, and the Company hereby authorizes such presentation and demand to be made to and such notice to be served on the Trustee in such event, and the principal of and interest on the Bonds shall in such event be payable at said office of the Trustee.

Payment of Taxes; Restrictions on Other Liens.

§ 8.05. The Company will pay or cause to be paid all taxes and assessments lawfully levied or assessed upon the Company or upon the Trust Estate or upon any part thereof or upon any income therefrom or upon the interest of the Trustees in the Trust Estate, prior to delinquency, and will duly observe and conform to all valid requirements of any governmental authority relative to any of the Trust Estate, and all covenants, terms and conditions upon or under which any of the Trust Estate is held, *provided* that nothing in this § 8.05 contained shall require the Company to observe or conform to any requirement of any governmental authority or to pay or cause to be paid or discharged, or make provision for, any tax, prior lien, charge, claim or demand so long as the validity thereof shall be contested by it in good faith and by appropriate legal proceedings and such security for the payment thereof shall be given as the Trustee may require; and it will not suffer to be done any matter or thing whereby the lien hereof might or could be impaired.

The Company will not create or suffer to be hereafter created any lien upon the Trust Estate, or any part thereof, or the income therefrom, prior to,

or having equality with, the lien of these presents, except Permitted Encumbrances and except (i) any mortgage or other lien on any property hereafter acquired by the Company which may exist at the date of the acquisition of such property by the Company and (ii) purchase money mortgages created by the Company at the time of acquisition of such property; *provided* that every such mortgage or lien permitted by the foregoing *Clauses (i) and (ii)* shall involve no lien or other charge upon property other than the property so acquired by the Company, and (in the case of real property, fixed improvements erected or to be erected thereon) and that in no event shall the amount secured by any such mortgage or lien be in excess of sixty-six and two-thirds per cent. (66 $\frac{2}{3}$ %) of the cost or fair value at the time of acquisition, whichever is less, of the property subject thereto, and *provided further* that the amount secured by all such mortgages or other liens shall not exceed in aggregate amount at any one time outstanding ten per cent. (10%) of the aggregate principal amount of the Bonds then outstanding.

Within three months after the accruing of any lawful claims or demands for labor, material, supplies or other objects or any lawful claims or demands of a government or governmental authority, which, if unpaid, might by law be given precedence over this Indenture as a lien or charge upon the Trust Estate or the income thereof, the Company will pay or cause to be discharged or make adequate provision to satisfy or discharge the same; and it will not suffer to be done any matter or thing whereby the lien hereof might or could be impaired.

The Company will not claim or demand or be entitled to receive any credit on the interest payable on the Bonds or on any other payment secured hereby for any portion of any taxes assessed against the Trust Estate, and no deductions shall be made by reason of this Indenture from the taxable value of the Trust Estate or any part thereof, and the provisions of any present or future law, statute or constitutional provision permitting or entitling the Company to receive any such credit or to make any such deduction are hereby expressly waived.

Recording.

§ 8.06. The Company will cause this Indenture and every additional supplemental and amendatory instrument which shall be executed pursuant to the provisions hereof, forthwith upon execution, to be recorded as a real estate mortgage and, if required by law, recorded and/or filed or re-filed as a chattel mortgage and will, to the extent permitted by law, pay any mortgage recording or filing or other tax legally due upon such recording and filing or

the issuing of Bonds hereunder, and will punctually and fully comply with the requirements of any and every mortgage recording tax or other law, affecting the due recording and re-recording and filing and re-filing of this Indenture or of such additional instruments in such manner as may be necessary fully to preserve, continue and protect the security and validity of the Bonds, the lien of this Indenture on the Trust Estate and all rights and remedies of the Trustee hereunder.

The Company will take all steps which may be necessary to maintain its corporate existence.

Promptly after the execution and delivery of this Indenture and every instrument amendatory hereof or supplementary hereto which shall be executed pursuant to the provisions hereof, the Company will furnish to the Trustee an Opinion of Counsel, either stating that in the opinion of such counsel this Indenture and all such instruments have been properly recorded and filed so as to make effective the lien intended to be created hereby and that all other action required by the first paragraph of this § 8.06 theretofore to have been taken has been taken, and reciting the details of such action, or stating that in the opinion of such counsel no such recording, filing or other action is necessary to make such lien effective.

Without limiting the generality of the foregoing covenants of this § 8.06, the Company will furnish to the Trustee upon request and in any event on or before May 1 in each year (beginning May 1, 1952), the following:

A. A CERTIFICATE OF THE COMPANY, briefly describing by reference to subdivisions of plant account or job orders (or referring to descriptions thereof in other Certificates of the Company then or theretofore delivered to the Trustee) each item of property which was acquired in the preceding calendar year at a cost of Twenty-five Thousand Dollars (\$25,000) or more and which under the terms hereof is subject to the lien of this Indenture or required so to be.

If any item of property described in such Certificate is an additional tract or parcel of real estate, a separate description of such tract or parcel shall (unless included in another Certificate then or theretofore delivered to the Trustee) be included in the Certificate.

B. AN OPINION OF COUNSEL,

(1) Specifying the mortgages, deeds, conveyances, assignments, transfers and instruments of further assurance, if any,

which will be sufficient to subject such property to the lien of this Indenture or stating that no such instruments are necessary for such purpose, and stating that, upon the recordation or filing, in the manner stated in such opinion, of the instrument so specified, if any, or upon the recordation or filing of this Indenture or any supplemental indenture in the manner stated in such opinion, or without any recordation or filing, this Indenture will constitute a valid lien upon such property.

(2) Stating what action, if any, of the Company or the Trustees, or either of them, is necessary or advisable under the statutes of the State of California or other applicable law to maintain the lien of this Indenture as against creditors and subsequent purchasers and stating whether, under the then applicable law, any such action will be necessary or advisable within the next ensuing period of twelve months. If any instruments are necessary or advisable for such purpose, such opinion shall specify the same.

(3) Either stating that in the opinion of such counsel such action has been taken with respect to the recording, filing, re-recording and re-filing of this Indenture and all indentures supplemental hereto, as is necessary to maintain the lien of the Indenture, and citing the details of such action, or stating that in the opinion of such counsel no such action is necessary to maintain such lien.

C. THE MORTGAGES, DEEDS, CONVEYANCES, ASSIGNMENTS, TRANSFERS AND INSTRUMENTS OF FURTHER ASSURANCE AND OTHER INSTRUMENTS, if any, as specified in the opinion required by the foregoing Paragraph B.

To the extent permitted by law the Company will bear all expenses in connection with the preparation, recording, filing, re-recording or re-filing of all such instruments specified in said Opinion of Counsel.

Maintenance and Repair; Engineer's Report.

§ 8.07. The Company will at all times maintain, preserve and keep the Trust Estate, and every part thereof, with the appurtenances and every part and parcel thereof, in good repair, working order and condition, and will from time to time make all needful and proper repairs and renewals, replacements and substitutions, so that at all times the efficiency of the property hereby mortgaged shall be fully preserved and maintained, and, subject to the provisions hereof, will maintain its corporate existence and

will use its best efforts to maintain, preserve and renew all the rights, powers, privileges and franchises by it owned, and otherwise to maintain its rights in respect of its Gas Business.

The Company will promptly classify as Retirements for the purpose of the computation of Net Property Additions hereunder all property used for any purpose of the Indenture that has permanently ceased to be used or useful in the Gas Business of the Company.

Whenever the holders of not less than a majority in principal amount of the Bonds then outstanding, taken as one class, shall so request in a written notice served upon the Company and the Trustee, the Company at its own expense shall promptly appoint the Engineer named by such holders in such request to make an inspection of the Trust Estate, and within a reasonable time after his appointment to report in writing to the Company and to the Trustee whether or not the Trust Estate, as an operating system, has been maintained in good repair, working order and condition in accordance with the covenants hereinabove in this § 8.07 set forth, and whether or not the Company shall have complied with the covenants in the next preceeding paragraph regarding the classification of property as Retirements; *provided* that the Company shall not be obligated to make more than one such appointment in the period from the date of this Indenture to June 1, 1956 nor to make more than one such appointment within any subsequent period of sixty (60) months. Said report shall be presented to the Company and, accompanied by evidence of such presentation, to the Trustee in whose office it shall remain on file and open to inspection by any Bondholder at any reasonable time. A copy of said report shall be mailed by the Trustee to each registered owner of not less than ten per cent. (10%) in principal amount of the Bonds at the time outstanding.

If such Engineer shall report that the Trust Estate as an operating system has not been so maintained he shall specify in his report, the character and extent of, and the estimated cost of making good, the deficiency in such maintenance, and, if longer than one year, the time reasonably necessary to make good such deficiency.

The report of such Engineer shall be binding upon the Trustee, the Company and the Bondholders unless, within sixty (60) days after filing of the report, the Company (by notice in writing to the Trustee) states that such report is not approved, specifying with reasonable particularity the matters therein which are not approved. All matters so specified in such notice shall

forthwith be referred to three arbitrators, each of whom shall be an Independent Engineer, selected in the following manner:

The Trustee, within ten (10) days after receipt of notice, shall name one arbitrator and give notice of such selection to the Company. Within ten (10) days after receipt of such notice of selection, the Company shall name one arbitrator and give notice of such selection to the Trustee, and failure so to do shall entitle the Trustee to name an arbitrator to represent the Company. The two thus selected shall, within ten (10) days after the appointment of the arbitrator representing the Company, select a third arbitrator, but if said arbitrators are unable within said ten (10) days to agree upon such third arbitrator then, upon the application of either the Company or the Trustee, the person who is the District Judge of the United States of America for the Southern District of California, senior in service shall have the power to appoint such third arbitrator upon application to said District Judge by either the Company or the Trustee on five (5) days notice thereof to the other.

The written decision of a majority of such arbitrators shall be filed as soon as practicable with the Trustee and a copy thereof delivered to the Company and a copy thereof shall be mailed by the Trustee to each registered owner of not less than ten percent. (10%) in principal amount of the bonds at the time outstanding, and such decision shall be binding upon the Trustees, the Company and the Bondholders.

If such written decision shall modify the report of the Engineer which was the subject of arbitration, reference hereinafter in this § 8.07 to such report of the Engineer shall be deemed to mean the report of such Engineer as modified by the decision of such arbitrators. Pending the final determination pursuant to the foregoing provisions of this § 8.07 as to whether or not the Trust Estate has been maintained as an operating system in good repair, working order and condition, the statements contained in the report of such Engineer which is the subject of arbitration shall not be deemed evidence of failure to comply with the provisions of this § 8.07.

In the computation hereunder of the Net Amount of Property Additions, after any such report of an Engineer shall have been filed with the Trustee, the Company shall classify as Retirements, at the amount or amounts which such report specifies, the property which said report states should be classified as Retirements for the purpose of such computation and which has not been retired on the books of the Company.

The Company shall, with all reasonable speed, do such maintenance work as may be necessary to make good such maintenance deficiency, if any, as shall have been specified to exist in such report, and upon completion thereof such Engineer (or, in the case of his refusal or inability to act, some Independent Engineer of national reputation selected by the Company and approved by the Trustee) shall report in writing to the Trustee that the maintenance deficiency specified in said report has been made good.

Unless the Trustee shall be so informed in writing by such Engineer within one year from the date of the report with respect to the maintenance deficiency (or such longer period as may be specified in such report to be reasonably necessary for the purpose), that such maintenance deficiency has been made good, the Company shall be deemed to have defaulted in the due performance of the covenants of this § 8.07 with respect to the maintenance of the Trust Estate; and in any proceedings consequent upon such default, said report of such Engineer shall be conclusive evidence against the Company of the existence of the facts and conditions therein set forth, and the Trustee shall be fully protected in relying thereon.

All expenses incurred pursuant to this § 8.07 shall be borne by the Company.

In the event that any regulatory authority having jurisdiction over the Company in the premises shall determine that the expenditures required by this § 8.07 for repairs and maintenance are excessive or shall, by order or regulation, prohibit, in whole or in part, any such expenditures for repairs and maintenance, then, upon filing with the Trustee a certified copy of such order or a copy of such regulation, as the case may be, the Company shall, so long as such order or such regulation remains in effect, be relieved from compliance with the covenants contained in this § 8.07, to the extent that such expenditures for repairs and maintenance shall have been held excessive or shall be prohibited.

Insurance.

§ 8.08. The Company will at all times keep all of its plants and properties which are of an insurable character insured, by financially sound and reputable insurance companies or associations, against loss or damage by fire or explosion, in amounts sufficient to prevent the Company from becoming a co-insurer within the terms of the insurance policies covering such risks, but no such policy shall contain a co-insurance clause permitting insurance coverage of less than eighty per cent. (80%) of the property

insured. The Company will also maintain insurance with such insurance companies and associations against loss or damage from other hazards and risks to its properties and to the person or property of others of the character usually maintained by companies engaged in the same or similar business similarly situated; *provided, however*, that the Company may effect Workmen's Compensation Insurance with respect to operations in any particular state or other jurisdiction through an insurance fund operated by such state or other jurisdiction.

All insurance policies covering risks to the Trust Estate shall provide that if any insurance moneys in excess of Ten Thousand Dollars (\$10,000) are payable in respect of any one loss, all such moneys shall be payable to the Trustee as its interest may appear. Whenever the holders of not less than a majority in principal amount of the Bonds then outstanding shall so request in a written notice served upon the Company and the Trustee, the Company shall cause policies for insurance against risks to the Trust Estate to be delivered to the Trustee.

Whenever any proceeds of insurance representing loss of or damage to any part of the Trust Estate and aggregating \$10,000 or less in respect of any one loss shall be received by the Company, the Company will (unless the aggregate amount of such proceeds, plus all other proceeds of insurance received since the beginning of the current calendar year as to which the provisions of this paragraph are applicable shall be \$1,000 or less) within ninety (90) days thereafter deliver to the Trustee:

A. A CERTIFICATE OF THE COMPANY setting forth

(1) The amount of insurance moneys so received.

(2) That a specified amount (i) has been applied by the Company to the replacement, renewal, repair or rebuilding of the destroyed or damaged property or (ii) is required to pay obligations incurred for the replacement, renewal, repair or rebuilding of the damaged or destroyed property.

B. CASH in an amount equal to the excess, if any, of the amount specified in Clause (1) of the Certificate of the Company delivered pursuant to the foregoing Paragraph A over the amount specified in Clause (2) of such Certificate of the Company.

Any insurance moneys received by the Trustee under any of the provisions of this § 8.08 shall be held by the Trustee, and shall be paid over

to the Company by the Trustee upon receipt of an Application of the Company so requesting —

(1) In the case of any loss in an amount less than Twenty-five Thousand Dollars (\$25,000), such moneys shall be paid over in an amount equal to expenditures made in repairing or replacing the damaged or destroyed property for which such insurance moneys were paid, upon receipt by the Trustee of a CERTIFICATE OF THE COMPANY showing the cash expenditures made for such purposes, and stating that the same do not exceed the fair value to the Company of such repairs or replacements.

(2) In the case of any loss, whether the amount thereof be greater or less than \$25,000, such moneys shall be paid over upon compliance with the provisions of § 11.10, § 11.11 or § 11.12.

Insurance Certificate.

§ 8.09. There shall be deposited with the Trustee, at such reasonable times as it may request, and at least once in each year on or before May 1 (beginning May 1, 1952) without any such request, a Certificate of the Company stating that the Company has at all times during the preceding calendar year complied with the provisions of § 8.08, and including a detailed statement of the policies of insurance outstanding and in force at the end of the preceding calendar year. In case the Trustee shall at any time notify the Company in writing that it disapproves of any insurance company with which the Company has taken out any insurance (which the Trustee shall be under no duty to do unless so requested in writing by the holders of not less than a majority in principal amount of the Bonds at the time outstanding), other insurance satisfactory to the Trustee shall forthwith be effected by the Company.

Advances By Trustee.

§ 8.10. If the Company shall fail to perform any of the covenants contained in Section 8.05 or Section 8.08, the Trustee may make advances to perform the same in its behalf, but, except as otherwise required by Section 15.01, shall be under no obligation so to do; and all sums so advanced shall be at once repayable by the Company, and shall bear interest at six per cent. (6%) per annum until paid, and shall be secured hereby, having the benefit of the lien hereby created in priority to the Bonds and coupons issued hereunder, but no such advance shall be deemed to relieve the Company from any default hereunder.

Records and Accounts.

§ 8.11. The Company will keep books of record and account, in which full, true and correct entries will be made of all dealings or transactions relative to the plants, properties, business and affairs of the Company, and all books, documents and vouchers relative to the plants, properties, business and affairs of the Company shall at all reasonable times be open to the inspection of such reputable accountant or other agent as the Trustee may from time to time designate upon the request of the holders of not less than a majority in principal amount of the Bonds then outstanding, and the Company will bear all expenses of such inspections made at intervals of not more than once every two years.

The Company will:

A. At such times as the Trustee shall reasonably request, furnish statements in reasonable detail showing the earnings, expenses and financial condition of the Company;

B. From time to time furnish to the Trustee such data as to the plants, property and equipment of the Company, as the Trustee shall reasonably request;

C. On or before the expiration of three (3) months after the end of each fiscal year, furnish to the Trustee a report in the form intended for submission to the Board of Directors of the Company, signed or certified by independent public accountants, acceptable to the Trustee covering the operations of the Company during the twelve (12) calendar months ending at the close of the preceding fiscal year, and containing in any event a balance sheet of the Company as at the close of the preceding fiscal year and a statement of the income account and surplus account of the Company for such preceding fiscal year;

D. Within forty-five (45) days after the end of each quarterly fiscal period of the Company deliver to the Trustee a copy of the quarterly operating report of the Company, including a balance sheet of the Company as at the end of such quarterly period and an income and surplus statement of the Company for the quarterly period ending as of the date of such balance sheet, all in reasonable detail and certified by an authorized officer of the Company.

Said reports and statements shall be available at all reasonable times for the inspection of any Bondholder or his authorized agent.

Issue of Bonds.

§ 8.12. The Company will not issue, negotiate, sell or dispose of any Bonds of any amount or in any manner or for any purpose contrary to the provisions of this Indenture, according to the true intent and tenor hereof.

Dividends, Purchases of Stock, Etc.

§ 8.13. So long as any of the Bonds shall be outstanding (other than Bonds of any series as to which the Supplemental Indenture creating the same shall expressly provide that such series shall not be entitled to the benefits of the covenants of this § 8.13) the Company will not—

- A. Declare or pay any dividends on any of its stock;
- B. Directly or indirectly or through any Subsidiary purchase or agree to purchase, or redeem or retire or give notice of redemption or retirement of, any of its stock; or
- C. Make any distribution to its stockholders;

other than dividends, purchases, redemptions, retirements or distributions payable solely in common stock of the Company (such prohibited declarations or payments of dividends, purchases, agreements to purchase, redemptions, retirements or distributions referred to in the foregoing Paragraphs A, B and C being herein collectively called "*Stock Payments*"), except that, so long as no Event of Default shall have happened and be continuing, nothing in this § 8.13 shall prohibit Stock Payments if and to the extent that the amount of all Stock Payments for the period from September 1, 1956, to and including the date of the making of the Stock Payment in question will not be greater than the excess, if any, of

(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

(b) the amount, if any, by which Fixed Sinking Fund Payments made during such period in respect of any Bonds exceed the amount of depreciation reflected in the Net Earnings of the Company for such period.

However, in addition to the restrictions set forth above in this § 8.13, so long as any 1993 Series Bond shall be outstanding the Company shall not make any Stock Payment if and to the extent that the amount of all Stock Payments for the period from December 31, 1977, to and including the date

of the making of the Stock Payment in question would exceed the Net Earnings of the Company from December 31, 1977 to and including the date of the making of the Stock Payment in question, taken as one accounting period, plus \$8,000,000.

However, in addition to the restrictions set forth above in this § 8.13, so long as any 1994 Series Bond shall be outstanding, the Company shall not make any Stock Payment if and to the extent that the amount of all Stock Payments for the period from December 31, 1977, to and including the date of the making of the Stock Payment in question would exceed the Net Earnings of the Company from December 31, 1977 to and including the date of the making of the Stock Payment in question, taken as one accounting period, plus \$8,000,000.

However, in addition to the restrictions set forth above in this § 8.13, so long as any 2004 Series Bond shall be outstanding, the Company shall not make any Stock Payment if and to the extent that the amount of all Stock Payments for the period from December 31, 1983, to and including the date of the making of the Stock Payment in question would exceed the Net Earnings of the Company from December 31, 1983 to and including the date of the making of the Stock Payment in question, taken as one accounting period, plus \$10,000,000.

So long as any 2004 Series Bonds are outstanding, the Company may credit against Stock Payments of the character of purchases, redemptions and retirements of stock of the Company the excess of (a) the net cash consideration received upon the sale subsequent to December 31, 1983, of additional common stock of the Company over (b) \$390,000, and in the case of exchanges of common stock of the Company solely for other common stock of the Company, the stock retired through exchanges need not be considered a Stock Payment.

The Company may credit against Stock Payments of the character of purchases, redemptions and retirements of stock of the Company the excess of (a) the net cash consideration received upon the sale subsequent to November 1, 1956, of additional common stock of the Company over (b) \$390,000, and in the case of exchanges of common stock of the Company solely for other common stock of the Company, the stock retired through exchanges need not be considered a Stock Payment.

Deposit of Subsidiary's Stock.

§ 8.14. Forthwith upon the acquisition of any shares of stock or other securities or notes, bonds or other evidences of indebtedness (except any of the same evidencing current indebtedness), of any Subsidiary or of any corporation which thereby shall become a Subsidiary, the Company will deposit and pledge the same with the Trustee subject to the direct lien of the Indenture, subject to no prior lien or encumbrances.

Upon such deposit and pledge, the Company shall deliver to the Trustee an opinion of Counsel that the certificates for such shares of stock or such other securities are duly and validly issued and outstanding and that upon deposit thereof with the Trustee will be subject to the direct lien of the Indenture, subject to no prior lien or encumbrance.

The term "current indebtedness" shall mean all indebtedness maturing on demand or within one year after the date of creation thereof which is not renewable or extendible at the option of the borrower to a date one year from the date of creation thereof or incurred under a revolving credit or similar agreement obligating the lender to extend credit over a period of one year or more.

Sales, Leases, Transfers, Consolidations, Mergers.

§ 8.15. The Company will not cause or permit any Subsidiary to (1) sell, lease or transfer all, or substantially all, of its properties, rights and franchises except (a) to the Company or another Subsidiary or (b) by way of mortgage or pledge to secure indebtedness permitted by § 8.16(2), or (2) merge or consolidate with or into any corporation other than the Company or another Subsidiary.

Subsidiaries.

§ 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, (b) the 1995 Series Bonds, (c) the 1996 Series Bonds, (d) the 1992 Series Bonds, (e) the 1993 Series Bonds and (f) the 1994 Series Bonds, which are at the time outstanding.

(1) No issue of additional shares of any Subsidiary will be made unless simultaneously there shall be made effective provision that certificates for all such additional shares, forthwith upon the issue

thereof, shall be deposited and pledged with the Trustee hereunder as provided in § 8.14.

(2) No Subsidiary will create or suffer to exist any indebtedness, whether directly or by guaranty, assumption or otherwise, except as follows:

(a) In the case of any Subsidiary, current indebtedness incurred in the ordinary course of business (not as a result of borrowing) and not evidenced by any note or other evidence of indebtedness;

(b) In the case of any Subsidiary, indebtedness owed to the Company, *provided* that all indebtedness aggregating in excess of Ten Thousand Dollars (\$10,000) owing by any Subsidiary for a period of more than one year shall be evidenced by a note which, forthwith upon the execution thereof, shall be assigned to and pledged with the Trustee hereunder pursuant to § 8.14;

(c) In the case of Utility Financial Corp., a Nevada corporation, or Carson Water Company, a Nevada corporation any indebtedness whatsoever, *provided* that neither the Company nor any Subsidiary other than the particular obligor (i) shall be obligated under such indebtedness as debtor, guarantor or otherwise or (ii) shall be obligated under any so-called "take-or-pay" agreement or other agreement with the particular obligor, under which payment for goods or services is to be made to such particular obligor whether or not such goods or services are furnished; and

(d) In the case of Southwest Gas Corporation of Arizona, indebtedness to Pacific Gas and Electric Company in an amount not exceeding Thirty Thousand Dollars (\$30,000).

(3) The aggregate amount of the investment of the Company and all Subsidiaries in said Utility Financial Corp., whether by acquisition of stock or other securities, or by loans, guarantees, advances, capital contributions or otherwise, will not at any time exceed One Million One Hundred Thousand Dollars (\$1,100,000).

So long as any 2004 Series Bonds shall be outstanding,

(1) No Subsidiary will create or suffer to exist any indebtedness, whether directly or by guaranty, assumption or otherwise, except as follows:

(a) Indebtedness owed to the Company, provided that all indebtedness aggregating in excess of Ten Thousand Dollars (\$10,000) owing by any Subsidiary for a period of more than one year shall be evidenced by a note which, forthwith upon the execution thereof, shall be assigned to and pledged with the Trustee hereunder pursuant to § 8.14; and

(b) Any indebtedness whatsoever, provided that the Company or any Subsidiary (i) shall not be obligated under such indebtedness as debtor, guarantor or otherwise or (ii) shall not be obligated under any so-called "take-or-pay" agreement or other agreement with the particular subsidiary, under which payment for goods or services is to be made to such subsidiary whether or not such goods or services are furnished.

(2) The Company will not permit:

(a) The aggregate of its investments in the capital stock of Subsidiaries to exceed 25% of the Capitalization of the Company, exclusive of Funded Debt and all amounts attributable to the then outstanding series of preferred and preference stocks of the Company, determined on the basis of the balance sheet appearing in the financial statements of the Company as of the preceding fiscal year end; and

(b) The sum of aggregate investments in and loans or advances to Subsidiaries to exceed 50% of Capitalization of the Company, exclusive of Funded Debt and all amounts attributable to the then outstanding series of preferred and preference stocks of the Company, determined on the same basis as described above.

For purposes of this subparagraph (2), investments in the capital stock of Subsidiaries engaged in gas-related businesses shall be excluded.

Initial Construction Program.

§ 8.17. The Company covenants on or before June 1, 1952, it will complete the Initial Construction Program, and will file with the Trustee a Certificate of the Company, signed also by an Independent Engineer, certifying such completion and setting forth a reasonably detailed description of the property acquired in that connection.

Limitation on Funded Debt.

§ 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 or (d) any 1992 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.

So long as any 1993 Series Bonds shall be outstanding, the Company will not permit the aggregate principal amount of all Debt of the Company (including without limitation any Bonds then being issued pursuant to Article IV, V, VI or VII of the Indenture) to exceed 70% of the aggregate of the Capitalization of the Company plus Debt of the Company maturing less than one year after the date of creation thereof and excluding obligations with respect to deferred Federal income taxes.

So long as any 1994 Series Bonds shall be outstanding, the Company will not permit the aggregate principal amount of all Debt of the Company (including without limitation any Bonds then being issued pursuant to Article IV, V, VI or VII of the Indenture) to exceed 70% of the aggregate of the Capitalization of the Company plus Debt of the Company maturing less than one year after the date of creation thereof and excluding obligations with respect to deferred Federal income taxes.

So long as any 2004 Series Bonds shall be outstanding, the Company will not permit the aggregate principal amount of all Debt of the Company (including without limitation any Bonds then being issued pursuant to Article IV, V, VI or VII of the Indenture) to exceed 70% of the aggregate of the Capitalization of the Company plus Debt of the Company maturing less than one year after the date of creation thereof and excluding obligations with respect to deferred Federal income taxes.

"*Funded Debt*" shall mean all Debt (including the Bonds) maturing more than one year after the date of creation thereof or renewable by the terms thereof at the option of the Company to a date more than one year after the date of creation thereof.

"*Capitalization*", when used as to any particular time with reference to the Company, shall mean the aggregate amount of all Funded Debt and the capital stock of the Company as shown on a balance sheet of the Company at such time, plus (or minus if surplus is less than zero) the amount of earned and capital surplus and premium on capital stock of the Company as shown on such a balance sheet, after deduction of capital and surplus, if any, applicable to treasury stock, without reflecting any write-ups of assets of the Company.

"Debt" shall mean all obligations which in accordance with generally accepted principles of accounting would be included in determining total liabilities as shown on the liability side of a balance sheet as at the date on which debt is to be determined, and shall include without limitation (i) debt secured by any mortgage, pledge or lien existing on property owned subject to such mortgage, pledge or lien, whether or not the debt secured thereby shall have been assumed, (ii) guarantees, endorsements (other than endorsements for collection in the ordinary course of business) and other contingent obligations in respect of, or to purchase or otherwise acquire, debt of others, and (iii) debt subordinated in any manner and to any extent to the Bonds.

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 hereunder 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 (10%) 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 informed 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.

Restricted Investments.

§ 8.25. (a) Except as otherwise set forth in this § 8.25, so long as any of the 1993 Series Bonds are outstanding, the Company or any of its subsidiaries shall not, directly or indirectly, invest in, make advances to or operate any business other than the Gas Business (such investments, advances or operations being hereinafter collectively called "Restricted Investments"). Notwithstanding the foregoing, the Company or any of its subsidiaries may make Restricted Investments, so long as the aggregate amount of such Restricted Investments made after December 31, 1977 shall not exceed 10% of the Capitalization of the Company, exclusive of Funded Debt and all amounts attributable to the then outstanding series of preferred and preference stocks of the Company, determined on the basis of the balance sheet appearing in the financial statements of the Company as at the end of the fiscal year next preceding the date of the making of such Restricted Investment, prepared in accordance with generally accepted accounting principles consistently applied and accompanied by the report thereon of independent public accountants of recognized national standing selected by the Company.

(b) If the Company shall intend to make a Restricted Investment not authorized by clause (a) of this § 8.25 (such Restricted Investment being hereinafter called an "Excess Restricted Investment"), the Company shall give notice of its intention to make such Excess Restricted Investment at least 60 days prior to the date of such proposed investment (1) by delivering to the Trustee a written notice, signed by the President or a Vice President of the Company, of its intention to make such Excess Restricted Investment, and (2) by mailing such written notice by first class mail, postage prepaid to the holders of the 1993 Series Bonds to the last address of such holder appearing on the registry books for such Bonds.

(c) The written notices to be delivered or mailed to the Trustee and Bondholders, respectively, pursuant to clause (b) of this § 8.25 shall specify the approximate date and the nature of such proposed Excess Restricted

Investment and shall briefly describe all other material terms thereof. Furthermore, all such notices shall state that the Company shall have the option to redeem all 1993 Series Bonds held by holders of such Bonds who do not consent to the making of such Excess Restricted Investment within 45 days after the date of the mailing of such notice (hereinafter called the "Date of Notice"), at a redemption price equal to the sinking fund redemption price as specified in § 10.06 of the Indenture.

(d) If all holders of the 1993 Series Bonds shall have consented to the Excess Restricted Investment, the Company shall have the right to make such Excess Restricted Investment, on substantially the terms and conditions described in the original notices delivered or mailed pursuant to clause (b) of this § 8.25 within 15 days after the last holder consented thereto; otherwise, the consent or consents shall terminate and become null and void. Within 3 days after the making of such Excess Restricted Investment, the Company shall deliver to the Trustee a Certificate of the Company, stating that all conditions precedent which relate to the making of such Excess Restricted Investment have been complied with.

(e) If no holder or less than all holders of the 1993 Series Bonds shall have consented to the Excess Restricted Investment within 45 days after the Date of Notice, the Company shall have the right to redeem all, but not less than all, Bonds held by all such holders. In case the Company shall elect to exercise its option to redeem such Bonds, it shall give notice of such redemption within 60 days after the Date of Notice in substantially the same form and manner as provided in § 10.02. Within 3 days prior to the redemption date specified in such notice, the Company shall deliver to and deposit with the Trustee cash in an amount sufficient to redeem all of the Bonds which are to be redeemed on such redemption date, which cash shall be held by the Trustee for the exclusive benefit of the respective holders of such 1993 Series Bonds and shall not be returned to the Company, except as otherwise set forth in this § 8.25. After delivery to and deposit with the Trustee of the cash specified in the preceding sentence, the Company shall have the right to make such Excess Restricted Investment on substantially the terms and conditions contained in the original notices mailed or published pursuant to clause (b) of this § 8.25. Immediately after the making of the Excess Restricted Investment (which date shall be no later than the day next preceding the redemption date), the Company shall deliver to and deposit with the Trustee a Certificate of the Company and an Opinion of Counsel, respectively, stating that all conditions precedent which relate to the redemption of such Bonds have been complied with. Subject to the

provisions of this § 8.25, the redemption of the Bonds shall be effected in the manner and upon the terms provided in Article X of the Indenture, but the redemption price to be paid on the Bonds so redeemed shall be the applicable redemption price specified in § 10.06. If the Company does not provide the Certificate of the Company and the Opinion of Counsel as specified in this clause (e), the Company shall be prohibited from making such Excess Restricted Investment, the Trustee shall return to the Company the cash deposited with it by the Company pursuant to this clause (e) and the consents of all holders of the 1993 Series Bonds who have consented to the Excess Restricted Investment shall become null and void.

ARTICLE IX.

Sinking Funds.

Renewal and Replacement Fund.

Sinking Funds.

§ 9.01. A. The provisions for the Sinking Fund for the 1973 Series Bonds are not described herein inasmuch as no 1973 Series Bonds remain outstanding. For a statement of the provisions applicable to the Sinking Fund for the 1973 Series Bonds, reference is made to the Original Indenture.

B. The provisions for the Sinking Fund for the 1979 Series Bonds are not described herein inasmuch as no 1979 Series Bonds remain outstanding. For a statement of the provisions applicable to the Sinking Fund for the 1979 Series Bonds, reference is made to the Third Supplemental Indenture.

C. The provisions for the Sinking Fund for the 1981 Series Bonds are not described herein inasmuch as no 1981 Series Bonds remain outstanding. For a statement of the provisions applicable to the Sinking Fund for the 1981 Series Bonds, reference is made to the Second Supplemental Indenture.

D. The provisions for the Sinking Fund for the 1981 Series Convertible Bonds are not described herein inasmuch as no 1981 Series Convertible Bonds remain outstanding. For a statement of the provisions applicable to the Sinking Fund for the 1981 Series Convertible Bonds, reference is made to the Third Supplemental Indenture.

E. The provisions for the Sinking Fund for the 1973 Series A Bonds are not described herein inasmuch as no 1973 Series A Bonds remain outstanding. For a statement of the provisions applicable to the Sinking Fund for the 1973 Series A Bonds, reference is made to the Fourth Supplemental Indenture.

F. The provisions for the Sinking Fund for the 1977 Series B Bonds are not described herein inasmuch as no 1977 Series B Bonds remain outstanding. For a statement of the provisions applicable to the Sinking Fund for the 1977 Series B Bonds, reference is made to the Fourth Supplemental Indenture.

G. The Company will maintain a Sinking Fund (herein called the "Sinking Fund for the 1985 Series Bonds") to be applied as hereinafter provided for the 1985 Series Bonds, and for that purpose will pay to the Trustee two business days prior to each of the semi-annual dates in the following tabulation, the amount of cash (herein called the "Fixed Sinking Fund Payment" in respect of the 1985 Series Bonds) set opposite such dates:

<u>Semi-Annual Dates</u>	<u>Amount of Cash to be Deposited on the Respective Semi-Annual Dates</u>
February 1 in each year, commencing February 1, 1963, and ending February 1, 1985	\$33,000
August 1 in each year, commencing August 1, 1963, and ending August 1, 1984	\$33,000

H. The provisions for the Sinking Fund for the 1973 Series B Bonds are not described herein inasmuch as no 1973 Series B Bonds remain outstanding. For a statement of the provisions applicable to the Sinking Fund for the 1973 Series B Bonds, reference is made to the Seventh Supplemental Indenture.

I. The provisions for the Sinking Fund for the 1976 Series Bonds are not described herein as no 1976 Series Bonds remain outstanding. For a statement of the provisions applicable to the Sinking Fund for the 1976 Series Bonds, reference is made to the Seventh Supplemental Indenture.

J. The Company will maintain a Sinking Fund (herein called the "Sinking Fund for the 1987 Series Bonds") to be applied as hereinafter provided for the 1987 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 1987 Series Bonds) set opposite such dates:

<u>Annual Dates</u>	<u>Amount of Cash to be Deposited on the Respective Annual Dates</u>
July 1 in each year commencing July 1, 1965, and ending July 1, 1986	\$142,000

K. The Company will maintain a Sinking Fund (herein called the "*Sinking Fund for the 1987 Series B Bonds*") to be applied as hereinafter provided for the 1987 Series B Bonds, and for that purpose will pay to the Trustee in cash two business days prior to November 1st in each of the following years as a Sinking Fund for the 1987 Series B Bonds, the amount (herein called the "*Fixed Sinking Fund Payments*") in respect of the 1987 Series B Bonds) set opposite such year in the following table:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
1965	\$ 80,000	1976	\$280,000
1966	80,000	1977	280,000
1967	80,000	1978	280,000
1968	160,000	1979	280,000
1969	160,000	1980	320,000
1970	160,000	1981	320,000
1971	240,000	1982	320,000
1972	240,000	1983	320,000
1973	240,000	1984	320,000
1974	240,000	1985	320,000
1975	280,000	1986	320,000

No obligation of the Company in respect of the Sinking fund for the 1987 Series B Bonds shall be satisfied by the surrender of Bonds.

L. The Company will maintain a Sinking Fund (herein called the "*Sinking Fund for the 1989 Series Bonds*") to be applied as hereinafter provided for the 1989 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 1989 Series Bonds) set opposite such dates:

<u>Annual Dates</u>	<u>Amount of Cash to be Deposited on the Respective Annual Dates</u>
September 1 in each year commencing September 1, 1967 and ending September 1, 1970.....	\$ 50,000
September 1 in each year commencing September 1, 1971 and ending September 1, 1974.....	\$100,000
September 1 in each year commencing September 1, 1975 and ending September 1, 1977.....	\$150,000
September 1 in each year commencing September 1, 1978 and ending September 1, 1988.....	\$200,000

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

N. The Company will maintain a Sinking Fund (herein called the "*Sinking Fund for the 1991 Series Bonds*") to be applied as hereinafter provided for the 1991 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 1991 Series Bonds) necessary to redeem the principal amount of the 1991 Series Bonds set opposite such dates:

<u>Annual Dates</u>	<u>Principal Amount of Bonds to be Redeemed on the Respective Annual Dates</u>
December 1 in each year commencing December 1, 1969 and ending December 1, 1971.....	\$ 75,000
December 1 in each year commencing December 1, 1972 and ending December 1, 1974.....	\$150,000
December 1 in each year commencing December 1, 1975 and ending December 1, 1978.....	\$225,000
December 1 in each year commencing December 1, 1979 and ending December 1, 1983.....	\$265,000
December 1 in each year commencing December 1, 1984 and ending December 1, 1990.....	\$300,000

On such annual dates the 1991 Series Bonds shall be redeemed at the applicable percentage of the principal amount of the Bonds so to be redeemed set forth in the table in § 10.05N under the heading "*Sinking Fund Redemption Price*", together with accrued interest on such principal amount to the date fixed for redemption.

O. The Company will maintain a Sinking Fund (herein called the "*Sinking Fund for the 1995 Series Bonds*") to be applied as hereinafter provided for the 1995 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 1995 Series Bonds) necessary to redeem the principal amount of the 1995 Series Bonds set opposite such dates:

<u>Annual Dates</u>	<u>Principal Amount of Bonds to be Redeemed on the Respective Annual Dates</u>
April 1 in each year commencing April 1, 1973 and ending April 1, 1975.....	\$ 80,000
April 1 in each year commencing April 1, 1976 and ending April 1, 1978.....	\$160,000
April 1 in each year commencing April 1, 1979 and ending April 1, 1982.....	\$240,000
April 1 in each year commencing April 1, 1983 and ending April 1, 1987.....	\$280,000
April 1 in each year commencing April 1, 1988 and ending April 1, 1994.....	\$320,000

On such annual dates the 1995 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.

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.

Q. The Company will maintain a Sinking Fund (herein called the "Sinking Fund for the 1992 Series Bonds") to be applied as hereinafter provided for the 1992 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 1992 Series Bonds) necessary to redeem the principal amount of the 1992 Series Bonds set opposite such dates:

<u>Annual Dates</u>	<u>Principal Amount of Bonds to be Redeemed on the Respective Annual Dates</u>
March 1 in each year commencing March 1, 1974 and ending March 1, 1976.....	\$100,000
March 1 in each year commencing March 1, 1977 and ending March 1, 1987.....	\$200,000
March 1 in each year commencing March 1, 1988 and ending March 1, 1992.....	\$250,000

On such annual dates the 1992 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.

R. The Company will maintain a Sinking Fund (herein called the "*Sinking Fund for the 1993 Series Bonds*") to be applied as hereinafter provided for the 1993 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 1993 Series Bonds) necessary to redeem the principal amount of the 1993 Series Bonds set opposite such dates (herein called the "*Sinking Fund Payment Date*"):

<u>Annual Dates</u>	<u>Principal Amount of Bonds to be Redeemed on the Respective Annual Dates</u>
June 30 in each year commencing June 30, 1982 and ending June 30, 1985.....	\$ 450,000
June 30 in each year commencing June 30, 1986 and ending June 30, 1989.....	\$ 800,000
June 30 in each year commencing June 30, 1990 and ending June 30, 1992.....	\$1,300,000

The Company shall have the right, at its option to increase the amount of any such Fixed Sinking Fund Payment by an amount not to exceed 100%, provided, however, that such right shall not be cumulative, and, provided further, that the aggregate of payments in excess of the specified Fixed Sinking Fund Payments shall not exceed \$3,000,000. The Company's exercise of its right to make any optional Sinking Fund Payment shall not reduce or otherwise affect its obligation to make any mandatory Sinking Fund Payment required above. If the Company intends to exercise its right to make any optional Sinking Fund Payment on any Sinking Fund Payment Date, it shall deliver to the Trustee, at least forty-five days prior to such Sinking Fund Payment Date, a written notice thereof signed on behalf of the Company by an officer thereof stating (i) that the Company intends to exercise such optional right, and (ii) the amount of the optional Sinking Fund Payment elected to be made. Upon the delivery of such notice, the Company's Fixed Sinking Fund Payment payable on the Sinking Fund Payment Date next following such delivery shall be increased by the

amount of the payment specified in such notice, subject to the terms of the foregoing. In case of the failure of the Company, at or before the time so required, to give such notice of its intention to exercise such optional right on any Sinking Fund Payment Date, the Company shall not be permitted to make any optional Sinking Fund Payment on such Sinking Fund Payment Date.

S. The Company will maintain a Sinking Fund (herein called the "Sinking Fund for the 1994 Series Bonds") to be applied as hereinafter provided for the 1994 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 1994 Series Bonds) necessary to redeem the principal amount of the 1994 Series Bonds set opposite such dates (herein called the "Sinking Fund Payment Dates"):

<u>Annual Dates</u>	<u>Principal Amount of Bonds to be Redeemed on the Respective Annual Dates</u>
December 15 in each year commencing December 15, 1983 and ending December 15, 1986.....	\$1,575,000
December 15 in each year commencing December 15, 1987 and ending December 15, 1990.....	\$2,800,000
December 15 in each year commencing December 15, 1991 and ending December 15, 1993.....	\$4,550,000

The Company shall have the right, at its option, to increase the amount of any such Fixed Sinking Fund Payment by an amount not to exceed 100%; provided, however, that such right shall not be cumulative, and, provided further, that the aggregate of payments in excess of the specified Fixed Sinking Fund Payments shall not exceed \$10,500,000. The Company's exercise of its right to make any optional Sinking Fund Payment shall not reduce or otherwise affect its obligation to make any mandatory Sinking Fund Payment. If the Company intends to exercise its right to make any optional Sinking Fund Payment on any Sinking Fund Payment Date, it shall deliver to the Trustee, at least forty-five (45) days prior to such Sinking Fund Payment Date, a written notice thereof signed on behalf of the Company by an officer thereof stating (i) that the Company intends to exercise such right, and (ii) the amount of the optional Sinking Fund

Payment which the Company elects to make. Upon the delivery of such notice, the Company's Fixed Sinking Fund Payment payable on the Sinking Fund Payment Date next following such delivery shall be increased by the amount of the optional payment specified in such notice. In case of the failure of the Company, at or before the time so required, to give such notice of its intention to make an optional Sinking Fund Payment on any Sinking Fund Payment Date, the Company shall not be permitted to make any optional Sinking Fund Payment on such Sinking Fund Payment Date.

T. The Company will maintain a Sinking Fund (herein called the "Sinking Fund for the 2004 Series Bonds") to be applied as hereinafter provided for the 2004 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 (herein called the "Sinking Fund Payment Date") the amount of cash (herein called the "Fixed Sinking Fund Payment" in respect of the 2004 Series Bonds) necessary to redeem the principal amount of the 2004 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, 1990 and ending June 1, 2003	\$1,333,000
June 1, 2004.....	\$1,338,000

The Company shall have the right, at its option, to increase the amount of any such Fixed Sinking Fund Payment by an amount not to exceed 100% of the amount of such Fixed Sinking Fund Payment; provided, however, that such right shall not be cumulative, and, provided further, that the aggregate of payments in excess of the specified Fixed Sinking Fund Payments shall not exceed \$5,000,000, or 25% of the original principal amount of the 2004 Series Bonds. The Company's exercise of its right to make any optional Sinking Fund Payment shall not reduce or otherwise affect its obligation to make any mandatory Sinking Fund Payment. If the Company intends to exercise its right to make any optional Sinking Fund Payment on any Sinking Fund Payment Date, it shall deliver to the Trustee, at least forty-five (45) days prior to such Sinking Fund Payment Date, a written notice thereof signed on behalf of the Company by an officer thereof stating (i) that the Company intends to exercise such right, and (ii) the amount of the

optional Sinking Funds Payments which the Company elects to make. Upon the delivery of such notice, the Company's Fixed Sinking Fund Payment payable on the Sinking Fund Payment Date next following such delivery shall be increased by the amount of the optional payment specified in such notice. In case of the failure of the Company, at or before the time so required, to give such notice of its intention to make an optional Sinking Fund Payment on any Sinking Fund Payment Date, the Company shall not be permitted to make any optional Sinking Fund Payment on such Sinking Fund Payment Date.

The dates upon which such payments are to be made are herein called "*Sinking Fund Payment Dates*".

The amount payable pursuant to § 9.02 shall be paid concurrently with each of the foregoing payments.

Nothing in this § 9.01 shall be deemed to require the Company to pay to the Trustee at any time in respect of principal of any series of Bonds a sum greater than the then unpaid principal amount of the Bonds of such series then outstanding.

Except as expressly provided in this Indenture, the Company shall not be entitled to increase, or to anticipate, any payment in satisfaction of its obligations in respect of the Sinking Fund for any series of Bonds. The Company shall, however, have the right at its option to satisfy any obligation in respect of the Sinking Fund for any series of Bonds (other than Bonds of any series as to which this § 9.01 or the Supplemental Indenture creating the same shall expressly provide that the Bonds of such series shall not be used to satisfy any obligation of the Company in respect of the Sinking Fund for such series of Bonds) on any Sinking Fund Payment Date in whole or in part by delivering to the Trustee not earlier than one hundred twenty (120) days prior to such Sinking Fund Payment Date and not later than forty (40) days prior to such Sinking Fund Payment Date, any Bonds of such series theretofore authenticated and delivered hereunder which have not theretofore been used for any purpose of this Indenture, together with any unmatured coupons thereto appertaining and the Trustee shall credit the obligation in respect of the Sinking Fund for such series of Bonds with a payment equal to the principal amount of the Bonds so delivered.

Any Bonds so delivered shall be accompanied by a Written Order of the Company instructing the Trustee to effect such credit.

Payment of Interest.

§ 9.02. Whenever Bonds are required to be redeemed pursuant to the provisions of this Article, the Company shall in each case prior to the date fixed for redemption thereof pay to the Trustee in cash all unpaid interest accrued on such Bonds to said date fixed for redemption.

Selection of Bonds for Redemption.

§ 9.03. Promptly after the fortieth day preceding each Sinking Fund Payment Date, the Trustee shall proceed to select for redemption, in the manner provided in Article X, a principal amount of Bonds of the series in respect of which the Fixed Sinking Fund Payment is to be made on such Sinking Fund Payment Date equal (to the next lowest multiple of \$1,000) to the amount, if any, of the Fixed Sinking Fund Payment for the Bonds of such series required to be paid in cash on the next ensuing Sinking Fund Payment Date (after giving effect to the credit, if any, resulting from the delivery of Bonds pursuant to § 9.01).

The Trustee, for and on behalf of and in the name of the Company, shall thereafter give notice by publication, mail, or both, as may be required by the provisions of Article X, of the redemption on the first day of the month next ensuing the particular Sinking Fund Payment Date of the Bonds so selected. A copy of such notice shall also be mailed to the Company. Such notice shall state that the redemption is for a specified Sinking Fund, in lieu of stating that the Company has elected to redeem the Bonds designated therein. Subject to the provisions of this Section, the redemption of such Bonds shall be effected in the manner and upon the terms provided in § 10.02, but the redemption price to be paid on Bonds so redeemed for the purposes of said Sinking Fund shall be the applicable redemption price specified in § 10.06.

Notwithstanding the provisions of § 10.02, Bonds owned by the Company which have not theretofore been used for any purpose of this Indenture shall be considered to be outstanding and shall be included in connection with any designation by the Trustee of Bonds to be redeemed for any Sinking Fund.

Moneys Held in Trust.

§ 9.04. All moneys paid to the Trustee pursuant to § 9.01 and § 9.02 shall be held by the Trustee in trust for the benefit of the respective holders of the Bonds which are to be redeemed (in whole or in part) and shall be paid to them as provided in Article X.

Nothing contained in this Indenture or in any Bond or coupon shall be construed to imply any obligation upon the Trustee to make any payment except out of moneys deposited with it for such purpose by the Company.

Cancellation of Redeemed Bonds and Coupons.

§ 9.05. All Bonds and coupons, if any, appurtenant thereto, redeemed and paid through the operation of any Sinking Fund (including any Bonds delivered to the Trustee pursuant to the provisions of § 9.01) shall, except as provided in § 10.02(b), be cancelled by the Trustee, and all coupon Bonds and appurtenant coupons so cancelled shall be cremated by the Trustee.

Renewal and Replacement Fund.

§ 9.06. The Company will maintain a "Renewal and Replacement Fund" and in that connection, so long as any Bonds are outstanding (except Bonds of any series hereafter issued which may be excluded from the benefit of the covenants of this § 9.06 by the express terms of the Indenture), the Company shall have a specific obligation for each fiscal year beginning with the fiscal year ending September 30, 1964 in respect of the renewal and replacement of, and additions to, the physical property owned by the Company, in an amount (herein called the "Renewal and Replacement Obligation") equal to the excess of (a) two per cent. (2%) per annum of the cost of all property (other than excepted property) owned by the Company which is subject to depreciation under sound accounting practice (such depreciation to reflect additions and retirements during such year in accordance with sound accounting practice), over (b) the aggregate amount of Fixed Sinking Fund Payments for all Bonds in respect of such year.

The Company shall meet such specific obligation in respect of the fiscal year 1964 and each fiscal year thereafter by delivering to the Trustee on a date between October 1 and February 1 in the next succeeding fiscal year, the following:

A. A CERTIFICATE, signed by an Independent Accountant showing

(1) The Gross Amount of Property Additions (on the basis of cost) for the seven preceding fiscal years (or the fiscal years subsequent to 1964, if less than seven) showing separately as to each such fiscal year, (a) the total gross additions to utility plant in service during such fiscal year as shown on the books of the Company and (b) the eliminations of such additions which do not constitute Property Additions within the meaning of § 1.01. Data as to the gross additions and eliminations for the last of such

preceding fiscal years shall be shown by separate plant accounts. The Independent Accountant signing such computation may rely on a Certificate of the Company as to the character of particular additions to utility plant for the purpose of determining whether the same constitute Property Additions as aforesaid.

(2) The Renewal and Replacement Obligation for each of such seven fiscal years (or such fiscal years subsequent to 1964, if less than seven).

B. CASH (or in lieu thereof the BONDS, CERTIFICATES AND OPINIONS which the Company would be required to furnish to the Trustee upon an application for the withdrawal of a like amount of Trust Moneys under § 11.11 upon the basis of the retirement of Bonds) in an amount equal to the excess, if any, of the following (a) over the following (b):

(a) The Renewal and Replacement Obligation for such seven fiscal years (or such fiscal years subsequent to 1964, if less than seven) as shown in the foregoing Paragraph A(2).

(b) The sum of the following (i) and (ii):

(i) The Gross Amount of Property Additions for such seven preceding fiscal years (or such fiscal years subsequent to 1964, if less than seven) shown in the foregoing Paragraph A(1); and

(ii) The amount, if any, of cash (and/or Bonds) theretofore delivered to the Trustee pursuant to this Paragraph B in respect of the deficiency of the Gross Amount of Property Additions in respect of any calendar year included in such computation, and not previously withdrawn or applied as hereinafter in this § 9.06 provided.

The delivery of the foregoing computations, Cash and/or Bonds is made for the purpose of evidencing to the Trustee that Property Additions in the amount of the Renewal and Replacement Obligation have been acquired during the period in question, but the Property Additions reflected therein shall not be deemed to have been used for any purpose of the Indenture by reason of the inclusion of the same in any such computation, nor shall the fact that Property Additions have theretofore been used for any purpose of the Indenture be deemed to prevent the inclusion thereof in any such computation. Bonds so delivered shall be deemed to have been "used" for the

purpose of the Indenture by reason of the delivery of the same pursuant to this § 9.06.

Withdrawal of Cash Deposited Pursuant to § 9.06.

§ 9.07. If any computation filed pursuant to § 9.06A shall show in respect of any one of the six fiscal years next succeeding the year in which a deposit of cash was made pursuant to § 9.06B, that the Gross Amount of Property Additions for the particular fiscal year exceeds the Renewal and Replacement Obligation for such fiscal year, such cash shall be paid over to the Company by the Trustee upon the Written Order of the Company in an amount equal to the excess, unless an Event of Default shall have happened and be continuing. Such cash may also be applied to the redemption of Bonds pursuant to § 11.12 at the applicable redemption price set forth in § 10.05, and, if not paid over at the end of the sixth fiscal year next succeeding the fiscal year in which the deposit thereof was made, shall be so applied. If an Event of Default shall have happened and be continuing, such cash shall be applicable only to the purposes specified in, and in accordance with the provisions of, § 12.11.

ARTICLE X.

Redemption of Bonds.

Reservation of Right to Redeem.

§ 10.01. With respect to any particular series of Bonds issued hereunder, the Company may reserve the right to redeem and pay off before maturity, all or any part of the Bonds of such series at such time or times and from time to time, and on such terms, as the Board of Directors may determine and as shall be appropriately expressed in this Indenture or in the supplemental indenture establishing such series.

Election to Redeem; Method and Contents of Notice; Allocation; Partial Redemption of Registered Bonds.

§ 10.02. In case the Company shall elect to exercise its option to redeem Bonds at any time it shall give notice of such exercise (1) by delivering to the Trustee written notice, signed by the President or a Vice-President of the Company, of intention to redeem Bonds (which notice shall identify all Bonds of the series to be redeemed owned by the Company), specifying the date fixed for redemption (which date, if less than all the Bonds of any series are to be redeemed, shall be at least forty (40) days after the delivery of such notice) and the aggregate principal amount of Bonds so to be redeemed on

said date, (2) if any registered Bonds without coupons or any coupon Bonds which shall be registered as to principal shall be designated as hereinafter provided for redemption in whole or in part on said redemption date, by mailing by registered mail, postage prepaid, not less than thirty (30) days nor more than sixty (60) days prior to the said redemption date, written notice of the exercise of such right of redemption to each registered holder of any Bond so designated, to the last address of such holder appearing on the registry books for the Bonds, and (3) if any coupon Bonds are to be redeemed which shall not be registered as to principal, by publishing notice of the exercise of such right of redemption, once in each week for four successive calendar weeks (in each instance on any day of the week) in one Authorized Newspaper in the City of Los Angeles, California, and one Authorized Newspaper in the Borough of Manhattan, The City of New York, the first such publications to be made not less than thirty (30) days nor more than sixty (60) days before such redemption date.

Each notice to be mailed to the registered holder of Bonds or to be published as aforesaid shall state the following: (a) such election on the part of the Company to redeem Bonds, specifying the series to be redeemed and the date fixed for redemption; (b) if less than all of the Bonds of any series are to be redeemed, the distinguishing numbers of the coupon Bonds to be redeemed, the distinguishing numbers of the registered Bonds without coupons to be redeemed as a whole and the distinguishing numbers of the registered Bonds without coupons to be redeemed in part (indicating the extent of the partial redemption thereof, respectively), together with such other description of the Bonds (and portions of Bonds, if any) as may be necessary in order to identify the same, *provided* that any such notice to be mailed need not so describe any other Bonds to be redeemed; (c) the redemption price or prices at which such Bonds are to be redeemed; (d) that interest on such Bonds (or on the portion to be redeemed of any of such fully registered Bonds so designated for redemption in part) shall cease on the date fixed for redemption; and (e) that on said date such Bonds should be presented in negotiable form (together, in the case of coupon Bonds, with all appurtenant coupons maturing after said date) for redemption, as a whole or in part as the case may be, at the place or places of payment of such Bonds.

If less than all of the outstanding Bonds of any series are to be called for redemption, the Bonds to be redeemed shall be designated by the Trustee (within ten (10) days after receipt from the Company of notice of its intention to redeem Bonds), as follows: the aggregate principal amount of Bonds to be redeemed shall be prorated by the Trustee between the holders

of registered Bonds without coupons and the holders of coupon Bonds, so that the aggregate amount to be redeemed allotted to each group shall be in the proportion (to the nearest multiple of \$1,000) which the principal amount of all Bonds in each group bears to the aggregate principal amount of all Bonds of such series then outstanding. The amount thus allocated to the redemption of registered Bonds without coupons (or the whole amount if no coupon Bonds are then outstanding) shall be prorated by the Trustee among the respective registered holders of said Bonds in proportion as nearly as may be to the respective principal amounts of registered Bonds without coupons of such series registered in the name of each such holder, *provided* that the principal amount, if any, of Bonds redeemed from each such holder shall be \$1,000 or a multiple thereof. The amount determined as aforesaid to be allocable to the redemption of coupon Bonds shall be applied by the Trustee to the redemption of such Bonds by lot in any manner deemed to be proper by the Trustee and not inconsistent herewith. The Trustee forthwith upon the designation of Bonds for redemption shall give written notice to the Company describing the Bonds (including any portions of registered Bonds without coupons) designated for redemption.

Bonds which the notice of intention to redeem hereinabove provided for identifies as owned by the Company shall be excluded in making the determination of the Bonds to be redeemed.

The Trustee forthwith upon the designation of Bonds for redemption as aforesaid shall give written notice to the Company describing the Bonds (including any portions of registered Bonds without coupons) designated for redemption as aforesaid. Notice of election to redeem Bonds having been given by the Company as aforesaid, the coupon Bonds and the registered Bonds without coupons (or portions thereof) so designated for redemption shall, on the redemption date designated in such notice, become due and payable, at the redemption price then applicable and, upon presentation thereof for redemption in accordance with such notice, together with all appurtenant coupons, if any, maturing after said redemption date, such Bonds (or portions thereof) shall be paid at the redemption price on said date.

If there shall have been designated for redemption as aforesaid, a portion but less than all, of any outstanding registered Bond without coupons, then, upon presentation as herein provided of such registered Bond without coupons, there shall be paid to or upon the order of the registered holder of such registered Bond without coupons the principal amount of the

portion of such registered Bond without coupons so designated for redemption, and unpaid accrued interest in respect thereof, together with the applicable premium, if any, and at the option of such holder, either

(a) such registered Bond without coupons may be surrendered by such holder for cancellation, in which event the Company shall execute, and the Trustee shall thereupon authenticate and deliver to or on the order of such holder, at the expense of the Company, one or more new registered Bonds without coupons, of the same series and of any authorized denomination or denominations, registered in the name of such holder, for the principal amount of such registered Bond without coupons remaining unpaid; or

(b) the Trustee shall make notation thereon of the payment of the portion of the principal of such Bond so called for redemption.

Deposit With Trustee; Direct Payment to Holders in Certain Cases.

§ 10.03. Before the redemption date specified in any notice given by the Company of its exercise of its right to redeem Bonds, the Company shall deliver to and deposit with the Trustee the following:

A. CASH, in trust, in an amount sufficient to redeem all of the Bonds which are to be redeemed (in whole or in part) on the redemption date specified in such notice, which cash shall be held by the Trustee for the benefit of the respective holders of such Bonds and shall be paid to them respectively as aforesaid.

B. A CERTIFICATE OF THE COMPANY, stating that all conditions precedent which relate to the redemption of such Bonds have been complied with.

C. AN OPINION OF COUNSEL, stating that all conditions precedent which relate to the redemption of such Bonds have been complied with.

Payment of the redemption price of a portion of any registered Bond without coupons may be made directly to the registered holder thereof without presentation or surrender thereof if there shall be filed with the Trustee a Certificate of the Company to the effect that such registered holder and the Company have entered into a written agreement that payment shall be so made, that such registered holder will promptly make notation of any such payment on such Bond, or on a paper attached thereto, of the portion so redeemed and will notify the Trustee in writing that such notation has been made, and that if such registered holder shall sell, transfer or otherwise dispose of such Bond, it will prior to delivery thereof surrender such Bond to

the Trustee in exchange for a new Bond or Bonds for the unredeemed balance of the principal amount thereof, and *provided further* that such arrangements as to the payment of the redemption price of a portion of any registered Bond without coupons without presentation or surrender thereof may be revoked or terminated by the Trustee at any time in respect of any registered holder in the event of the failure of such holder, to the knowledge of the Trustee, to observe and perform such agreement. The Trustee shall be under no duty to inspect or confirm any such notation made by anyone other than the Trustee.

Effect of Redemption; Cancellation of Redeemed Bonds and Coupons.

§ 10.04. Notice of redemption having been given as above provided, such Bonds (or portions thereof) shall become due and payable on the date fixed for redemption and thereafter, if necessary funds for redemption shall have been deposited with the Trustee as aforesaid, no interest shall accrue on or in respect of any such Bonds or portions thereof so called for redemption, and no coupon appurtenant thereto maturing after said date shall be of any force or effect.

The several holders of the Bonds issued under this Indenture, by accepting the same, agree upon any such redemption to accept payment of the Bonds, or, in the case of a registered Bond without coupons of a denomination greater than \$1,000 partially redeemed, to accept payment of the amount thereof so redeemed, all as in this Article X and in Article IX provided.

All Bond (and coupons, if any, appurtenant thereto) redeemed and paid under this Article X shall, except as provided in § 10.02(b), be cancelled by the Trustee and thereafter all coupon Bonds so cancelled, together with the coupons appurtenant thereto, shall be cremated by the Trustee.

Redemption Price of Bonds of Various Series.

§ 10.05. A. The provisions for redemption of 1973 Series Bonds are not described herein inasmuch as no 1973 Series Bonds remain outstanding. For a statement of the terms and provisions applicable to the redemption of the 1973 Series Bonds, reference is made to the Original Indenture.

B. The provisions for redemption of 1981 Series Bond are not described herein inasmuch as no 1981 Series Bonds remain outstanding. For a statement of the terms and provisions applicable to the redemption of the 1981 Series Bonds, reference is made to the Second Supplemental Indenture.

C. The provisions for redemption of 1979 Series Bonds are not described herein inasmuch as no 1979 Series Bond remain outstanding. For a statement of the terms and provisions applicable to the redemption of the 1979 Series Bonds, reference is made to the Third Supplemental Indenture.

D. The provisions for redemption of 1981 Series Convertible Bonds are not described herein inasmuch as no 1981 Series Convertible Bonds remain outstanding. For a statement of the terms and provisions applicable to the redemption of the 1981 Series Convertible Bonds, reference is made to the Third Supplemental Indenture.

E. The provisions for redemption of 1973 Series A Bonds are not described herein inasmuch as no 1973 Series A Bonds remain outstanding. For a statement of the terms and provisions applicable to the redemption of the 1973 Series A Bonds, reference is made to the Fourth Supplemental Indenture.

F. The provisions for redemption of 1977 Series B Bonds are not described herein inasmuch as no 1977 Series B Bonds remain outstanding. For a statement of the terms and provisions applicable to the redemption of the 1977 Series B Bonds, reference is made to the Fourth Supplemental Indenture.

G. The 1985 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 as follows:

If prepaid on or before July 31, 1965.....	7.50%
If prepaid thereafter and on or before July 31, 1966.....	7.125%
If prepaid thereafter and on or before July 31, 1967.....	6.750%
If prepaid thereafter and on or before July 31, 1968.....	6.375%
If prepaid thereafter and on or before July 31, 1969.....	6.000%
If prepaid thereafter and on or before July 31, 1970.....	5.625%
If prepaid thereafter and on or before July 31, 1971.....	5.250%
If prepaid thereafter and on or before July 31, 1972.....	4.875%
If prepaid thereafter and on or before July 31, 1973.....	4.500%
If prepaid thereafter and on or before July 31, 1974.....	4.125%
If prepaid thereafter and on or before July 31, 1975.....	3.750%
If prepaid thereafter and on or before July 31, 1976.....	3.375%
If prepaid thereafter and on or before July 31, 1977.....	3.000%
If prepaid thereafter and on or before July 31, 1978.....	2.625%
If prepaid thereafter and on or before July 31, 1979.....	2.250%
If prepaid thereafter and on or before July 31, 1980.....	1.875%
If prepaid thereafter and on or before July 31, 1981.....	1.500%
If prepaid thereafter and on or before July 31, 1982.....	1.125%
If prepaid thereafter and on or before July 31, 1983.....	0.750%
If prepaid thereafter and on or before July 31, 1984.....	0.375%
If prepaid thereafter and on or before July 31, 1985.....	None

H. The provisions for redemption of 1973 Series B Bonds are not described herein inasmuch as no 1973 Series B Bonds remain outstanding. For a statement of the terms and provisions applicable to the redemption of the 1973 Series B Bonds, reference is made to the Seventh Supplemental Indenture.

I. The provisions for redemption of 1976 Series Bonds are not described herein inasmuch as no 1976 Series Bonds remain outstanding. For a statement of the terms and provisions applicable to the redemption of the 1976 Series Bonds, reference is made to the Seventh Supplemental Indenture.

J. The 1987 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 as follows:

If redeemed on or before June 30, 1967.....	5.500%
If redeemed thereafter and on or before June 30, 1968.....	5.225%
If redeemed thereafter and on or before June 30, 1969.....	4.950%
If redeemed thereafter and on or before June 30, 1970.....	4.675%
If redeemed thereafter and on or before June 30, 1971.....	4.400%
If redeemed thereafter and on or before June 30, 1972.....	4.125%
If redeemed thereafter and on or before June 30, 1973.....	3.850%
If redeemed thereafter and on or before June 30, 1974.....	3.575%
If redeemed thereafter and on or before June 30, 1975.....	3.300%
If redeemed thereafter and on or before June 30, 1976.....	3.025%
If redeemed thereafter and on or before June 30, 1977.....	2.750%
If redeemed thereafter and on or before June 30, 1978.....	2.475%
If redeemed thereafter and on or before June 30, 1979.....	2.200%
If redeemed thereafter and on or before June 30, 1980.....	1.925%
If redeemed thereafter and on or before June 30, 1981.....	1.650%
If redeemed thereafter and on or before June 30, 1982.....	1.375%
If redeemed thereafter and on or before June 30, 1983.....	1.100%
If redeemed thereafter and on or before June 30, 1984.....	0.825%
If redeemed thereafter and on or before June 30, 1985.....	0.550%
If redeemed thereafter and on or before June 30, 1986.....	0.275%
If redeemed thereafter and on or before June 30, 1987.....	None

No redemption of the 1987 Series Bonds shall be made at the option of the Company prior to July 1, 1967, as a part of or in anticipation of any refunding operation by the application directly or indirectly of borrowed funds.

K. The 1987 Series B 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 as follows:

<u>If redeemed in the twelve-month period ending October 31,</u>	<u>Premium</u>	<u>If redeemed in the twelve-month period ending October 31,</u>	<u>Premium</u>
1963	5.500%	1976	3.025%
1964	5.500%	1977	2.750%
1965	5.500%	1978	2.475%
1966	5.500%	1979	2.200%
1967	5.500%	1980	1.925%
1968	5.225%	1981	1.650%
1969	4.950%	1982	1.375%
1970	4.675%	1983	1.100%
1971	4.400%	1984	0.825%
1972	4.125%	1985	0.550%
1973	3.850%	1986	0.275%
1974	3.575%	1987	None
1975	3.300%		

No redemption of the 1987 Series B Bonds shall be made at the option of the Company prior to November 1, 1967, 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 $5\frac{1}{2}\%$ per annum.

L. The 1989 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 as follows:

If redeemed in the
twelve-month period
ending August 31.

	Premium
1965	4.850%
1966	4.648%
1967	4.446%
1968	4.244%
1969	4.042%
1970	3.840%
1971	3.638%
1972	3.435%
1973	3.233%
1974	3.031%
1975	2.829%
1976	2.627%
1977	2.425%
1978	2.223%
1979	2.021%
1980	1.819%
1981	1.617%
1982	1.415%
1983	1.213%
1984	1.010%
1985	0.808%
1986	0.606%
1987	0.404%
1988	0.202%
1989	None

No redemption of the 1989 Series Bonds shall be made at the option of the Company prior to September 1, 1969, 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 4.85% per annum.

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:

<u>If redeemed in the twelve-month period ending March 31,</u>	<u>Premium</u>
1966.....	4.52%
1967.....	4.33%
1968.....	4.14%
1969.....	3.96%
1970.....	3.77%
1971.....	3.58%
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 $4\frac{7}{8}\%$ per annum.

N. The 1991 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 'Regular 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:

<u>If redeemed in the twelve-month period ending November 30,</u>	<u>Regular Redemption Price</u>	<u>Sinking Fund Redemption Price</u>
1967	106.75%	100.00%
1968	106.47%	100.00%
1969	106.19%	100.00%
1970	105.91%	100.00%
1971	105.63%	100.00%
1972	105.35%	100.00%
1973	105.07%	100.00%
1974	104.79%	100.00%
1975	104.50%	100.00%
1976	104.22%	100.00%
1977	103.94%	100.00%
1978	103.66%	100.00%
1979	103.38%	100.00%
1980	103.10%	100.00%
1981	102.82%	100.00%
1982	102.54%	100.00%
1983	102.25%	100.00%
1984	101.97%	100.00%
1985	101.69%	100.00%
1986	101.41%	100.00%
1987	101.13%	100.00%
1988	100.85%	100.00%
1989	100.57%	100.00%
1990	100.29%	100.00%
1991	100.00%	100.00%

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 1991 Series Bonds shall be made at the option of the Company prior to December 1, 1971, 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 the interest rate specified in the title of the 1991 Series Bonds.

O. The 1995 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:

<u>If redeemed in the twelve-month period ending March 31.</u>	<u>Redemption Price</u>
1971.....	109.125%
1972.....	108.745%
1973.....	108.365%
1974.....	107.984%
1975.....	107.604%
1976.....	107.224%
1977.....	106.844%
1978.....	106.464%
1979.....	106.083%
1980.....	105.703%
1981.....	105.323%
1982.....	104.943%
1983.....	104.563%
1984.....	104.182%
1985.....	103.802%
1986.....	103.422%
1987.....	103.042%
1988.....	102.662%
1989.....	102.281%
1990.....	101.901%
1991.....	101.521%
1992.....	101.141%
1993.....	100.761%
1994.....	100.380%
1995.....	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 1995 Series Bonds shall be made at the option of the Company prior to April 1, 1980, 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) lower than the interest rate specified in the title of the 1995 Series Bonds.

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:

<u>If redeemed in the twelve-month period ending May 31.</u>	<u>Redemption Price</u>
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.....	103.328%
1988.....	102.958%
1989.....	102.588%
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).

Q. The 1992 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:

<u>If redeemed in the twelve-month period ending August 31.</u>	<u>Redemption Price</u>
1973.....	108.250%
1974.....	107.816%
1975.....	107.382%
1976.....	106.947%
1977.....	106.513%
1978.....	106.079%
1979.....	105.645%
1980.....	105.211%
1981.....	104.776%
1982.....	104.342%
1983.....	103.908%
1984.....	103.474%
1985.....	103.040%
1986.....	102.605%
1987.....	102.171%
1988.....	101.737%
1989.....	101.303%
1990.....	100.868%
1991.....	100.434%
1992.....	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 1992 Series Bonds shall be made at the option of the Company prior to September 1, 1982, 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 1992 Series Bonds or having a weighted average life to maturity less than the weighted average life to maturity of the 1992 Series Bonds (all calculations made pursuant to this paragraph to be made in accordance with accepted financial practice).

R. The 1993 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:

<u>If redeemed in the twelve-month period ending June 30,</u>	<u>Redemption Price</u>
1979	109.375%
1980	108.705%
1981	108.036%
1982	107.366%
1983	106.696%
1984	106.027%
1985	105.357%
1986	104.687%
1987	104.018%
1988	103.348%
1989	102.679%
1990	102.009%
1991	101.339%
1992	100.670%
1993	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 1993 Series Bonds shall be made at the option of the Company prior to June 30, 1983, 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 1993 Series Bonds or having a weighted average life to maturity less than the weighted average life to maturity of the 1993 Series Bonds (all calculations made pursuant to this paragraph to be made in accordance with accepted financial practice). After June 30, 1983, and through June 30, 1988, the Company may redeem any portion of the 1993 Series Bonds, subject to the first paragraph of this Clause R, 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 costs to the Company

lower than the interest rate specified in the title of the 1993 Series Bonds, at a redemption price equal to the redemption price specified above for the year in which the redemption is made, plus three percent (3%) of the principal amount of the 1993 Series Bonds to be redeemed.

S. The 1994 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:

<u>If redeemed in the twelve-month period ending December 15,</u>	<u>Redemption Price</u>
1980.....	110.50%
1981.....	109.75%
1982.....	109.00%
1983.....	108.25%
1984.....	107.50%
1985.....	106.75%
1986.....	106.00%
1987.....	105.25%
1988.....	104.50%
1989.....	103.75%
1990.....	103.00%
1991.....	102.25%
1992.....	101.50%
1993.....	100.75%
1994.....	100.00%

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 1994 Series Bonds shall be made at the option of the Company prior to December 15, 1989, 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 1994 Series Bonds or having a weighted average life to maturity less than the weighted average life to maturity of the 1994 Series Bonds (all calculations made pursuant to this paragraph to be made in accordance with accepted financial practice).

T. The 2004 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, or in any part at any time after June 1, 1991, 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, if any, on the principal amount of the Bonds so to be redeemed to the date fixed for redemption:

<u>If redeemed following June 1 in the year</u>	<u>Redemption Price</u>
1991.....	109.237%
1992.....	108.526%
1993.....	107.816%
1994.....	107.105%
1995.....	106.395%
1996.....	105.684%
1997.....	104.974%
1998.....	104.263%
1999.....	103.553%
2000.....	102.842%
2001.....	102.132%
2002.....	101.421%
2003.....	100.710%
2004.....	100.000%

The term 'premium' as used in this 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 2004 Series Bonds shall be made at the option of the Company prior to June 1, 1994, as a part of or in anticipation of any refunding operation by the application directly or indirectly of the proceeds of: (i) borrowed funds having an interest rate or cost to the Company lower than the interest rate specified in the title of the 2004 Series Bonds or sinking fund preferred stock having a lower dividend yield than the interest

rate specified in the title of the 2004 Series Bonds or (ii) borrowings or sinking fund preferred stock having a weighted average life to maturity less than the weighted average life to maturity of the 2004 Series Bonds (all calculations made pursuant to this paragraph to be made in accordance with accepted financial practice).

U. The 1991 Series A 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, or in any part at any time, at par, together with accrued interest on the principal amount of the Bonds so to be redeemed to the date fixed for redemption.

Redemption of Bonds For Sinking Fund.

§ 10.06. Unless otherwise expressly specified in the Bonds of any series or in the supplemental indenture creating the same, in case of the redemption of Bonds pursuant to the provisions of Article IX, or in case of redemption pursuant to any other Section to 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 either as a whole at any time, or in part from time to time, at the principal amount thereof, together, in each case, with interest accrued to the date fixed for redemption, without premium.

In case of the redemption of 1991 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 at a whole at any time or in part from time to time, at the applicable percentage of the principal amount of the 1991 Series Bonds so to be redeemed set forth in the table in § 10.05 N under the heading "Sinking Fund Redemption Price", together with accrued interest on such principal amount to the date fixed for redemption.

In case of the redemption of 1995 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 1995 Series Bonds so to be redeemed, together with accrued interest on such principal amount to the date fixed for redemption.

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 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.

In case of the redemption of 1992 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 1992 Series Bonds so to be redeemed, together with accrued interest on such principal amount to the date fixed for redemption.

ARTICLE XI

Possession, Use and Release of Mortgaged Property and Application of Proceeds Thereof.

Disposition Without Release.

§ 11.01. The Company, unless an Event of Default shall have happened and shall not have been remedied,

(a) Shall be entitled to possess, manage, operate, use and enjoy and to remain in the actual and undisturbed possession of the Trust Estate (other than bonds, certificates of stock and other securities and cash deposited or required to be deposited with the Trustee) and to receive, take and use the rents, income and profits thereof, to use and consume any fuel and similar materials and supplies consumable in the operation of any properties of the Company and to use, consume, sell or dispose of any materials, supplies or merchandise held by the Company for the purpose of distribution or sale in the ordinary course of business, all as if this Indenture had not been made.

(b) May, without obtaining any release and without obtaining the consent of the Trustees, sell or otherwise dispose of, free from the lien of this Indenture, any furniture, machinery, equipment, tools and appliances which may have become obsolete, inadequate or worn-out or

otherwise unsuitable for use in the business of the Company, *provided* as a condition precedent that: (i) the Company shall have replaced, or shall contemporaneously replace, the same by, or substitute for the same, other machinery, equipment, tools or appliances, not necessarily of the same character but of at least equal value and efficiency, which shall forthwith become, without further action, subject to the lien of this Indenture, (ii) this Clause (b) shall not permit such disposition of any unit of furniture, machinery, equipment, tools or appliances having a fair value at the time in excess of Fifty Thousand Dollars (\$50,000); and (iii) this Clause (b) shall not permit such disposition of machinery, equipment, tools or appliances in excess, in any one calendar year, of an aggregate fair value of One Hundred Twenty-five Thousand Dollars (\$125,000).

(c) May, without the consent of the Trustees alter, change the location of, add to, repair and replace any of its machinery, fixtures and other equipment and, without obtaining any release and without obtaining the consent of the Trustees, surrender, abandon, exchange or release easements or rights of way *provided*, that such action in the opinion of the Board of Directors of the Company evidenced by a resolution of the Board, is in the interest of the Company and will not impair the security of the Bonds outstanding hereunder.

(d) Shall be entitled to receive and collect for its own use all dividends paid on shares of stock of any corporation held by the Trustee hereunder which are paid in cash out of the earned surplus or net profits of the issuing corporation and all interest upon obligations or indebtedness of any person held by the Trustee hereunder; and, in case such shares of stock shall be transferred into the name of the Trustee or of its nominee or nominees, the Trustee from time to time shall execute and deliver upon the Written Order of the Company suitable assignments and orders in favor of the Company or its nominee named in such order for the payment of such cash dividends and interest, and as the date of their maturity approaches shall deliver upon a like order any and all coupons representing such interest, *provided, however*, and it is hereby declared and agreed that the Company shall not be entitled to receive and the Trustee shall not pay over to it,

(i) the principal of any obligation or indebtedness at the time held by the Trustee hereunder, or

(ii) any dividend upon any share of stock at the time held by the Trustee hereunder other than a dividend paid in cash out of the earned surplus or net profits of the issuing corporation, or

(iii) any sum paid upon liquidation or dissolution or reduction of capital or redemption, upon any obligation or indebtedness or share of stock, at the time held by the Trustee hereunder.

(e) Shall also have the right, except as herein expressly limited, to vote and/or give consents with respect to all shares of stock held by the Trustee hereunder, and from time to time in case such shares of stock shall have been transferred into the name of the Trustee or of its nominee or nominees, the Trustee, upon the Written Request of the Company, shall execute and deliver or cause to be executed and delivered to the Company or its nominee named in such Written Request appropriate powers of attorney or proxies to vote such stock or to execute a waiver or consent or certificate with respect to such stock, for such purpose or purposes as may be specified in such request, except that each such power of attorney or proxy may be limited so as to provide in effect that the powers thereby conferred do not include any power to vote for or to authorize or consent to any act or thing inconsistent with this Indenture.

(f) May, in general, exercise all of the rights and powers of an owner of any securities deposited and pledged under this Indenture which will not impair the security of this Indenture in contravention of the provisions thereof, and the Trustee shall take any action with respect thereto which may be specified in a Written Request of the Company.

(g) May, without the consent of the Trustees, surrender or permit to lapse or assent to the modification of, any franchise which it may hold or under which it may be operating, *provided* that (i) in the event of any such surrender or lapse, the Company shall then have or shall receive at the time of such surrender or lapse a franchise or right or privilege pursuant to which, in the opinion of Counsel, it shall be authorized to do the same or an extended business in the same or an extended territory during the same or an extended or unlimited period of time, and (ii) in the event of any such modification, the franchise as modified shall, in the opinion of Counsel, authorize the continuance of the same or an extended business in the same or an extended territory during the same or an extended or unlimited period of time.

(h) May, without the consent of the Trustees, make changes or alterations in or substitutions for any licenses or leases or contracts for the purchase of gas or surrender and cancel the same, *provided* that (a) unless the Company shall have obtained and filed with the Trustees the consent in writing of the holders for the time being of at least a majority in principal amount of each series of the Bonds then outstanding hereunder, or unless approved or required by order or regulation of a governmental body having jurisdiction in the premises, the Company will not surrender or cancel any contract relating to the purchase of natural gas by the Company and will not make or suffer to be made any change or alteration in such contract which would (i) increase the cost basis to the Company of the gas to be delivered thereunder, (ii) reduce the term during which gas is to be delivered to the Company thereunder, (iii) reduce the minimum supply of gas to the Company guaranteed thereunder or (iv) otherwise change or alter any of the provisions of such contract in any respect materially adverse to the Company or the holders of the Bonds, and (b) the Trustees shall have received a CERTIFICATE OF THE COMPANY and a RESOLUTION OF THE BOARD to the effect that, in the opinion of the signers of said Certificate of the Company and of the Board of Directors, respectively, such change, alteration or substitution or such surrender or cancellation, as the case may be, is in the interest of the Company and will not impair the security of the Bonds outstanding hereunder; and in such event any modified, altered or substituted grants, licenses or leases or contracts for the purchase of gas shall forthwith be subject to the terms of this Indenture to the same extent as those previously existing.

Release Upon Sale or Disposition.

§ 11.02. The Company shall have the right, at any time and from time to time, to sell or dispose of any part of the Trust Estate (other than cash held by the Trustee or the contracts referred to in Clause III of the Granting Clauses of the Original Indenture) which shall no longer be useful or necessary in the judicious management and maintenance of the Trust Estate or in the conduct of the business of the Company, or which the Company reasonably anticipates will be taken by eminent domain, or which the Company shall have been directed to sell or dispose of by order of any governmental authority having jurisdiction in the premises, and the Trustee shall, from time to time, release property so sold or disposed of from the

operation and lien of this Indenture, but only upon receipt by and deposit with the Trustee of the following:

A. A RESOLUTION OF THE BOARD, requesting such release and describing the property so to be released.

B. A CERTIFICATE OF THE COMPANY, in substantially the following form, with appropriate exhibits annexed thereto and the blanks appropriately completed:

SOUTHWEST GAS CORPORATION

INDENTURE OF MORTGAGE AND DEED OF TRUST

DATED JUNE 1, 1951

AS SUPPLEMENTED AND AMENDED

CERTIFICATE OF THE COMPANY FILED PURSUANT TO § 11.02

....., the President and
the Treasurer, of SOUTHWEST GAS CORPORATION, hereby
certify:

(1) The Company has [either] sold or disposed of [or, in the alternative] contracted to sell or dispose of the property described in Exhibit A hereto, and desires to release the same. The consideration to be received for such property is also set forth in Exhibit A hereto.

(2) In our opinion: [Either (a), (b) or (c)] (a) Such sale or disposition is desirable in the conduct of the business of the Company, and the property to be released is no longer useful or necessary in the judicious management and maintenance of the Trust Estate or in the conduct of the business of the Company. [or] (b) Such sale or disposition has been or is to be made to , a governmental authority, in reasonable anticipation of taking of such property by eminent domain. [or] (c) Such sale or disposition has been made pursuant to the order of a governmental authority having jurisdiction in the premises.

(3) No part of the property to be released has been or is to be sold or disposed of, in whole or in part, for a consideration consisting of property or purchase money obligations [the following may be added if applicable] except property identified as sold for such consideration in Exhibit A hereto and separately described therein. Said consideration is described in said Exhibit A.

[If any such purchase money obligations are to be secured by a purchase money mortgage on less than all of the property to be released, the property to be covered by such purchase money mortgage shall be separately described.]

(4) In our opinion, the Fair Value at the date of this Certificate of the property to be released is \$, without deduction for liens, if any, having priority to the lien of the Indenture, *[the following may be added if applicable]*, except the following liens, to which the property to be released will continue to be subject: *[Describe such liens]*.

[If, by virtue of the foregoing Clause (3) any of the property to be released shall be separately described, the Fair Value of such property shall be separately stated in this Clause (4). The Fair Value of any property included in the consideration for the property to be released shall also be stated.]

(5) The aggregate amount of the Fair Value of the property to be released and of all other property released since the commencement of the current year, as set forth in the relevant Certificates of the Company, is \$.

(6) The property to be released has *[or has not]* been used for any purpose of the Indenture.

(7) The Company is not in default in the performance of any of the covenants on its part to be performed under this Indenture.

(8) In our opinion, the proposed release will not impair the security under the Indenture in contravention of the provisions thereof.

Dated, 19....

(The date of granting application)

SOUTHWEST GAS CORPORATION

.....
President or Vice President

.....
President or Vice President

(9) I certify that I concur in the opinion expressed in the foregoing Clauses (2), (4) and (8).

.....
Engineer, as defined in § 1.01 of the Indenture.

[If the foregoing Clauses (4) and (5) shall show that the Fair Value of the property to be released and of all other property released since the commencement of the then current calendar year is in excess of Fifty Thousand Dollars (\$50,000) but not otherwise, the foregoing Clause (9) shall be signed by an Independent Engineer selected by the Company and approved by the Trustee in the exercise of reasonable care.]

C. CASH in an amount equal to the greater of the following Items (i) and (ii):

(i) The fair value, as certified pursuant to ¶11.02B(4) of the property to be released, or

(ii) the consideration received or to be received by the Company therefor (valuing purchase money obligations at their principal amount and property received in exchange at its Fair Value as stated in said certificate),

provided, however, that, to the extent stated in Clauses (1) and (2) below, the Company shall have the right to deposit with or deliver to the Trustee in lieu of all or any part of such cash any of the following:

(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.

(2) A CERTIFICATE of the trustee or other holder of a prior lien on all or any part of the property to be released, stating that a specified amount of cash and/or a specified principal amount of purchase money obligations of the character described in Clause (1) of this Paragraph and representing proceeds of the sale of such property, have been deposited with such trustee or other holder pursuant to the requirements of such prior lien to obtain the release of such property from such prior lien, *provided, however*, that the aggregate of the cash and principal amount of purchase money obligations so certified at any one time shall in no event exceed the principal amount of the prior lien obligations outstanding thereunder; and such certificate shall be received by the Trustee in lieu of cash equal to the cash and the principal amount of the purchase money obligations so certified to have been deposited with such trustee or other holder of such prior lien.

D. AN OPINION OR OPINIONS OF COUNSEL,

(1) Stating that the instruments which have been or are therewith delivered to the Trustee conform to the requirements of this Indenture and constitute sufficient authority under this Indenture for the Trustees to execute and deliver the release requested, and that, upon the basis of the cash, purchase money obligations, certificates, opinions and other instruments delivered to the Trustee pursuant to Paragraphs A, B and C of this § 11.02, the property so sold or disposed of or contracted to be sold or disposed of may

lawfully be released from the lien of this Indenture pursuant to the provisions of this § 11.02.

(2) Stating that the purchase money obligations, if any, delivered to the Trustee or to the trustee or other holder of a prior lien pursuant to Clause (1) or (2) of Paragraph C of this § 11.02 are valid obligations and are duly secured by a valid purchase money mortgage constituting a direct lien upon all the property to be released, or upon the portion thereof described pursuant to Clause (3) of Paragraph B of this § 11.02, free and clear of all prior liens, charges or encumbrances, except any prior liens or other charges or encumbrances prior to the lien of this Indenture which may have existed on the property to be released immediately prior to such release and that the assignment of any mortgage securing such purchase money obligations is valid and in recordable form.

(3) In case, pursuant to Clause (2) of Paragraph C of this § 11.02, any cash or purchase money obligations shall be certified to have been deposited with the trustee or other holder of a prior lien, stating that the property to be released, or a specified portion thereof, is or immediately before such sale or disposition was subject to such prior lien and that such deposit is required by such prior lien.

(4) In case the sale or disposition of the property to be released shall have been certified, pursuant to Clause (2) of Paragraph B of this § 11.02, to be in lieu of and in reasonable anticipation of the taking of such property by the exercise of the power of eminent domain, stating that such property was sold or is to be sold in reasonable anticipation of the exercise of the power of eminent domain.

Anything in the foregoing § 11.02 to the contrary notwithstanding, the Company shall have the right to sell or dispose of all or substantially all of the gas pipe line properties of the Company located in the State of Arizona which were acquired upon the merger of Nevada Natural Gas Pipe Line Co., a Nevada corporation, and the Trustees shall, from time to time, release the property so sold or disposed of from the operation and lien of this Indenture, upon deposit with the Trustee of a sum in cash equal to the consideration received by the Company therefor (valuing purchase money mortgages at their principal amount and property received in exchange at its Fair Value, as stated in the Application of the Company); and in the case of any such

sale or disposition the annual rate of interest borne by the 1976 Series Bonds outstanding at the date of such sale or disposition shall be increased by an amount computed (to the nearest hundredth of 1%) (1) by multiplying the amount deposited as aforesaid by seventy-five ten thousandths (.0075) and (2) dividing the product thus obtained by the principal amount of 1976 Series Bonds outstanding on the date of such sale or disposition. In the event of any such increase in interest rate the Company will give prompt notice thereof to all registered holders of 1976 Series Bonds and will promptly upon request exchange for all 1976 Series Bonds specifying an annual interest rate of 5%, 1976 Series Bonds specifying such increased annual interest rate.

Eminent Domain and Other Governmental Takings.

§ 11.03. If any part of the Trust Estate be taken by the exercise of the power of eminent domain, or if any state, municipality, or other governmental authority at any time exercises any right which it may then have to purchase any part of the Trust Estate, the Company, forthwith upon receipt, shall deposit the award for any property so taken by eminent domain and/or the proceeds of any such purchase with the Trustee, or, to the extent required, in the Opinion of Counsel, by the terms of a prior lien on all or any part of any property so taken or purchased, with the trustee or other holder of such prior lien. In the event of any such taking or purchase, the Trustee shall release the property so taken or purchased, but only upon receipt by and deposit with the Trustee of:

A. A RESOLUTION OF THE BOARD, requesting such release and describing the property so to be released.

B. A CERTIFICATE OF THE COMPANY, stating that such property has been taken by eminent domain and the amount of the award therefor, or that said property has been purchased by a state, municipality, or other governmental authority pursuant to a right vested in it to purchase such property and the amount of the proceeds of such purchase, and also stating whether any of such property has been used for any purpose of the Indenture.

C. The AWARD for said property or the PROCEEDS of such purchase; *provided, however,* that, in lieu of all or any part of such award or proceeds, the Company shall have the right to deliver to the Trustee a CERTIFICATE of the trustee or other holder of a prior lien on all or any part of the property to be released, stating that said award or proceeds, or such specified part thereof, has been deposited with such trustee or

other holder pursuant to the requirements of such prior lien, in an amount not exceeding the principal amount of prior lien obligations secured thereby.

D. AN OPINION OF COUNSEL, stating

(1) That such property has been duly taken by the exercise of the power of eminent domain, or has been duly purchased by a state, municipality or other governmental authority in the exercise of a right which it had to purchase such property, and that the instruments which have been or are therewith delivered to the Trustee conform to the requirements of this Indenture and constitute sufficient authority under this Indenture for the Trustees to execute and deliver the release requested.

(2) The amount of the award for the property so taken by eminent domain or the amount of the proceeds of the property so purchased.

(3) In case, pursuant to the preceding Paragraph C, the award for said property, or the proceeds of such purchase or any portion thereof, shall be certified to have been deposited with the trustee or other holder of a prior lien, that the property to be released, or a specified portion thereof, is or immediately before such taking or purchase was subject to such prior lien, and that such deposit is required by such prior lien.

In any proceedings for the taking or purchase of any part of the Trust Estate by the exercise of eminent domain the Trustees may be represented by counsel, who may be counsel for the Company.

Sale, Exchange or Disposition where no Longer Useful, Necessary, Etc.

§ 11.04. In addition to the provisions of § 11.01 through § 11.03, inclusive, unless an Event of Default shall have happened and be continuing, the Company may at any time and from time to time, without any release or consent by the Trustees, sell, exchange or otherwise dispose of any part of the Trustee Estate (except cash, securities, contracts or other personal property pledged or deposited with or required to be pledged or deposited with the Trustee hereunder) which shall no longer be useful, necessary, profitable or advantageous in the judicious management and maintenance of the Trust Estate or in the conduct of the business of the Company *provided* the aggregate of the Fair Value of the property so sold, exchanged or otherwise disposed of in any one calendar year shall not exceed Fifty

Thousand Dollars (\$50,000). The Company covenants that, upon the completion of any such sale, exchange or other disposition made pursuant to this § 11.04, it will deposit with the Trustee cash in an amount equal to the Fair Value of the property sold, exchanged or otherwise disposed of, *provided* that to the extent such cash shall not exceed Ten Thousand Dollars (\$10,000) in the aggregate, deposit thereof may be postponed until May 1 of the next succeeding year. On or before May 1 of each year beginning with the year 1952, the Company shall deliver to the Trustee a Certificate of the Company briefly describing, and setting forth the Fair Value of, the property so sold, exchanged or otherwise disposed of since the date of the next preceding Certificate of the Company delivered to the Trustee pursuant to this § 11.04 (or in the case of the first such Certificate, since the date of the execution and delivery hereof).

Consent by Trustee.

§ 11.05. The Company, while in possession of the Trust Estate (other than securities and cash held by the Trustee or by the trustee or other holder of a prior lien), may do any of the things enumerated in § 11.01 (except Clause (d) thereof), notwithstanding that an Event of Default shall have happened and shall not have been remedied, and may do any of the things enumerated in § 11.02, § 11.03 or § 11.04 notwithstanding that it is in default in the performance of a covenant on its part to be performed under this Indenture, if in each case the Trustee, in its discretion shall in writing expressly authorize or consent to such action, in which event the Certificate required by § 11.02B need not contain the statement required by Clause (7) thereof.

Powers Exercisable by Trustee or Receiver.

§ 11.06 In case the Trust Estate (other than securities and cash held by the Trustee or by the trustee or other holder of a prior lien) shall be in the possession of a receiver or trustee lawfully appointed, the powers in this Article conferred upon the Company with respect to the sale or other disposition and release of the Trust Estate may, to the extent permitted by applicable law, be exercised by such receiver or trustee (subject, in the cases specified in § 11.05, to authorization or consent of the Trustee as provided therein), in which case a written request signed by said receiver or trustee shall be deemed the equivalent of a Resolution required by § 11.02 or § 11.03 and a certificate signed by such receiver or trustee shall be deemed the equivalent of any Certificate of the Company required by any provision of this Indenture. If the Trustees or either of them shall be in possession of the

Trust Estate (other than securities and cash held by the trustee or other holder of a prior lien) under any provision of this Indenture, then such powers may be exercised by the Trustees or either of them.

Purchasers Protected.

§ 11.07 No purchaser in good faith of property purportedly released hereunder or disposed of without release pursuant to § 11.01 or § 11.04 shall be bound to ascertain the authority of the Trustees or either of them to execute the release or to inquire as to any facts required by the provisions hereof for the exercise of such authority, or to see to the application of any consideration paid by such purchaser.

Redemption In Case of Taking By Eminent Domain.

§ 11.08 If, while any of the Bonds shall be outstanding (other than Bonds of any series as to which the Supplemental Indenture creating the same shall expressly provide that such series shall not be entitled to the benefits of the covenants of this § 11.08), all or substantially all of the property of the Company subject to the lien hereof shall be taken by the exercise of the power of eminent domain or be sold by the Company and released under the provisions of this Article, the Company will call for redemption and redeem all of the Bonds then outstanding thereunder which are redeemable by their terms, and if, while any of such Bonds shall be outstanding, all or substantially all of the property of the Company subject to the lien hereof in the municipalities of Barstow or Victorville, California, or Las Vegas, Nevada, or all or substantially all of any gas pipe line of the Company from the gas pipe lines of El Paso Natural Gas Company to Las Vegas, Nevada, shall be so taken or sold, the Company will apply the proceeds of such taking or sale to the redemption of the Bonds then outstanding hereunder which are redeemable by their terms. All cash and other property delivered to the Trustees, or the Trustee, on any such taking or release shall be held and applied to such redemption, and shall not be subject to release under § 11.11 or § 11.12.

Upon any redemption pursuant to this § 11.08, the redemption price of Bonds of each series shall be the applicable price set forth in § 10.05 unless otherwise specified in the supplemental indenture creating the same. The Bonds of each series shall be called for redemption on the earliest practicable date on which they shall be redeemable after such property is so released.

Trust Moneys Defined.

§ 11.09 All moneys received by the Trustee upon the release of property from the lien of this Indenture, including the principal of all purchase money obligations when paid, and all moneys received by the Trustee as compensation for any part of the Trust Estate taken by the exercise of the power of eminent domain or purchased by a public authority, and all moneys received by the Trustee as proceeds of the sale of or insurance upon any part of the Trust Estate, and all other moneys elsewhere herein provided to be held and applied as in this Article provided, and all moneys, if any (but in no event including Deposited Cash, as defined in § 6.03), received by the Trustees, or the Trustee, the disposition of which is not elsewhere herein otherwise specifically provided for (herein sometimes called "Trust Moneys"), shall be held by the Trustee as part of the Trust Estate, and upon default in the payment of the principal of any of the Bonds when and as the same shall become due and payable, whether by the terms thereof or by declaration or otherwise, as herein provided, said moneys shall, unless and until such default shall be remedied, be applicable only to the purposes specified in, and in accordance with the provisions of, § 12.11; but, unless such a default shall have happened and shall not have been remedied, all or any part of said Trust Moneys, at the request and election of the Company, except as otherwise specifically provided herein, may be withdrawn from and shall be applied by the Trustee from time to time, in the case of Trust Moneys withdrawn prior to the execution of the Ninth Supplemental Indenture, as provided in § 11.10, § 11.11, § 11.12, § 11.13 and § 11.15 of the Indenture as in effect prior to the execution and delivery of the Ninth Supplemental Indenture, and as to Trust Moneys withdrawn thereafter, as provided in the following § 11.10, § 11.11 and § 11.12.

Withdrawal of Trust Moneys on Basis of Property Additions.

§ 11.10. Trust Moneys (other than moneys which are required under the provisions of the Indenture to be applied to the redemption of Bonds) may be withdrawn in an amount equal to one hundred per cent. (100%) of the Net Amount of Property Additions then made the basis for such withdrawal (except that any Trust Moneys deposited pursuant to § 6.03 may be withdrawn only in an amount equal to sixty per cent. (60%) of the Net Amount of Property Additions then made the basis for such withdrawal) and shall be paid by the Trustee on the Written Order of the Company at

any time and from time to time, upon receipt by and deposit with the Trustee of the following:

A. A RESOLUTION OF THE BOARD requesting the withdrawal and payment of a specified amount of Trust Moneys, designating the Trust Moneys so to be withdrawn, and stating whether or not the same are Trust Moneys deposited pursuant to § 6.03.

B. THE CERTIFICATES, OPINIONS AND OTHER INSTRUMENTS which the Company would be required to furnish to the Trustee upon an application for the authentication and delivery of Bonds on the basis of a Net Amount of Property Additions under Article V, but with the following variations and omissions of the instruments specified in § 5.01:

(1) It shall not be necessary for the Company to deliver to the Trustee the Resolution required by § 5.01A, or the data relating to Net Earnings required by Clauses (9), (10), (11) and (12) of § 5.01B, or the Supplemental Indenture required by § 5.01E, or any of the Certificates or parts of the Opinion of Counsel referred to in § 5.01D (1), (5), (6) and (7); and if the amount of Trust Moneys to be withdrawn plus the amount of all other Trust Moneys withdrawn since the commencement of the then current calendar year is less than Fifty Thousand Dollars (\$50,000), the Certificate required by § 5.01B may also omit Clause (14) thereof.

(2) In case of the withdrawal of the proceeds of insurance upon any part of the trust estate, but not otherwise, the Company may at its option omit from the computation of the Net Amount of Property Additions all deductions pursuant to Clauses (7), (8) and (9) of § 5.01B, and withdraw on the basis of the Gross Amount of Property Additions set forth in Clause (6).

(3) The Opinion of Counsel required by § 5.01D shall contain an additional Clause stating that the instruments which have been or are therewith delivered to the Trustee conform to the requirements of the Indenture and constitute sufficient authority under the Indenture for the Trustee to pay over the Trust Moneys applied for.

Withdrawal of Trust Moneys on Basis of Retirement of Bonds.

§ 11.11. Trust Moneys (other than moneys which are required under the provisions of the Indenture to be applied to the redemption of Bonds) may be withdrawn on the basis of the retirement of Bonds in an amount

equal to the principal amount of the Bonds then made the basis of such withdrawal and shall be paid by the Trustee upon the Written Order of the Company at any time and from time to time, upon receipt by and deposit with the Trustee of the following:

A. A RESOLUTION OF THE BOARD, requesting the withdrawal and payment of a specified amount of Trust Moneys, and designating the Trust Moneys so to be withdrawn.

B. THE BONDS, CERTIFICATES, OPINIONS AND OTHER INSTRUMENTS which the Company would be required to furnish to the Trustee upon an application for the authentication and delivery of Bonds under Article VII, but with the following variations or omissions of the instruments specified in § 7.01:

It shall not be necessary for the Company to deliver to the Trustee the Resolution required by § 7.01A or the Opinion of Counsel required by § 7.01D or the data relating to Net Earnings required by § 7.01B (4), the Certificate and Other Evidence required by § 7.01C or the Supplemental Indenture required by § 7.01F.

C. AN OPINION OR OPINIONS OF COUNSEL stating that the instruments which have been or are therewith delivered to the Trustee conform to the requirements of the Indenture and constitute sufficient authority under the Indenture for the Trustee to pay over the Trust Moneys applied for.

Application of Trust Moneys to Payment of Principal of Bonds.

§ 11.12. Trust Moneys (other than moneys which are required under the provisions of the Indenture to be applied to the redemption of Bonds) shall be applied by the Trustee at any time and from time to time to the payment of the principal of Bonds upon redemption prior to maturity or (subject to the provisions hereinafter in this § 11.12 set forth) to the purchase of Bonds upon tender or in the open market or at private sale or upon any securities exchange or in any one or more of said ways, as the Company shall direct, upon receipt by and deposit with the Trustee of the following:

A. A RESOLUTION OF THE BOARD, requesting the application pursuant to the provisions of this § 11.12 of a specified amount of Trust Moneys, designating the Trust Moneys so to be applied, and requesting the Trustee to allocate such Trust Moneys as provided in this § 11.12, and to apply the same in the manner directed to the redemption and/or purchase of Bonds as provided in this § 11.12.

B. CASH sufficient in the opinion of the Trustee to cover the amount of the accrued interest and premium, if any, required to be paid in connection with any such redemption or purchase, which cash shall be held by the Trustee in trust for such purpose, and, to the extent not required for such purpose, shall be repaid to the Company.

C. A CERTIFICATE OF THE COMPANY stating that it is proper for the Trustee, under the provisions of this § 11.12, to apply Trust Moneys in accordance with such Resolution of the Board.

The Trust Moneys designated by Resolution of the Board to be applied pursuant to the provisions of this § 11.12 shall be allocated between all holders of registered Bonds without coupons and all holders of coupon Bonds, so that the aggregate amount of such Trust Moneys to be allotted to each group shall be in the proportion (to the nearest multiple of \$1,000) which the principal amount of all Bonds held by each group bears to the aggregate principal amount of Bonds then outstanding. The amount thus allocated to registered Bonds without coupons (or the whole amount if no coupon Bonds are then outstanding) shall be prorated by the Trustee among the respective registered holders of said Bonds in proportion, as nearly as may be, to the respective principal amount of registered Bonds without coupons registered in the name of each holder (*provided* that the principal amount, if any, allocated to each such holder shall be \$1,000 or a multiple thereof), and the registered Bonds without coupons to which such allocation is made shall be redeemed as provided in § 10.02, except as to the manner of designation of Bonds. The amount determined as aforesaid to be allocable to coupon Bonds may be applied, as the Company may direct, either (a) to the redemption of coupon Bonds selected by lot in any manner determined to be proper by the Trustee or (b) to the purchase, in such manner as the Company may direct, of Bonds which were evidenced by coupon Bonds at the time of allocation of the Trust Moneys in question, of any one or more series designated by the Company, *provided* that the price or prices to be paid therefor shall not exceed the applicable redemption price set forth in § 10.05 for the redemption of the Bonds so purchased by application of the Trust Moneys in question.

Upon any such redemption, the redemption price of the Bonds shall (except in the case of cash delivered pursuant to the provisions of § 9.01) be the redemption price set forth in § 10.05 applicable on the date fixed for the redemption thereof in the case of redemption at the option of the Company, and in the case of cash delivered pursuant to the provisions of § 9.01, the

redemption price of the Bonds shall be the redemption price set forth in § 10.06 applicable on the date fixed for the redemption thereof in the case of redemption by application of moneys deposited pursuant to the provisions of Article IX.

The allocation of Trust Moneys to be applied pursuant to the provisions of this § 11.12 in respect of any particular series of Bonds hereafter issued, and the redemption prices applicable thereto, may vary from the foregoing provisions if and to the extent expressly so provided in the supplemental indenture creating such series.

Deposit of Instruments in Lieu of Cash.

§ 11.13. Wherever in the Indenture provision is made for the deposit of cash with the Trustee which is subject to disposition as provided in § 11.10, § 11.11 and § 11.12 such cash need not actually be deposited if and to the extent that the Company shall at the time furnish to the Trustee all items necessary to withdraw such cash pursuant to the provisions of § 11.10, § 11.11 and § 11.12. In such event, however, such cash shall, for the purposes of any reference in the Indenture to cash deposited with or received by the Trustee or withdrawn, be deemed to have been actually deposited with the Trustee and released or applied by it pursuant to § 11.10, § 11.11 and § 11.12.

Trust Moneys Held more than Three Years to be Applied.

§ 11.14. Whenever any Trust Moneys shall not have been applied as provided in this Article XI within three (3) years after the receipt thereof by the Trustee, such cash, unless it shall amount to less than Fifty Thousand Dollars (\$50,000), shall be applied to the redemption of Bonds (at the respective redemption prices then applicable to the redemption of Bonds of the several series at the option of the Company) pro rata as between the several series of Bonds then outstanding which are redeemable in the ratio of the respective aggregate principal amounts of each such series outstanding at the aforesaid time. Nothing in this § 11.14 shall be deemed to apply to cash held subject to disposition under § 9.02.

Cancellation of Redeemed Bonds and Coupons.

§ 11.15. All Bonds and their accompanying coupons delivered uncanceled to the Trustee and on the basis of which Trust Moneys are paid over, or for whose redemption or purchase Trust Moneys are applied, under this Article, when received by the Trustee, shall be immediately cancelled and thereafter cremated if in coupon form not registered as to principal.

ARTICLE XII.

Remedies of the Trustees and Bondholders.

Interest Not to be Extended.

§ 12.01. In case any coupon or claim for interest on any of the Bonds hereby secured shall have been funded or extended by or with the consent of the Company, such coupon or claim for interest so funded or extended shall not be entitled, in case of default hereunder, to the benefit or security of this Indenture, except subject to the prior payment in full of the principal of all the Bonds that shall be outstanding and of all coupons and claims for interest thereon that shall not have been so funded or extended. If any coupons or claims for interest on any of the Bonds at or after maturity shall be owned by the Company, then such matured coupons or claims for interest shall not be entitled to the benefit or security of this Indenture; and the Company covenants that all such coupons and claims for interest so owned by it at or after their maturity shall promptly be cancelled.

Events of Default.

§ 12.02. If one or more of the following events (herein called "*Events of Default*") shall happen, that is to say:

(a) default shall be made in the payment of any installment of interest on any Bond issued hereunder when and as the same shall become payable as therein and herein expressed and such default shall continue for the period of thirty (30) days; or

(b) default shall be made in the payment of the principal of any Bond issued hereunder when the same shall become due and payable either by the terms thereof or otherwise as herein provided; or

(c) default shall be made in the observance or performance of any covenant, condition or agreement on the part of the Company contained in § 8.13, § 8.14, § 8.15, § 8.16, § 8.18, § 9.01, § 9.02 or § 9.06; or

(d) default shall be made in the observance or performance of any other of the covenants and agreements and conditions on the part of the Company in the Bonds hereby secured or in this Indenture contained and such default shall continue for the period of thirty (30) days after written notice specifying such default shall have been given to the Company by the Trustee, or to the Company and the Trustee by the holders of twenty-five per cent. (25%) in principal amount of the Bonds then outstanding; or

(e) default shall be made in the performance of any covenant contained in any mortgage or other instrument of trust constituting a lien securing indebtedness in excess of Twenty-five Thousand Dollars (\$25,000) on any part of the Trust Estate in priority to this Indenture, and by reason of such default any right of entry or right of action for the enforcement of the security afforded thereby shall accrue and such default shall continue for a period of ten (10) days after written notice thereof given to the Company by the Trustee, or to the Company and the Trustee, by the holders of not less than twenty-five per cent. (25%) in principal amount of the Bonds at the time outstanding, specifying the prior lien with respect to which such default shall have occurred and requiring the same to be remedied; or

(f) either the Company shall make an assignment for the benefit of its creditors, or a petition shall be filed voluntarily, or filed and consented to, or filed and not dismissed within sixty (60) days, seeking an order of the character mentioned below, or such an order shall be made by a court of competent jurisdiction and be in effect for sixty (60) days from the date of entry thereof:

(i) an order adjudicating the Company a bankrupt, or

(ii) an order appointing a trustee or receiver of the Company or of any substantial part of its properties by reason of insolvency or bankruptcy, or

(iii) an order approving a petition for an arrangement in bankruptcy, a reorganization pursuant to the Federal Bankruptcy Act or any other judicial modification or alteration of the rights of the holders of the Bonds or of other creditors of the Company, or

(iv) an order effecting such an arrangement, reorganization, modification or alteration; or

(g) final judgment for the payment of money in excess of Twenty-five Thousand Dollars (\$25,000) shall be rendered against the Company and the Company shall not discharge the same or cause it to be discharged or a stay of execution thereon or supersedeas to be procured within sixty (60) days from the entry thereof, or if such judgment shall remain unsatisfied for a period of fifteen (15) days after the termination of any such stay of execution thereon or supersedeas;

or (h) so long as any 2004 Series Bonds remain outstanding, any default shall be made in the observance or performance of the covenants

of any other Funded Debt then outstanding in a principal amount exceeding \$5,000,000, which could cause it to become due prior to its stated maturity.

then, and in every such case, if such default or defaults shall not have been remedied, the Trustee, by notice in writing to the Company, may, and upon the written request of the holders of at least a majority in principal amount of the Bonds then outstanding shall, and the holders of at least twenty-five per cent. (25%) in principal amount of the Bonds then outstanding may, by notice in writing to the Trustee and the Company, declare the principal of and interest on all the Bonds to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in this Indenture or in the Bonds contained to the contrary notwithstanding. The right to declare principal and interest due and payable is subject, however, to the condition that if, at any time after such declaration, but before any sale of the Trust Estate, or any part thereof, shall have been made under this Article XII, all overdue installments of interest upon all the Bonds, with interest (to the extent that payment of such interest is enforceable under applicable law) on overdue principal and installments of interest at the rate of six per cent. (6%) per annum, together with all sums paid or advanced by the Trustee under any provision hereof and the reasonable and proper charges, expenses and liabilities of the Trustee, its agents, attorneys and counsel, and all other sums payable by the Company hereunder, except the principal of, and interest accrued since the next preceding interest date on, the Bonds due and payable solely by virtue of such declaration, shall either be paid by or for the account of the Company or provision satisfactory to the Trustee shall be made for such payment, and all Events of Default hereunder shall be remedied, then, and in every such case, the holders of at least a majority in principal amount of the Bonds then outstanding, by written notice to the Company and to the Trustee, may rescind and annul such declaration in its entirety; but no such action shall extend to or affect any subsequent default or impair any right consequent thereon.

Certain Powers of Trustees.

§ 12.03. In case one or more of the Events of Default shall happen and shall not have been remedied, then, and in every such case, the Trustees, or either of them, personally or by agents or attorneys, may enter into and upon all or any part of the Trust Estate (including the books, papers and financial records of the Company, but excluding money, securities and

property deposited or pledged, or required by the terms hereof to be deposited or pledged, with the trustee, mortgagee or other holder of some prior lien), and may exclude the Company, its agents and servants, and all persons claiming under the Company, wholly or partly therefrom; and having and holding the same, may use, operate, manage and control the Trust Estate and conduct the business thereof, by superintendents, managers, receivers, agents, servants and/or attorneys. Upon every such entry, the Trustees, or either of them, may, from time to time, at the expense of the Trust Estate, make all such repairs, renewals, replacements and useful or required alterations, additions, betterments and improvements to and on the Trust Estate, as to it may seem necessary, proper or judicious. In each such case, the Trustee shall have the right to manage the Trust Estate and to carry on the business and to exercise all rights and powers of the Company, either in the name of the Company, or otherwise, as the Trustees, or either of them, shall deem best, and the Trustee shall be entitled to collect and receive all earnings, income, rents, issues and profits of the same and every part thereof, without prejudice, however, to any right of the Trustee as provided in Article XI to collect and receive all income from money, obligations or other property deposited or pledged, or required by the terms hereof to be deposited or pledged, with the Trustees, or either of them. Such earnings, income, rents, issues and profits shall be applied to pay the expenses of holding and operating the Trust Estate and of conducting the business thereof, and of all maintenance, repairs, renewals, replacements, alterations, additions, betterments and improvements, and to make all payments which the Trustee may be required or may elect to make, if any, for taxes, assessments, insurance and other prior or proper charges upon the Trust Estate or any part thereof (including interest on and principal of prior lien obligations), and to set up such reasonable reserves as the Trustees, or either of them, may deem advisable for taxes, assessments, interest and other prior or proper charges, and to make all other payments which the Trustee may be required or authorized to make under any provision of this Indenture, as well as just and reasonable compensation for the services of the Trustee, and of all superintendents, managers, receivers, agents, attorneys, counsel, servants and other employees engaged and employed in conducting the business of the Company, and to employ engineers or accountants to investigate and make reports upon the business and affairs of the Company. The

remainder of such income, rents, issues and profits shall be applied as follows:

In case the principal of the Bonds then outstanding shall not have become due and be unpaid, to the payment of the interest in default, in the order of the maturity of the installments of such interest, with interest (to the extent that payment of such interest is enforceable under applicable law) on overdue installments of interest at the rate of six per cent. (6%) per annum; such payments to be made ratably to the persons entitled thereto without discrimination or preference, subject, however, to the provisions of § 12.01.

In case the principal of any of the Bonds then outstanding shall have become due, by declaration or otherwise, and shall be unpaid, first to the payment of the accrued interest on the principal in the order of the maturity of the installments of such interest (treating for this purpose each semi-annual accrual of interest on overdue Bonds as an installment of interest), with interest (to the extent that payment of such interest is enforceable under applicable law) on overdue principal and installments of interest at the rate of six per cent. (6%) per annum; and then to the payment of the whole amount due and unpaid upon the principal of the Bonds; in every instance such payments to be made ratably to the persons entitled to such payments without any discrimination or preference, subject, however, to the provisions of § 12.01.

If and whenever, prior to any sale of the Trust Estate, or any part thereof, all overdue installments of interest upon all the Bonds, with interest (to the extent that payment of such interest is enforceable under applicable law) on overdue principal and installments of interest at the rate of six per cent. (6%) per annum, together with all sums paid or advanced by the Trustee under any provision hereof and the reasonable and proper charges, expenses and liabilities of the Trustee, its agents, attorneys and counsel, and all other sums then payable by the Company hereunder, including the principal of and all accrued unpaid interest on all Bonds which shall then be payable, by declaration (unless such declaration shall have been annulled, pursuant to § 12.02) or otherwise, shall either be paid by or for the account of the Company or provision satisfactory to the Trustee shall be made for such payment, and all Events of Default hereunder shall be remedied, the Trustee shall surrender to the Company, its successors or assigns, the possession of the Trust Estate (except money, securities or property deposited or pledged, or required by the terms hereof to be deposited or pledged, with

the Trustee), and shall pay over upon the Written Order of the Company the amount, if any there be, of any earnings, income, rents, issues and profits of the Trust Estate then remaining unexpended in the hands of the Trustee and thereupon the Company and the Trustee shall be restored to their former positions and rights hereunder in respect of the Trust Estate, but no such surrender shall extend to or affect any subsequent default or impair any right consequent thereon.

In case one or more Events of Default shall happen and shall not have been remedied, the Trustee shall collect and receive all dividends on any stock and all sums payable for interest on any obligations or indebtedness held by the Trustee hereunder, and the Trustee shall cancel and revoke all assignments and orders in respect thereof in favor of the Company or its nominee, and all moneys so received by the Trustees shall, prior to any sale of the Trust Estate under this Indenture, be applied to any one or more of the purposes to which income from the Trust Estate may be applied as provided in this § 12.03, and upon any such sale any moneys so received by the Trustee and remaining unexpended in its hands shall be held and applied in the same manner as the proceeds of such sale; but in every such case, after the rights of the Company shall have been restored as in this § 12.03 provided, the right of the Company to receive and collect interest and dividends to the extent set forth in § 11.01, and the duty of the Trustees to execute and deliver assignments and orders for the same as provided in § 11.01, shall revive and continue as though no Event of Default had occurred; and the Trustee shall pay over upon the Written Order of the Company the amount, if any there be, of any such interest or dividends collected or received by the Trustee and then remaining unexpended in its hands.

Power of Sale and Specific Performance.

§ 12.04. In case one or more of the Events of Default shall happen and shall not have been remedied, the Trustees, or either of them, by agents or attorneys, with or without entry, if the Trustee shall deem it advisable

(a) may to the extent permitted by applicable law sell to the highest bidder all and singular the Trust Estate, such sale to be made at public auction at such place or places and at such time or times and upon such terms as the Trustee may fix in compliance with law and briefly specify in the notice of sale to be given as herein provided or as may be required by law; or

(b) may proceed to protect and enforce its rights and the rights of the Bondholders under this Indenture, by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for the foreclosure of this Indenture or for the enforcement of any other legal or equitable right, as the Trustee, being advised by counsel, shall deem most effectual to enforce any of the rights of the Trustees or to perform any of its duties hereunder.

Protection of Rights of Holders of Bonds.

§ 12.05. Upon the written request of the holders of at least a majority in principal amount of the Bonds then outstanding, in case of the happening of any Event of Default, if the same shall not have been remedied, it shall be the duty of the Trustees to take all such steps for the protection and enforcement of its rights and the rights of the holders of the Bonds, or to take such appropriate judicial proceedings as the Trustee, being advised by counsel, shall deem most expedient in the interest of the holders of the Bonds.

Notice of Sale.

§ 12.06. Notice of any sale under the power of sale herein granted shall state the time when and the place where the same is to be made, and shall contain a brief description of the property to be sold, and shall be sufficiently given if published once in each of four successive calendar weeks prior to such sale in one Authorized Newspaper in each County in which any of such property is located (upon any day of the week and in any such newspaper, the first publication to be made not less than thirty (30) days nor more than forty (40) days prior to such sale), and in such other manner as may be required by law.

Adjournment of Sale.

§ 12.07. The Trustees, or either of them, may from time to time adjourn any sale to be made under the power of sale granted by this Indenture, by announcement at the time and place appointed for such sale or for any adjournment thereof; and without further notice or publication except such as may be required by applicable law, may make such sale at the time and place to which the same shall have been so adjourned.

Deeds to Purchaser

§ 12.08. Upon the completion of any sale or sale under this Indenture, the Trustees shall execute and deliver to the accepted purchaser or purchasers a good and sufficient deed or deeds of conveyance, and such other instruments as in the judgment of the Trustees may be desirable or proper, conveying, assigning and transferring the properties and rights sold; and the Trustees hereunder at such time are hereby irrevocably appointed the true and lawful attorneys of the Company, in its name and stead, to make all necessary deeds and conveyances of the property thus sold; and for that purpose the Trustees may execute all necessary deeds and instruments of assignment and transfer, the Company hereby ratifying and confirming all that its said attorneys shall lawfully do by virtue hereof.

Any such sale or sales made under or by virtue of this Indenture, whether under the power of sale herein granted or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Company of, in and to the property so sold, and shall be a perpetual bar, both at law and in equity, against the Company, its successors and assigns, and against any and all persons claiming or who may claim the property sold, or any part thereof, from, through or under the Company, its successors or assigns.

The receipt of the Trustees, or either of them, or of the court officer conducting any such sale shall be a full and sufficient discharge to any purchaser of any property sold as aforesaid, for the purchase money; and no such purchaser, or his representatives, grantees or assigns, after paying such purchase money and receiving such receipt, shall be bound to see to the application of such purchase money upon or for any trust or purpose of this Indenture, or in any manner whatsoever be answerable for any loss, misapplication or non-application of any such purchase money or any part thereof, or be bound to inquire as to the authorization, necessity, expediency or regularity of any such sale.

Sale In One or More Parcels.

§ 12.09. In the event of any sale under this Article, whether made under the power of sale herein granted or by virtue of judicial proceedings, the whole of the Trust Estate shall (if permitted under applicable law) be sold in one parcel and as an entirety, unless either (i) the holders of at least a majority in principal amount of the Bonds then outstanding shall in writing request the Trustee to cause said property to be sold in parcels, in which case

(to the extent permitted by applicable law) the sale shall be made in such parcels as may be specified in such request, or (ii) such sale as an entirety is impracticable by reason of some statute or other cause.

Acceleration of Principal and Interest on Bonds.

§ 12.10. In case of any sale of the Trust Estate, or any part thereof, under this Article, whether made under the power of sale herein granted, or by virtue of judicial proceedings, the principal of and accrued interest on all the Bonds then outstanding, if not already due, shall immediately become due and payable, anything in the Bonds or in this Indenture to the contrary notwithstanding.

Application of Proceeds of Sale.

§ 12.11. The purchase money, proceeds and avails of any such sale shall be applied as follows:

First: To the payment of the costs and expenses of such sale, including a reasonable compensation to the Trustee, its agents, attorneys and counsel, and of all charges, expenses and liabilities incurred (and all advances made) without negligence or bad faith by the Trustees in managing and maintaining the Trust Estate or in executing any trust or power hereunder, and, if in conformity with applicable law, to the payment of all taxes, assessments or liens prior to the lien of this Indenture, except any taxes, assessments or other superior liens subject to which such sale shall have been made;

Second: To the payment of the whole amount then due and unpaid upon the Bonds then outstanding, for principal and interest, with accrued interest on the principal, and with interest (to the extent that payment of such interest is enforceable under applicable law) on the overdue installments of interest at the rate of six per cent. (6%) per annum; and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon the Bonds, then to the payment of such principal and interest, without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest, or of any series of the Bonds over any other series of the Bonds, ratably according to the aggregate so due for such principal and the accrued and unpaid interest, at the date fixed by the Trustee for the distribution of such moneys, subject, however, to the provisions of § 12.01; and

Third: The surplus, if any, shall be paid to the Company, its successors or assigns, or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

Any other sums which may be held by the Trustee as part of the Trust Estate at the time of such application of the purchase money, proceeds and avails of any such sale, as aforesaid, shall be applied together with such purchase money, proceeds and avails, in the manner provided in the foregoing Paragraphs First, Second and Third, but shall not be separately so applied.

Application of Bonds to Purchase Price on Sale.

§ 12.12. In case of any sale as aforesaid of the Trust Estate or any part thereof, any purchaser shall be entitled, for the purpose of making settlement or payment for the property purchased, to use and apply any Bonds then outstanding and any matured and unpaid coupons and claims for interest, in order that there may be credited thereon the sums payable out of the net proceeds of such sale to the holder of such Bonds and coupons and claims for interest, subject to the provisions of § 12.01, as its ratable share of such net proceeds; and thereupon such purchaser shall be credited, on account of such purchase price, with the portion of such net proceeds that shall be applicable to the payment of, and that shall have been credited upon, the Bonds and coupons and claims for interest so used and applied; and at any such sale, any Bondholder or the Trustee may bid for and purchase the property offered for sale, may make payment on account thereof as aforesaid, and upon compliance with the terms of sale, may hold, retain and dispose of such property without further accountability therefor.

Powers of Trustee Upon Event of Default.

§ 12.13. Upon filing a bill in equity or upon commencement of judicial proceedings by the Trustees, or either of them, to enforce any right under this Indenture, the Trustees, or either of them, shall be entitled to exercise any and all other rights and powers herein conferred and provided to be exercised by the Trustees, or either of them, upon the occurrence of an Event of Default.

Collection of Indebtedness by Trustee; Application of Moneys, Etc.

§ 12.14. The Company covenants that

(1) in case default shall be made in the payment of any interest on any Bond when and as the same shall become due and payable, and any such default shall have continued for a period of thirty (30) days, or

(2) in case default shall be made in the payment of the principal of any Bond when and as the same shall become due and payable, whether by the terms thereof or otherwise as herein provided,

then, and upon demand of the Trustee, the Company will pay to the Trustee for the benefit of the holders of the Bonds and coupons in respect of which such default shall be made, the whole amount due and payable on all such Bonds and coupons, for principal and interest, including the redemption price of any Bonds called for redemption, with accrued interest on the principal and, to the extent that the same is enforceable under applicable law, interest at the rate of six per cent. (6%) per annum on the overdue installments of interest; and in case the Company shall fail to pay the same forthwith upon such demand, the Trustees or either of them, in their own names, and as trustees of an express trust, shall be entitled to recover judgment against the Company (or any obligor on the Bonds).

To the extent permitted by applicable law, the Trustees, or either of them, shall be entitled to recover judgment as aforesaid either before, after or during the pendency of any proceedings for the enforcement of the lien of this Indenture, and the right of the Trustees, or either of them, to recover such judgment shall not be affected by any entry or sale hereunder or by the exercise of any other right, power or remedy for the enforcement of the provisions of this Indenture or the foreclosure of the lien hereof. In case of a sale of the Trust Estate and the application of the proceeds of sale to the payment of the Bonds, the Trustees or either of them, in their own names, and as trustees of an express trust, shall be entitled to enforce payment of, and to receive, all amounts then remaining due and unpaid upon any and all of the Bonds and coupons then outstanding, for the benefit of the holders thereof, and shall be entitled to recover judgment for any portion of the same remaining unpaid, with interest. No recovery of any such judgment by the Trustees, or either of them, shall in any manner or to any extent affect the lien of the Trustees or of this Indenture upon the Trust Estate or any part thereof or any rights, powers or remedies of the Trustees, or either of them, hereunder or any rights, powers or remedies of the holders of the Bonds; but such lien, rights, powers and remedies shall continue unimpaired as before.

All moneys collected by the Trustees, or either of them, under this § 12.14 shall be applied as follows:

First: To the payment of the costs and expenses of the proceedings resulting in the collection of such moneys, including counsel fees, and of the charges, expenses and liabilities incurred and all advances made by the Trustees, or either of them, without negligence or bad faith, in theretofore managing and maintaining the Trust Estate or in executing any trust or power hereunder; and

Second: To the payment of the amounts then due and unpaid upon the Bonds and coupons in respect of which or for the benefit of which such moneys shall have been collected, ratably and without any preference or priority of any kind (except as provided in § 12.01) according to the amounts due and payable upon such Bonds and coupons, respectively, at the date fixed by the Trustee for the distribution of such moneys.

The provisions of this § 12.14 and the powers by it granted to the Trustees, or either of them, are subject to the limitation that, if by the commencement of any action to recover judgment for any amount due and unpaid upon the Bonds or upon coupons appertaining to Bonds or hereunder, or by the exercise of any other remedy prior to or concurrently with proceedings to enforce the lien of this Indenture, the lien of this Indenture or the security hereby provided for would be surrendered, waived or lost, despite the foregoing provisions of this § 12.14, neither the Trustees nor either of them shall have power to commence such action or so to exercise such other remedy.

Limitations on Suits Under Indenture by Bondholders. No Limitation on Suits on Bonds.

§ 12.15. No holder of any Bond or coupon issued hereunder shall have any right to institute any suit, action or proceeding at law or in equity for the foreclosure of this Indenture, for the execution of any trusts hereunder or for the appointment of a receiver or for any other remedy hereunder, unless

(a) such holder shall have previously given to the Trustee written notice of the occurrence of an Event of Default, as hereinbefore provided; and

(b) the holders of at least twenty-five per cent. (25%) in principal amount of the Bonds then outstanding shall have filed a written request with the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in the name of the Trustees, or either of them;

(c) said holders shall have tendered to the Trustees reasonable security or indemnity against the costs, expenses and liabilities to be incurred by compliance with such request; and

(d) the Trustees shall have refused or omitted to comply with such request after reasonable opportunity so to do, and said tender of indemnity shall have been made to the Trustees.

Such notification, request and tender of indemnity are hereby declared, in every case, at the option of the Trustee, but subject to the provisions of § 15.01, to be conditions precedent to any action, or cause of action, by any Bondholder for foreclosure or for the execution of any trusts hereunder or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more holders of Bonds or coupons shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the lien of this Indenture or to enforce any right hereunder, except in the manner herein provided; and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all holders of the outstanding Bonds and coupons (subject to the provisions of §12.01).

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.

Remedies Cumulative.

§ 12.16. Except as herein expressly provided to the contrary, no remedy herein conferred upon or reserved to the Trustees, or either of them, or to the holders of Bonds is intended to be exclusive of any other remedy but each and every such remedy shall, to the extent permitted by applicable law, be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Delay Not to Impair Remedies.

§ 12.17. No delay or omission of the Trustees, or either of them, or of any holder of Bonds, to exercise any right or power arising upon the happening of any Event of Default shall impair any right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Article to the Trustees, or either of them, or to the Bondholders, may, subject to the provisions of §12.15, be exercised from time to time and as often as may be deemed expedient by the Trustees, or either of them, or by the Bondholders.

All rights of action under this Indenture may be enforced by the Trustees, or either of them, without the possession of any of the Bonds or coupons or the production thereof on the trial or other proceedings, and any such suit or proceedings instituted by the Trustees, or either of them, shall be brought in its or his name or their names.

The Trustees, or either of them, shall be entitled and empowered either in its or his own name or their own names and as trustees or trustee of an express trust, or as attorneys-in-fact or attorney-in-fact for the holders of the Bonds and the holders of the coupons, or in any one or more such capacities, to file such proof of debt, amendment of proof of debt, claim, petition or other document as may be necessary or advisable in order to have the claims of the holders of Bonds and of the coupons allowed in any equity receivership, insolvency, bankruptcy, liquidation, readjustment, reorganization or other similar proceedings, or in any judicial proceedings, relative to the Company or to any other obligor upon the Bonds or to their respective creditors or property. The Trustees, or either of them, are hereby irrevocably appointed (and the successive respective holders of the Bonds and of the coupons, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustees, or either of them) the true and lawful attorneys-in-fact or attorney-in-fact of the respective holders of the Bonds and coupons, with authority to make or file in the respective names of the

holders of the Bonds and/or coupons, or on behalf of all the holders of the Bonds and/or coupons as a class (subject to deduction from any such claim of the amounts of any claim filed by any of the holders of the Bonds and/or coupons themselves), any proof of debt, amendment of proof of debt, claim, petition or other document in any such proceedings and to receive payment of any sums becoming distributable on account thereof, and to execute any other papers and documents and do and perform any and all acts and things for and on behalf of such holders of the Bonds and/or coupons, as may be necessary or advisable in the opinion of the Trustees, or either of them, in order to have the respective claims of the holders of the Bonds and coupons against the Company or any other obligor upon the Bonds and/or their respective properties allowed in any such proceeding, and to receive payment of or on account of such claims; *provided, however*, that nothing herein contained shall be deemed to authorize or empower the Trustees, or either of them, to consent to or accept or adopt, on behalf of any Bondholder, any plan of reorganization or readjustment of the Company affecting the Bonds.

Suits by Trustees.

§ 12.18. The Trustees, or either of them, shall have power to institute and to maintain such suits and proceedings as it may be advised by counsel shall be necessary or expedient to prevent any impairment of the security hereunder by any acts which may be unlawful or in violation of this Indenture, and such suits and proceedings as it may be advised by counsel shall be necessary or expedient to preserve or protect their, its or his interests and the interests of the Bondholders in respect of the Trust Estate and in respect of the income, earnings, issues and profits arising therefrom, but nothing herein contained shall be deemed to limit the duties and obligations of the Trustees, or either of them, set forth in §15.01.

Upon filing a bill in equity or upon other commencement of judicial proceedings by the Trustees, or either of them, to enforce any right under this Indenture, the Trustees, or either of them, shall be entitled, to the extent permitted by law, to exercise the right of entry, and also any and all rights and powers herein conferred and provided to be exercised by the Trustees, or either of them, upon the occurrence and continuance of any Event of Default; and as a matter of right, the Trustees, or either of them, shall be entitled to the appointment of a receiver of the Trust Estate (other than securities and cash held by the Trustee or by the Trustee or other holder of a prior lien), and of the earnings, revenue, rents, issues, profits and other income thereof and therefrom, with all such powers as the court or courts

making such appointment shall confer; but notwithstanding the appointment of any receiver the Trustee shall be entitled, as pledgee, to continue to retain possession and control of any stocks, bonds, cash and indebtedness pledged or deposited or provided to be pledged or deposited with the Trustee hereunder.

Discontinuance, Abandonment or Adverse Determination of Proceeding By Trustees.

§ 12.19. In case the Trustees, or either of them, shall have proceeded to enforce any right under this Indenture by foreclosure, entry or otherwise, and such proceeding shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustees, or either of them, then, and in every such case, the Company and the Trustees shall without further act be restored to their former positions and rights hereunder in respect of the Trust Estate, and all rights, remedies and powers of the Trustees shall continue as though no such proceedings had been taken.

Powers of Holders of Bonds with Respect to Sale, Etc.

§ 12.20. Anything contained in this Indenture to the contrary notwithstanding, the holders of at least a majority in principal amount of the Bonds at the time outstanding shall have the right, at any time, by instrument or instruments in writing executed and delivered to the Trustee, to direct the method, time and place of conducting all proceedings to be taken for any sale of the Trust Estate or for the foreclosure of this Indenture or for the appointment of a receiver or any other proceedings hereunder; *provided, however*, that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture, and that the Trustee shall have the right to decline to follow any such direction which in its opinion would be unjustly prejudicial to Bondholders not parties to such direction, but, subject to the provisions of §15.01, shall be fully protected with respect to any action taken or omitted by it in good faith in accordance with such direction.

Waiver of Appraisalment and Certain Other Laws.

§ 12.21. The Company agrees, to the full extent that it may lawfully so agree, that it will not at any time insist upon or plead or in any manner whatever claim or take the benefit or advantage of any appraisalment, valuation, stay, extension or redemption law now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Indenture or the absolute sale of the Trust Estate or the possession thereof by any purchaser at any sale made pursuant to any provision hereof, or pursuant to

the decree of any court of competent jurisdiction; but the Company, for itself and all who may claim through or under it, so far as it now or hereafter lawfully may, hereby waives the benefit of all such laws. The Company, to the full extent that it may lawfully do so, for itself and all who may claim through or under it, waives any and all right to have the property included in the Trust Estate marshalled upon any foreclosure of the lien hereof, and agrees that any court having jurisdiction to foreclose such lien may sell the Trust Estate as an entirety.

If any law in this §12.21 referred to and now in force, of which the Company or its successor or successors might take advantage despite the provisions hereof, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to constitute any part of the contract herein contained or to preclude the operation or application of the provisions of this §12.21.

Limitations of Individual Liability.

§ 12.22. No recourse under or upon any obligation, covenant or agreement contained in this Indenture or in any indenture supplemental thereto, or in any Bond or coupon hereby secured, or because of any indebtedness hereby 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 this Indenture, any indenture supplemental hereto and the obligations hereby 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 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 this Indenture or in any indenture supplemental thereto or in any of the Bonds or coupons thereby secured, or implied therefrom.

Limitation on Payment or Distribution.

§ 12.23. No Bonds owned or held by, for the account of or for the benefit of the Company or any other obligor on the Bonds (other than Bonds

pledged to secure an obligation) shall be deemed entitled to share in any payment or distribution provided in this Article XII.

Payment of Costs.

§ 12.24. The parties to this Indenture and the Bondholders agree that in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustees, or either of them, for any action taken or omitted by it, the Court may in its discretion require the filing by any party litigant in such suit of an undertaking to pay the cost of such suit, and that such Court may in its discretion assess reasonable costs, including reasonable attorney's fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; *provided, however*, that the provisions of this § 12.24 shall not apply to any suit instituted by the Trustees, or either of them, either directly or through an agent or agents, or to any suit instituted by any Bondholder, or group of Bondholders, holding in the aggregate more than ten per cent. (10%) in principal amount of the Bonds at the time outstanding, or to any suit instituted by any Bondholder for the enforcement of the payment of the principal of or interest on his Bonds at and after the maturity of such principal or interest.

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.

ARTICLE XIII.

Supplemental Indentures.

Supplemental Indentures.

§ 13.01. The Company, pursuant to resolutions adopted by its Board of Directors, and, except as otherwise required herein, without the consent or approval of any Bondholder, may, at any time and from time to time, subject to the conditions and restrictions in this Indenture contained, execute an indenture or indentures supplemental hereto, which thereafter shall form a part hereof, for any one or more or all of the following purposes:

(a) To add to the conditions, limitations and restrictions of the authorized amount, terms, provisions, purposes of issue, authentication and delivery of Bonds, other conditions, limitations and restrictions thereafter to be observed with respect to the Bonds or any one or more series thereof.

(b) To add to the covenants and agreements of the Company in this Indenture contained, other covenants and agreements thereafter to be observed.

(c) To recite an issuance of additional Bonds of any series or to provide for the creation of any series of Bonds.

(d) To evidence the succession of another corporation to the Company, or successive successions, and the assumption by a successor corporation of the covenants and obligations of the Company and the acceptance by a successor corporation of the provisions contained in the Bonds issued hereunder and in this Indenture and in any and every supplemental indenture.

(e) To convey, transfer and assign to the Trustees, and to subject to the lien of this Indenture, with the same force and effect as though included in the granting clauses hereof, additional properties, rights and franchises hereafter acquired by the Company through consolidation or merger, or by purchase or in any other manner whatsoever; or to correct the description of any property hereby mortgaged or pledged or intended so to be.

(f) To cure any ambiguity, or to cure, correct or supplement any defect or inconsistent provision contained in this Indenture or in any indenture supplemental hereto.

(g) To add to the powers, duties or obligations of the Trustees, or either of them, or to add provisions with respect to the appointment, qualification or disqualification of any person to act as Trustee or as an additional trustee under this Indenture, but no such supplemental indenture shall be made without the consent of the Trustee affected thereby.

(h) Subject to the provisions of Subdivision (g) of this §13.01, to add to the provisions of this Indenture such provisions (including, without limiting the generality of the foregoing, provisions relating to the powers, duties or obligations of the Trustees, or either of them, or imposing requirements in addition to those set forth herein with respect to the qualification or disqualification of the Trustees, or either of them), which would at the time be required in an indenture then to be qualified under the Trust Indenture Act of 1939 as then amended, or under other legislation enacted in substitution therefor, except that nothing herein contained shall permit or authorize the inclusion in any indenture supplemental hereto of the provisions referred to in Section 316(a) (2) of said Trust Indenture Act of 1939 or any corresponding provision provided for in any similar Federal statute hereafter in effect.

(i) If and to the extent 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 the Bonds at the time outstanding and, in case one or more but less than all of the series of the Bonds issued hereunder 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 so entitled to consent of each series affected thereby, to change and modify the rights and obligations of the Company and of the holders of the Bonds and coupons or to make such other changes in or additions to the provisions of this Indenture as may be deemed necessary or advisable, *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 (1) postpone the maturity date fixed herein or in the Bonds or coupons for the payment of the principal of, or any installment of interest on, the Bonds, or (2) reduce the principal of, or premium on, or the rate of interest payable on, the Bonds, or (3) permit the creation of any lien, not otherwise permitted, prior to or on a parity with the lien of this Indenture, or (4) reduce the percentage of the principal amount of the Bonds the consent of the holders of which is required for the authorization of the execution of an indenture supplemental hereto pursuant to the provisions of this Subdivision (i), or (b) which would modify, without the written consent of the Trustees, the rights, duties or immunities of the Trustees, or either of them.

(j) To make such provision in regard to matters or questions arising under this Indenture as may be necessary or desirable and not inconsistent with this Indenture.

Trustees, Authorized to Execute.

§ 13.02. The Trustees are hereby authorized to join with the Company in the execution of any such supplemental indenture, to make the further agreements and stipulations which may be therein contained, and to accept the conveyance, transfer, assignment, mortgage and/or pledge of such property thereunder. The Trustees prior to executing any such supplemental indenture shall be furnished with an Opinion of Counsel, and subject to the provisions of §15.01, be fully protected in relying on an Opinion of Counsel that such supplemental indenture is authorized or permitted by the provisions of this Indenture and is not inconsistent herewith.

An executed counterpart of each such supplemental indenture shall be deposited with the Trustee at its principal trust office.

Notation on Bonds.

§ 13.03. In case any supplemental indenture shall have been executed for the purpose and pursuant to the consent specified in §13.01(i), the Company or the Trustee, if either of them shall so elect, may require the holder of any Bond consenting to the execution of any such supplemental indenture to submit his Bond to the principal trust office of the Trustee in the City of Los Angeles, California, for the notation thereon of the fact that the holder of such Bond has consented to the execution of such supplemental indenture, and in such case such notation, in form satisfactory to the Trustee, shall be made upon all Bonds so submitted, and such Bond bearing such notation shall forthwith be returned to the person entitled thereto. No such notation, however, on any Bond shall be necessary; and either with or without such notation, any written consent shall be conclusive and binding on the holder and all future holders and owners of the Bonds. If the Company or the Trustee shall so determine, new Bonds so modified as, in the opinion of the Trustee and the Board of Directors of the Company, to give effect to the provisions of such supplemental indenture, shall be prepared, authenticated and delivered upon the demand of the holder of any Bond then outstanding, in exchange for and upon surrender of such outstanding Bond with all unmatured coupons, if any, appertaining thereto; and such exchange shall be made without cost to such holder.

ARTICLE XIV.

*Merger, Consolidation and Sale.**Merger, Consolidation and Sale.*

§ 14.01. Nothing in this Indenture contained shall prevent any consolidation or merger of the Company with or into any other corporation or corporations, or any conveyance or transfer, subject to the lien of this Indenture, of all or substantially all the Trust Estate as an entirety to any corporation lawfully entitled to acquire and operate the same; *provided, however,* and the Company covenants and agrees, that such consolidation, merger, conveyance or transfer shall be upon such terms as fully to preserve and in no respect to impair the lien or security of this Indenture or any of the rights or powers of the Trustees, or either of them, or any Bondholder hereunder; *provided further,* that, upon and in connection with any such consolidation, merger, conveyance or transfer, the due and punctual payment of the principal of and interest on all the Bonds according to their tenor, and the due and punctual performance and observance of all the

covenants and conditions of this Indenture to be performed or observed by the Company, shall be assumed by the successor corporation formed by such consolidation or into which such merger shall have been made or which acquired by conveyance or transfer all or substantially all the Trust Estate as an entirety; and such successor corporation shall execute and deliver to the Trustees, simultaneously with such consolidation, merger, conveyance or transfer, an indenture supplemental hereto containing:

(1) an agreement on the part of such successor corporation punctually to make all the payments and to perform and observe all the covenants and conditions of this Indenture which are to be made or performed or observed by the Company, with the same effect and to the same extent as if the maker of such agreement had been a party of the first part hereto, and

(2) a grant, conveyance, transfer and mortgage of the character described in Paragraph A or Paragraph B of §14.03.

Lease.

§ 14.02. The Company will not lease all or substantially all of its assets.

Manner of Substituting Successor Corporation; Supplemental Indenture.

§ 14.03. In case the Company, pursuant to §14.01, shall be consolidated with or merged into any other corporation or corporations or shall convey or transfer, subject to the lien of this Indenture, all or substantially all of the Trust Estate as an entirety, the successor corporation formed by such consolidation or into which the Company shall have been merged or which shall have received a conveyance or transfer as aforesaid, upon causing to be recorded the supplemental indenture referred to in said §14.01, shall succeed to and be substituted for the Company with the same effect as if it had been named herein as the party of the first part, *subject, however*, to the following limitations and restrictions:

A. If said supplemental indenture shall contain a grant, conveyance, transfer and mortgage in terms sufficient to include and subject to the lien of this Indenture all property and franchises then owned and which may be thereafter acquired by such successor corporation (other than Excepted Property), thereupon and thereafter such successor corporation may cause to be executed, either in its own name or in the name of SOUTHWEST GAS CORPORATION, and delivered to the Trustee for authentication, any Bonds issuable hereunder; and upon the

order of such successor corporation in lieu of the Company, and subject to all the terms, conditions and restrictions in this Indenture prescribed, the Trustee shall authenticate and deliver any of the Bonds which shall have been previously executed and delivered by the Company, in accordance with the provisions of this Indenture, to the Trustee for authentication, and any of such Bonds which such successor corporation shall thereafter, in accordance with the provisions of this Indenture, cause to be executed and delivered to the Trustee for such purpose. Such changes in phraseology and form (but not in substance) may be made in such Bonds as may be appropriate in view of such consolidation or merger or conveyance or transfer. All such Bonds when issued by such successor corporation shall in all respects have the same legal rank and security as the Bonds theretofore or thereafter authenticated and delivered in accordance with the terms of this Indenture.

B. If said supplemental indenture shall not contain the grant, conveyance, transfer and mortgage described in the preceding Paragraph A, then such successor corporation shall not be entitled to procure the authentication and delivery of Bonds hereunder pursuant to Articles V, VI or VII, and (notwithstanding the generality of the granting clauses) this Indenture shall not, by virtue of such consolidation, merger, conveyance or transfer, or by virtue of said supplemental indenture, become a lien upon any of the properties or franchises of such successor corporation owned by it at the time of such consolidation, merger, conveyance or transfer (unless such successor corporation, in its discretion, shall subject the same to the lien hereof), but this Indenture shall become and be a lien upon (in addition to the property then constituting the Trust Estate) the following, and only the following, properties and franchises acquired by such successor corporation after the date of such consolidation, merger, conveyance or transfer, to wit:

(1) all betterments, extensions, improvements, additions, repairs, renewals, replacements, substitutions, and alterations to, upon, for and of the property and/or franchises subject to the lien hereof, and all property constituting appurtenances of the Trust Estate;

(2) all Property Additions made the basis of the withdrawal of cash from the Trustee or from the trustee, mortgagee or other holder of a prior lien, or the release of property from the lien of this Indenture, and all property acquired or constructed with the

proceeds of any insurance on any part of the Trust Estate or with the proceeds of any part of the Trust Estate released from the lien of this Indenture or a prior lien, or disposed of free from such lien, or taken by the exercise of the power of eminent domain, or purchased by a public authority; and

(3) all property acquired in pursuance of §8.07 or of any other covenants herein contained to maintain and preserve and keep the Trust Estate in good condition, repair and working order, or in pursuance of some other covenant or agreement herein contained to be performed by the Company;

and in such event said supplemental indenture shall contain a grant, conveyance, transfer and mortgage specifically subjecting the property described in the preceding Clauses (1), (2) and (3) of this Paragraph B to the direct lien of this Indenture.

ARTICLE XV.

Concerning the Trustees.

The Trustees, and either of them, accept the trusts hereunder and agree to perform the same, but only upon the terms and conditions hereof, including the following, to all of which the Company and the respective holders of the Bonds and coupons at any time outstanding by their acceptance thereof agree:

Acceptance of Trust; Certain Terms of Trust; Duties of Trustee

§ 15.01. (A) The Trustees, and either of them, undertake, except while an Event of Default shall have occurred and be continuing, to exercise such duties and only such duties as are specifically set forth in this Indenture, and, while such an Event of Default shall have occurred and be continuing (subject to the provisions of Paragraphs (B) and (C) of this §15.01), to exercise such of the rights and powers as are vested in it by this Indenture, and to use the same degree of care and skill in their exercise as an ordinarily prudent man would do or use under the circumstances in the conduct of his own affairs.

(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.

(C) Neither the Trustee nor the Individual Trustee shall be personally liable save for its or his own negligent action, its or his own negligent failure to act, or its or his own willful misconduct. No provision of this Indenture shall be construed to relieve the Trustee or the Individual Trustee from liability for its or his own negligent action, its or his own negligent failure to act, or its or his own willful misconduct, except that

(1) unless an Event of Default shall have occurred and be continuing, the Trustees shall not be liable except for the performance of such duties as are specifically set forth in this Indenture; and

(2) unless an Event of Default shall have occurred and be continuing, in the absence of bad faith on their part, the Trustees may rely conclusively, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions conforming to the requirements of this Indenture; and

(3) the Trustee shall not be personally liable for any error of judgment made in good faith by a responsible officer or officers of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts, and no implied covenants or obligations shall be read into this Indenture against the Trustees, but the duties and obligations of the Trustees shall be determined solely by the express provisions of this Indenture; and

(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.

(D) The Trustee, upon receipt of the evidence furnished to it by or on behalf of the Company, pursuant to any provision of this Indenture, will examine the same to determine whether or not such evidence conforms to the requirements of this Indenture.

(E) Neither the Trustee nor the Individual Trustee shall be personally liable in case of entry by it or him upon the Trust Estate, for debts

contracted or liability or damages incurred in the management or operation thereof.

(F) To the extent permitted by Subdivisions (A), (B) and (C) of this §15.01:

(1) The Trustees may rely upon and shall be protected in acting upon any notice, request, consent, certificate, bond, coupon, resolution, appraisal, report or other paper or document believed by them to be genuine and to have been signed or presented by the proper party or parties;

(2) The Trustee may assume that any certificate or report furnished to the Trustee and purporting to have been signed by an Independent Engineer or other Independent person has been signed by an Engineer or other person who is Independent; and

(3) The Trustees may consult with counsel (who may be of counsel to the Company) and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustees, or either of them, hereunder in good faith and in accordance with the opinion of such counsel.

(G) The recitals and statements contained herein and in the Bonds and coupons issued hereunder shall not be considered as made by or as imposing any obligation or liability upon the Trustees. The Trustees make no representation as to the validity of this Indenture or of any indenture supplemental hereto, or of any Bonds or coupons issued hereunder, or as to the security hereby or thereby afforded, or as to the title of the Company to the Trust Estate or as to the descriptions thereof.

The Company agrees that it will from time to time on demand pay to the Trustees reasonable compensation for services rendered by the Trustees hereunder, reimburse the Trustees for all expenditures, including advances to and fees and expenses of independent appraisers, accountants, surveyors, engineers, counsel or other experts employed in the exercise and performance of its powers and duties hereunder, and indemnify and save the Trustees harmless against any loss, liability or expense, incurred without negligence or bad faith on the part of the Trustees, arising out of or in connection with the acceptance or administration of this trust, as well as the reasonable cost and expense of defending against any claim of liability in the premises; and, as security for such indemnification, reimbursement and compensation, the Trustees shall have the benefit of the lien hereby created

in priority to the indebtedness evidenced by the Bonds and coupons issued hereunder.

(H) Whenever, in the administration of the trusts created by this Indenture, the Trustees shall deem it necessary or desirable that any matter be proved or established prior to their taking or suffering or omitting any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed), subject to Subdivisions (A) and (C) of this §15.01, may be deemed to be conclusively proved and established by a Certificate of the Company, and such certificate shall be full warrant and authority to the Trustees for any action taken, suffered or omitted by it under the provisions of this Indenture in reliance thereon; but the Trustees in their discretion may require such further and additional evidence and make such further investigation as to them may seem reasonable. The agents and representatives of the Trustee and any experts or counsel whose opinions are required by the Trustees for any purpose hereunder or are deliverable to the Trustees under any provision hereof shall likewise be fully warranted in relying and acting upon the existence of any matters proved or established by any such certificate, unless other evidence establishing such fact or facts be specifically required by this Indenture.

(I) Subject to the provisions of §16.02, all moneys received by the Trustee under or pursuant to any provision of this Indenture or any supplemental indenture (including any moneys received by the Trustee as paying agent) shall constitute trust funds for the purpose for which they were paid or are held, but need not be segregated in any manner from any other moneys and may be deposited by the Trustee under such conditions as may be prescribed by law.

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

(K) Any notice or demand which by any provision of this Indenture is required or permitted to be given or served by the Trustee on the Company shall be deemed to have been sufficiently given and served for all purposes by being deposited, postage prepaid, in a post office letter box, addressed to the Company (marked for the attention of the President) at P.O., Box 1450, Las Vegas, Nevada 89101, or at such other address as the Company may have furnished to the Trustees in writing.

(L) Except when otherwise in this Indenture expressly provided, any order, request, notice, consent or other instrument in writing to be delivered or furnished by the Company to the Trustees shall be sufficiently executed if

signed by its President or a Vice-President and by its Secretary or an Assistant Secretary or its Treasurer or an Assistant Treasurer, or by such officer or officers as the Board of Directors of the Company may by resolution direct. A copy of any resolution of the Board of Directors to be delivered or furnished by the Company to the Trustee shall be sufficiently certified if certified by the Secretary or an Assistant Secretary of the Company.

(M) None of the provisions in the Indenture contained shall require the Trustees, or either of them, to advance or risk their own funds or otherwise incur personal financial liability in the performance of any of their duties or in the exercise of any of their rights or powers if there is reasonable ground for believing that the repayment of such funds or liability is not reasonably assured to them (i) by the security afforded by the terms of the Indenture, or (ii) by other reasonable security or indemnity.

Resignation and Removal of Trustees.

§ 15.02. The Trustee may resign and be discharged from the trusts created by this Indenture by giving to the Company notice in writing, and to the Bondholders notice by publication, of such resignation, specifying a date when such resignation shall take effect, which notice shall be published at least once a week for two successive calendar weeks, on any day of each such week, the first publication to be at least ten days prior to the date so specified, in one Authorized Newspaper in the City of Los Angeles, California, and one in the Borough of Manhattan, The City of New York. Such resignation shall take effect on the day specified in such notice, unless previously a successor trustee shall have been appointed as provided in §15.03, in which event such resignation shall take effect immediately upon the appointment of such successor trustee.

The Individual Trustee may resign and be discharged from the trusts created by the Indenture by giving written notice of such resignation to the Trustee and such resignation shall take effect upon the date specified in such notice unless prior thereto a successor Individual Trustee shall have been appointed in the manner provided in §15.03.

The Trustee or the Individual Trustee may be removed at any time by an instrument or instruments in writing, executed by the holders or registered owners of a majority in principal amount of the Bonds then outstanding and filed with each of the Trustees and with the Company.

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.

Appointment of Successor Trustees.

§ 15.03. In case at any time the Trustee shall resign or shall be removed or otherwise shall become incapable of acting, a successor may be appointed by the holders or registered owners of a majority in principal amount of the Bonds then outstanding, by an instrument or instruments in writing, executed by such Bondholders and filed with the successor trustee; but, until a new Trustee shall be appointed by the Bondholders as herein authorized, the Company, by an instrument in writing executed by order of its Board of Directors and filed with the successor Trustee, shall and hereby covenants that it will appoint a Trustee to fill such vacancy. After any such appointment by the Company, it shall cause notice of such appointment to be published once a week, for two successive calendar weeks, in one Authorized Newspaper in the City of Los Angeles, California, and one in the Borough of Manhattan, The City of New York, but any new Trustee so appointed by the Company shall immediately and without further act be superseded by a Trustee appointed by the holders or registered owners of a majority in principal amount of the Bonds in the manner hereinabove provided. In case at any time the Individual Trustee shall resign or become incapable of acting or shall be removed, a successor Individual Trustee shall forthwith be appointed by the Trustee by an instrument in writing signed in duplicate by the President or a Vice President of the Trustee, one copy of which shall be delivered to the Company and one to the Individual Trustee so appointed.

If in a proper case no appointment of a successor Trustee or successor Individual Trustee shall be made pursuant to the foregoing provisions of this Article XV within two months after a vacancy shall have occurred in the office of Trustee or Individual Trustee the holder or registered owner of any Bond hereby secured or the retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee and/or Individual Trustee, and such court may thereupon, after such notice, if any, as it may deem proper, appoint a successor Trustee or Individual Trustee.

Any successor Trustee or successor Individual Trustee appointed hereunder shall execute, acknowledge and deliver to the Company and the retiring Trustee or Individual Trustee an instrument accepting such appointment and thereupon such successor Trustee or successor Individual Trustee, without any further act, deed, conveyance or transfer, shall become

vested with the title to the Trust Estate, with all the rights, powers, trusts, duties and obligations of its or his predecessor in the trust hereunder, with like effect as if originally named as Trustee or Individual Trustee herein. Upon the request of such successor Trustee or successor Individual Trustee, however, the Company and the Trustee or Individual Trustee ceasing to act shall execute and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee or successor Individual Trustee all the right, title and interest of the Trustee or Individual Trustee ceasing to act in and to the Trust Estate, and all such rights, powers, trusts, duties and obligations, and the Trustee or Individual Trustee ceasing to act shall also assign and deliver to the successor Trustee or successor Individual Trustee any property subject to the lien of this Indenture which may then be in their possession.

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.

Merger or Consolidation of Trustee.

§ 15.04. Any corporation into which the Trustee may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Trustee shall be a party, or any state or national bank or trust company in any manner succeeding to the corporate trust business of the Trustee or of any successor trustee as a whole or substantially as a whole, shall be the successor of the Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any of the Bonds shall have been authenticated but not delivered, any such successor trustee may adopt the certificate of the Trustee and deliver the same so authenticated; and in case

any of such Bonds shall not have been authenticated, any such successor trustee may authenticate such Bonds in the name of such successor trustee.

Rights of Trustee, Individual Trustee, Successor Trustees and Additional Trustees.

§ 15.05. Anything in this Indenture or any indenture supplemental hereto to the contrary notwithstanding, the Individual Trustee and his successors shall act and be such, subject to the following conditions and provisions, namely:

(1) All Bonds issued hereunder shall be authenticated and delivered, and all powers, duties, obligations and rights conferred upon the Trustees, or either of them, in respect of the custody, control and management of moneys, papers or securities, shall be exercised solely by said Bank of America National Trust and Savings Association, or its successor as Trustee hereunder;

(2) No power shall be exercised by the Individual Trustee except jointly with the Trustee, except in the respects specifically provided in this Indenture or in any indenture supplemental hereto, and except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations shall be exercised and performed by the Individual Trustee.

If at any time or times it shall be necessary or prudent in order to conform to any law of any state in which the Company shall at the time hold any property subject to the lien of the Indenture, or the Trustees shall be advised by counsel, satisfactory to them, that it is so necessary or prudent in the interest of the Bondholders, or a majority of the Bondholders shall in writing so request the Trustee and the Company, the Trustees and the Company shall execute and deliver all instruments and agreements necessary or proper to constitute another bank or trust company or one or more persons approved by the Trustee and the Company, either to act as co-trustee or co-trustees of all or any of the property subject to the lien of the Indenture, jointly with the Trustee originally named herein or any successor or successors, or to act as separate trustee or trustees of any such property. In the event the Company or the Individual Trustee or both shall have not have joined in the execution of such instruments and agreements within ten days after the receipt of a written request from the Trustee so to do, or in

case an Event of Default shall happen and be continuing, the Trustee may act under the foregoing provisions of this §15.05 without the concurrence of the Company or the Individual Trustee; and the Company and the Individual Trustee hereby appoint the Trustee their agent and attorney to act for them under the foregoing provisions of this §15.05 in either of such contingencies.

Every additional trustee shall, to the extent permitted by law, be appointed and act and be such and the Trustees and their successors shall act and be such, subject to the following provisions and conditions, namely:

(1) all Bonds issued hereunder shall be authenticated and delivered and all powers, duties, obligations and rights conferred upon the Trustee in respect of the custody, control and management of moneys, papers or securities, shall be exercised solely by said Bank of America National Trust and Savings Association or its successor as Trustee;

(2) all rights, powers, duties and obligations conferred or imposed upon the trustees or any of them shall be conferred or imposed upon and exercised or performed by Bank of America National Trust and Savings Association or its successor as Trustee, or Bank of America National Trust and Savings Association, or its successor as Trustee and such additional trustee or trustees jointly, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed, Bank of America National Trust and Savings Association, or its successor as Trustee, shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations shall be exercised and performed by such additional trustee or trustees;

(3) no power given hereby to, or which it is provided hereby may be exercised by, any such additional trustee or trustees, shall be exercised hereunder by such additional trustee or trustees, except jointly with, or with the consent in writing of said Bank of America National Trust and Savings Association, or its successor as Trustee, anything in this Indenture or in any indenture supplemental hereto to the contrary notwithstanding;

(4) no trustee hereunder shall be personally liable by reason of any act or omission of any other trustee; and

(5) the Company and the Trustee, at any time, by an instrument in writing, executed by them jointly, may remove any such additional

trustee, and in that case, by an instrument in writing executed by them jointly, may appoint a successor or successors to such additional trustee or trustees, as the case may be, anything contained in this Indenture or in any indenture supplemental hereto to the contrary notwithstanding. In the event that the Company shall not have joined in the execution of any such instrument within ten days after the receipt of a written request from the Trustee so to do, the trustee shall have the power to remove any such additional trustee and to appoint a successor additional trustee without the concurrence of the Company; the Company hereby appointing the Trustee its agent and attorney to act for it in such connection in such contingency. In the event that the Trustee alone shall have appointed an additional trustee or trustees or co-trustee or co-trustees as above provided, it may at any time, by an instrument in writing, remove any such additional trustee or co-trustee, the successor to any such trustee or co-trustee so removed to be appointed by the Company and the Trustee, or by the Trustee alone, as hereinbefore in this §15.05 provided.

Any request in writing by the Trustee to the Individual Trustee shall be sufficient warrant for the Individual Trustee taking such action as may be so requested and full protection for any action taken in accordance with such request. The Individual Trustee may delegate to the Trustee the exercise of any power, discretionary or otherwise, conferred by any of the provisions of this Indenture.

In case the Individual Trustee shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of the Trustees hereunder, shall, so far as permitted by law, vest in and be exercised by the Trustee unless and until there shall be appointed a successor Individual Trustee.

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 (c). 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 provisions 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 depositary, 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 pre-existing 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 depositary, 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 XVI.

Discharge of Mortgage.

Discharge of Mortgage.

§ 16.01. The Trustees shall forthwith cause satisfaction and discharge of this Indenture to be entered upon the record at the cost and charge of the Company, upon receipt by and deposit with the Trustee of the following:

A. A RESOLUTION OF THE BOARD, requesting the satisfaction and discharge of the Indenture.

B. CASH, in trust, at or before maturity, sufficient to pay the principal and interest to become due on all Bonds and coupons then outstanding and any premium which may be due and payable thereon, at the times and in the manner stipulated therein; *provided, however*, that in lieu of all or any part of such cash, the Company shall have the right to deliver to and deposit with the Trustee Bonds outstanding hereunder, together with all unmatured coupons thereto belonging, for cancellation by the Trustee, such Bonds and coupons thereupon to be deemed to be paid and retired.

C. A WRITTEN ORDER OF THE COMPANY, expressed to be irrevocable, authorizing the Trustee to give notice of redemption of the Bonds, if any, to be redeemed in compliance with §10.02, or proof satisfactory to the Trustee that said notice has been given.

D. CASH, sufficient to pay all other sums payable hereunder by the Company (except in respect of the refund or reimbursement of taxes, assessments or other governmental charges, for which the holders of Bonds shall look only to the Company).

E. A CERTIFICATE OF THE COMPANY, stating that the cash and/or Bonds, if any, deposited with the Trustee pursuant to §16.01B and the

cash, if any, deposited with the Trustee pursuant to §16.01D are sufficient to comply with the requirements of the respective Paragraphs and that all conditions precedent which relate to the satisfaction and discharge of this Indenture have been complied with.

F. AN OPINION OF COUNSEL, stating that all conditions precedent which relate to the satisfaction and discharge of this Indenture have been complied with, and that the resolutions, cash, Bonds, certificates and other instruments which have been or are therewith delivered to the Trustee conform to the requirements of this Indenture and constitute sufficient authority under this Indenture for the Trustees to satisfy and discharge the Indenture, and that, upon the basis thereof, the Trustees, may lawfully satisfy and discharge the Indenture.

The Company may at any time surrender to the Trustee for cancellation by it any Bonds previously authenticated and delivered hereunder, together with all unpaid coupons thereto belonging, which the Company may have acquired in any manner whatsoever, and such Bonds and coupons, upon such surrender and cancellation, shall be deemed to be paid and retired.

Notwithstanding the satisfaction and discharge of this Indenture, the Company will reimburse and indemnify the Trustees for and hold them harmless against any loss, liability or expense, incurred without negligence or bad faith on the part of the Trustees, arising out of or in connection with the acceptance or administration of this trust, as well as the reasonable cost and expense of defending against any claim of liability in the premises, as to which the Trustees would be entitled to be reimbursed or indemnified by the Company or held harmless by the Company if the Indenture had not been so satisfied or discharged.

Disposition of Unclaimed Moneys.

§ 16.02. Any moneys deposited with the Trustee to provide for payment of Bonds or interest or premium thereon, and remaining unclaimed by the holders of Bonds and coupons for six (6) years after the date upon which the moneys so deposited shall have been payable to such holders shall, after the expiration of said period of six (6) years, be paid by the Trustee to the Company, and upon such payment to the Company the Trustee shall be fully relieved of any liability or responsibility in respect thereof, and such holders shall thereafter be entitled to look only to the Company for payment thereof. Before paying over any such moneys to the Company the Trustee may, at the expense of the Company, cause to be published once a week for

four (4) successive weeks in one Authorized Newspaper in the City of Los Angeles, California, and one Authorized Newspaper in the Borough of Manhattan, The City of New York, in each instance upon any day of the week, notice that after a date named in said notice said moneys will be paid to the Company unless claimed by the holders of Bonds and coupons entitled thereto prior to the date so named.

ARTICLE SECOND

Forms of Bonds

§ 2.1 The registered Bonds without coupons of the 1985 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 1985 SERIES BONDS]

SOUTHWEST GAS CORPORATION

FIRST MORTGAGE BOND, 6% SERIES DUE 1985

Due August 1, 1985

\$

No. RG

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 August 1, 1985, 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 six per cent. (6%) per annum, in like coin or currency, payable semi-annually on the first day of February and the first day of August 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, 6% Series Due 1985" (hereinafter referred to as the "1985 Series Bonds").

As provided in the Indenture, the 1985 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 table of premiums}

As provided in the Indenture, the 1985 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 Bond 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 1985 Series Bonds in coupon form and 1985 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, and an additional sum not exceeding Two Dollars (\$2) for each Bond issued upon any such interchange, exchange or transfer.

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 herefor, 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 these presents to be signed in its name by its President or a Vice-President and its corporate seal to be affixed hereto and attested its Secretary or an Assistant Secretary.

Dated,

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 1985 SERIES BONDS]

SOUTHWEST GAS CORPORATION

FIRST MORTGAGE BOND, 6% SERIES DUE 1985

Due August 1, 1985

\$.....

No. M.

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 August 1, 1985, 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 six per cent. (6%) per annum, in like coin or currency, payable semi-annually on the first day of February and the first day of August 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 11 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 these presents to be signed in its name by its President or a Vice-President, and its corporate seal to be affixed hereto and attested by its Secretary or an Assistant Secretary, and coupons for interest, bearing the facsimile signature of its Treasurer, to be hereunto attached.

Dated, ... 19.....

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 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, the amount shown hereon, in lawful money of the United States of America, being six months' interest then payable on its First Mortgage Bond, 6% Series due August 1, 1985.

.....
Treasurer.

§ 2.2. The registered Bonds without coupons of the 1987 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 1987 SERIES BONDS]

SOUTHWEST GAS CORPORATION
FIRST MORTGAGE BOND, 5½% SERIES DUE 1987
DUE JULY 1, 1987

\$.....

No. RJ.....

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 July 1, 1987, 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 five and one-half per cent. (5½%) per annum in like coin or currency, payable semi-annually on the first day of January and the first day of July 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, 5½% Series Due 1987" (hereinafter referred to as the "1987 Series Bonds").

As provided in the Indenture, the 1987 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 1987 Series Bonds shall be made at the option of the Company prior to July 1, 1967, as a part of or in anticipation of any refunding operation by the application directly or indirectly of borrowed funds.

As provided in the Indenture, the 1987 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 Bond 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 1987 Series Bonds in coupon form and 1987 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, and an additional sum not exceeding Two Dollars (\$2) for each Bond issued upon any such interchange, exchange or transfer.

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 herefor, 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 these presents to be signed in its name by its President or a Vice-President and its corporate seal to be affixed hereto and attested by its Secretary or an Assistant Secretary.

Dated,

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 1987 SERIES BONDS]

SOUTHWEST GAS CORPORATION

FIRST MORTGAGE BOND, 5½% SERIES DUE 1987

DUE JULY 1, 1987

\$.....

No. MJ

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 July 1, 1987, 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 five and one-half per cent. (5½%) per annum, in like coin or currency, payable semi-annually on the first day of January and the first day of July 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 these presents to be signed in its name by its President or a Vice-President, and its corporate seal to be affixed hereto and attested by its Secretary or an Assistant Secretary, and coupons for interest, bearing the facsimile signature of its Treasurer, to be hereunto attached.

Dated, ..., 19....

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 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, the amount shown hereon, in lawful money of the United States of America, being interest then payable on its First Mortgage Bond, 5½% Series due 1987.

.....
Treasurer.

§ 2.3. Registered Bonds without coupons of the 1987 Series B Bonds issued upon exchange or interchange of Bonds of such series, the Bonds in coupon form of such series and the coupons to be attached thereto so issued 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
1987 SERIES B BONDS]

SOUTHWEST GAS CORPORATION
FIRST MORTGAGE BOND, 5½% SERIES B DUE 1987
DUE NOVEMBER 1, 1987

\$.....

No. RK

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 November 1, 1987, 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 five and one-half per cent. (5½%) per annum in like coin or currency, payable semi-annually on the first day of November and the first day of May 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.

[The following eleven paragraphs are those referred to in the form of coupon bond below.]

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, 5½% Series B Due 1987" (hereinafter referred to as the "1987 Series B Bonds").

As provided in the Indenture, the 1987 Series B 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 1987 Series B Bonds shall be made at the option of the Company prior to November 1, 1967, 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 $5\frac{1}{2}\%$ per annum.

As provided in the Indenture, the 1987 Series B 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 Bond 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 1987 Series B Bonds in coupon form and 1987 Series B 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, and an additional sum not exceeding Two Dollars (\$2) for each Bond issued upon any such interchange, exchange or transfer.

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.

[The foregoing eleven paragraphs are those referred to in the form of coupon bond set forth below.]

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 herefor, 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 these presents to be signed in its name by its President or a Vice-President and its corporate seal to be affixed hereto and attested by its Secretary or an Assistant Secretary.

Dated,

SOUTHWEST GAS CORPORATION

Attest:

By

President

.....

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 1987 SERIES B BONDS]

SOUTHWEST GAS CORPORATION

FIRST MORTGAGE BOND, 5½% SERIES B DUE 1987

DUE NOVEMBER 1, 1987

\$.....

No. MK.....

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 November 1, 1987, the sum of Thousand 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 interest thereon from the date hereof at the rate of five and one-half per cent. (5½%) per annum, in like coin or currency, payable semi-annually on the first day of November and the first day of May 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 these presents to be signed in its name by its President or a Vice-President, and its corporate seal to be affixed hereto and attested by its Secretary or an Assistant Secretary, and coupons for interest, bearing the facsimile signature of its Treasurer, to be hereunto attached.

Dated, ... 19..

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 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, the amount shown hereon, in lawful money of the United States of America, being interest then payable on its First Mortgage Bond, 5½% Series B due 1987.

.....
Treasurer.

§ 2.4. The registered Bonds without coupons of the 1989 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 1989 SERIES BONDS]

SOUTHWEST GAS CORPORATION
FIRST MORTGAGE BOND, 4.85% SERIES DUE 1989

DUE SEPTEMBER 1, 1989

\$.....

No. RL.....

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 September 1, 1989, 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 eighty-five hundredths per cent. (4.85%) per annum in

like coin or currency, payable semi-annually on the first day of March and the first day of September 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, 4.85% Series Due 1989" (hereinafter referred to as the "1989 Series Bonds").

As provided in the Indenture, the 1989 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 1989 Series Bonds shall be made at the option of the Company prior to September 1, 1969, 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 4.85% per annum.

As provided in the Indenture, the 1989 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 Bond 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 1989 Series Bonds in coupon form and 1989 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, and an additional sum not exceeding Two Dollars (\$2) for each Bond issued upon any such interchange, exchange or transfer.

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 herefor, 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 these presents to be signed in its name by its President or a Vice-President and its corporate seal to be affixed hereto and attested by its Secretary or an Assistant Secretary.

Dated, ... 19....

SOUTHWEST GAS CORPORATION

Attest:

Secretary

By

President

[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 1989 SERIES BONDS]

SOUTHWEST GAS CORPORATION

FIRST MORTGAGE BOND, 4.85% SERIES DUE 1989

DUE SEPTEMBER 1, 1989

\$.....

No. ML

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 September 1, 1989, 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 eighty-five hundredths per cent. (4.85%) per annum, in like coin or currency, payable semi-annually on the first day of March and the first day of September 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 these presents to be signed in its name by its President or a Vice-President, and its corporate seal to be affixed hereto and attested by its Secretary or an Assistant Secretary, and coupons for interest, bearing the facsimile signature of its Treasurer, to be hereunto attached.

Dated, ... 19.....

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 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, the amount shown hereon, in lawful money of the United States of America, being interest then payable on its First Mortgage Bond, 4.85% Series due 1989.

.....
Treasurer.

§ 2.5. 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 $\frac{7}{8}$ % 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 $\frac{7}{8}$ %) 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 or, 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 herefor, 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

Attest:

By

Secretary

President

[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 $\frac{7}{8}$ % Series due 1990.

.....
Treasurer

§ 2.6. The registered Bonds without coupons of the 1991 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 § 2.05 N) and variations as are in the Indenture provided or permitted:

[FORM OF REGISTERED BOND WITHOUT COUPONS OF THE 1991 SERIES BONDS]

SOUTHWEST GAS CORPORATION
FIRST MORTGAGE BOND, % SERIES DUE 1991
DUE DECEMBER 1, 1991

\$.....

No. RN.....

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 December 1, 1991, 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 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 specified in the title of this Bond (hereinafter referred to as the "1991 Series Bonds").

As provided in the Indenture, the 1991 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 "Regular 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 Regular Redemption Prices and Sinking Fund Redemption Prices set forth in § 10.05 N of the Indenture]

No redemption of the 1991 Series Bonds shall be made at the option of the Company prior to December 1, 1971, 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 the interest rate specified in the title of this Bond.

As provided in the Indenture, the 1991 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 applicable percentage of the principal amount of the Bonds so to be redeemed set forth under the heading "Sinking Fund Redemption Price" in the foregoing table, together in each case with accrued interest on the principal amount of the Bonds so to be redeemed to the date fixed for redemption.

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 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 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 1991 Series Bonds in coupon form and 1991 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 herefor, 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 AMERICAN NATIONAL TRUST
AND SAVINGS ASSOCIATION

Trustee

By
Authorized Officer

[FORM OF COUPON BOND OF THE 1991 SERIES BONDS]

SOUTHWEST GAS CORPORATION

FIRST MORTGAGE BOND, % SERIES DUE 1991
DUE DECEMBER 1, 1991

\$1,000

No. MN.....

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 December 1, 1991, 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, December 1, 1966

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, ...% Series due 1991.

.....
Treasurer

§ 2.7. The registered Bonds without coupons of the 1995 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 § 2.05 O) and variations as are in the Indenture provided or permitted:

[FORM OF REGISTERED BOND WITHOUT COUPONS OF THE 1995 SERIES BONDS]

SOUTHWEST GAS CORPORATION

FIRST MORTGAGE BOND, 9 $\frac{1}{8}$ % SERIES DUE 1995

Due April 1, 1995

\$.....

No. RO.....

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, 1995, 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 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 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 "1995 Series Bonds").

As provided in the Indenture, the 1995 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 O of the Indenture]

No redemption of the 1995 Series Bonds shall be made at the option of the Company prior to April 1, 1980, 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) lower than the interest rate specified in the title of this Bond.

As provided in the Indenture, the 1995 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 Trustee, 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 1995 Series Bonds in coupon form and 1995 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 herefor, 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 1995 SERIES BONDS]

SOUTHWEST GAS CORPORATION

FIRST MORTGAGE BOND, 9 $\frac{1}{8}$ % SERIES DUE 1995

DUE APRIL 1, 1995

\$1,000

No. MO

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, 1995, 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 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 herein; 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, 1970

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, 9 $\frac{1}{8}$ % Series due 1995.

.....
Treasurer

§ 2.8. 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 § 2.05 P) 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 BONDS, 8 $\frac{7}{8}$ % 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 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 herefor, 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 $\frac{7}{8}$ % 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 herein; 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 $\frac{7}{8}$ % Series due 1996.

.....

Treasurer

§ 2.9. The registered Bonds without coupons of the 1992 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 § 2.05 Q) and variations as are in the Indenture provided or permitted:

[FORM OF REGISTERED BOND WITHOUT COUPONS OF THE 1992 SERIES BONDS]

SOUTHWEST GAS CORPORATION
FIRST MORTGAGE BOND, 8 $\frac{1}{4}$ % SERIES DUE 1992
DUE SEPTEMBER 1, 1992

\$.....

No. RQ.....

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 September 1, 1992, 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 March and the first day of September 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 "1992 Series Bonds").

As provided in the Indenture, the 1992 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 Q of the Indenture]

No redemption of the 1992 Series Bonds shall be made at the option of the Company prior to September 1, 1982, 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 1992 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 1992 Series Bonds in coupon form and 1992 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 herefor, 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

This Bond has not been registered under the Securities Act of 1933 and may be offered or sold only if registered pursuant to provisions of said Act or if an exemption from registration is available.

[FORM OF COUPON BOND OF THE 1992 SERIES BONDS]

SOUTHWEST GAS CORPORATION

FIRST MORTGAGE BOND, 8¼% SERIES DUE 1992
DUE SEPTEMBER 1, 1992

\$1,000

No. MQ

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 September 1, 1992, 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 March and the first day of September 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 herein; 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, September 1, 1972

SOUTHWEST GAS CORPORATION

ATTEST:

By
President

.....
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

This Bond has not been registered under the Securities Act of 1933 and may be offered or sold only if registered pursuant to provisions of said Act or if an exemption from registration is available.

[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 $\frac{1}{4}$ % Series due 1992.

.....
Treasurer

§ 2.10. The 1993 Series Bonds are to be substantially in the following form, with such appropriate insertions (including insertion of the interest rate specified in § 2.05 R) and variations as are in the Indenture provided or permitted:

[FORM OF THE 1993 SERIES BONDS]

SOUTHWEST GAS CORPORATION

FIRST MORTGAGE BOND, 9 $\frac{3}{8}$ % SERIES DUE 1993
Due June 30, 1993

\$.....

No. RR.....

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 30, 1993, 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 last day of June and the last day of December in each year until the principal hereof shall be paid. All computations of interest shall be calculated on the basis of a year of 360 days, consisting of 12 months of 30 days each. 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 "1993 Series Bonds").

As provided in the Indenture, the 1993 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 R of the Indenture]

No redemption of the 1993 Series Bonds shall be made at the option of the Company prior to June 30, 1983, 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). After June 30, 1983, and through June 30, 1988, the Company may redeem any portion of the 1993 Series Bonds 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 1993 Series Bonds, at a redemption price equal to the redemption price specified above for the year in which the redemption is made, plus three per cent (3%) of the principal amount of the 1993 Series Bonds to be redeemed.

As provided in the Indenture, the 1993 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, the Company may redeem the 1993 Series Bonds held by any Bondholder who has not consented to the making by the Company of the Excess Restricted Investment (as defined in the Indenture) in question, at a redemption price equal to the principal amount of such

Bonds, together, in each case, with interest accrued to the date fixed for redemption, without premium.

As provided in the Indenture, 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.

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.

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 herefor, 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

This Bond has not been registered under the Securities Act of 1933 and may be offered or sold only if registered pursuant to provisions of said Act or if an exemption from registration is available.

§ 2.11. The 1994 Series Bonds are to be substantially in the following form, with such appropriate insertions (including insertion of the interest

rate specified in § 2.05 S) and variations as are in the Indenture provided or permitted:

[FORM OF THE 1994 SERIES BONDS]

SOUTHWEST GAS CORPORATION

**FIRST MORTGAGE BOND, 10.5% SERIES DUE 1994
DUE DECEMBER 15, 1994**

\$.....

No. SS.....

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 December 15, 1994, 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 fifteenth day of June and the fifteenth day of December in each year until the principal hereof shall be paid. All computations of daily interest in cases of proration shall be calculated on the basis of a year of 360 days, consisting of 12 months of 30 days each. 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

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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 individual 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 "1994 Series Bonds").

As provided in the Indenture, the 1994 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 S of the Indenture]

No redemption of the 1994 Series Bonds shall be made at the option of the Company prior to December 15, 1989, 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 1994 Series Bonds are entitled to the benefits of the Sinking Fund for the 1994 Series Bonds and the Renewal and Replacement Fund 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 and in such case 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, 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.

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 fewer 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 any such Bonds, (ii) alter the maturity date fixed in the Indenture or in any such Bonds or coupons for the payment of the principal of or any installment of interest thereon, (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.

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 or implied from the Indenture or any indenture supplemental thereto or any of the Bonds or coupons thereby secured.

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 herefor, as provided in the Indenture.

The Company and the Trustees may deem and treat the person in whose name this Bond is registered on the books of the Trustee 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

This Bond has not been registered under the Securities Act of 1933 and may be offered or sold only if registered pursuant to provisions of said Act or if an exemption from registration is available.

§ 2.12. The 2004 Series Bonds are to be substantially in the following form, with such appropriate insertions (including insertion of the interest rate specified in § 2.05 T) and variations as are in the Indenture provided or permitted:

[FORM OF THE 2004 SERIES BONDS]

SOUTHWEST GAS CORPORATION

FIRST MORTGAGE BOND, 13.5% SERIES DUE 2004

Due June 1, 2004

\$.....

No. SS.....

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

or registered assigns on June 1, 2004, 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. All computations of daily interest in cases of proration shall be calculated on the basis of a year of 365 days. 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 individual 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 (hereinafter referred to as the "2004 Series Bonds") described in the Indenture and designated therein as specified in the title of this Bond.

As provided in the Indenture, the 2004 Series Bonds are subject to redemption prior to maturity, at the option of the Company, either as a whole or in any part at any time after June 1, 1991, or 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 T of the Indenture]

No redemption of the 2004 Series Bonds shall be made at the option of the Company prior to June 1, 1994, as a part of or in anticipation of any refunding operation by the application directly or indirectly of the proceeds of: (i) borrowed funds having an interest rate or cost to the Company lower than the interest rate specified in the title of the 2004 Series Bonds or sinking fund preferred stock having a lower dividend yield than the interest

rate specified in the title of the 2004 Series Bonds or (ii) borrowings or sinking fund preferred stock having a weighted average life to maturity less than the weighted average life to maturity of the 2004 Series Bonds (all calculations made pursuant to this paragraph to be made in accordance with accepted financial practice).

As provided in the Indenture, the 2004 Series Bonds are entitled to the benefits of the Sinking Fund for the 2004 Series Bonds and the Renewal and Replacement Fund 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 and in such case 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, 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.

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 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 fewer 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 any such Bonds, (ii) alter the maturity date fixed in the Indenture or in any such Bonds or coupons for the payment of the principal of or any installment of interest thereon, (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.

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 or implied from the Indenture or any indenture supplemental thereto or any of the Bonds or coupons thereby secured.

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 herefor, as provided in the Indenture.

The Company and the Trustees may deem and treat the person in whose name this Bond is registered on the books of the Trustee 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 June 8, 1984.

SOUTHWEST GAS CORPORATION

By
Vice 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

§ 2.13. The 1991 Series A Bonds are to be substantially in the following form, with such appropriate insertions (including insertion of the interest rate specified in § 2.05 U and variations as are in the Indenture provided or permitted:

[FORM OF THE 1991 SERIES A BONDS]

SOUTHWEST GAS CORPORATION

FIRST MORTGAGE BOND, 12% SERIES A DUE 1991

Due, 1991

\$.....

No. TT

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, 1991, 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 and the first day of in each year until the principal hereof shall be paid. All computations of daily interest in cases of proration shall be calculated on the

basis of a year of 365 days. 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 individual 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 (hereinafter referred to as the "1991 Series A Bonds") described in the Indenture and designated therein as specified in the title of this Bond.

As provided in the Indenture, the 1991 Series A Bonds are subject to redemption prior to maturity, at the option of the Company, either as a whole or in any part at any time, at par, together with accrued interest on the principal amount of the Bonds so to be redeemed to the date fixed for redemption.

As provided in the Indenture, 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.

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 written consent of the holders of at least sixty-six and two-thirds percent ($66\frac{2}{3}\%$) in principal amount of the Bonds then outstanding and entitled to consent and, in case one or more but fewer than all of the series of Bonds issued under the Indenture are so affected, of at least sixty-six and two-thirds percent ($66\frac{2}{3}\%$) 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 any such Bonds, (ii) alter the maturity date fixed in the Indenture or in any such Bonds or coupons for the payment of the principal of or any installment of interest thereon, (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.

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 or implied from the Indenture or any indenture supplemental thereto or any of the Bonds or coupons thereby secured.

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 herefor, as provided in the Indenture.

The Company and the Trustees may deem and treat the person in whose name this Bond is registered on the books of the Trustee 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

This Bond has not been registered under the Securities Act of 1933 and may be offered or sold only if registered pursuant to provisions of said Act or if an exemption from registration is available.

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 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 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. The Company expressly ratifies and reaffirms all of its obligations under the Indenture and the Bonds, including the due and punctual payment of the principal of, premium, if any, and interest on all of the Bonds and the due and punctual performance of all of the covenants and conditions of the Indenture and the Bonds.

§ 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.

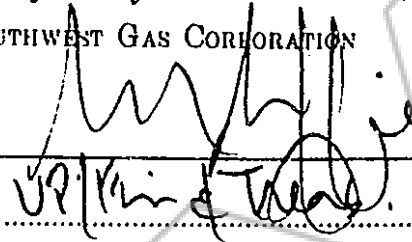
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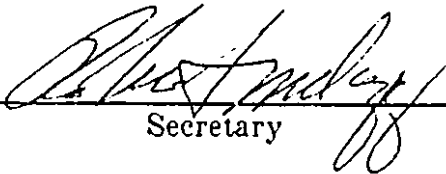
IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the day and year first above written.

SOUTHWEST GAS CORPORATION

By

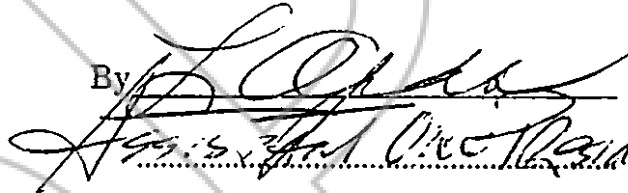

VP/Min & Treas.

Attest:


Secretary

BANK OF AMERICA NATIONAL TRUST
AND SAVINGS ASSOCIATION,

By


Assistant Vice President

Attest:

.....


D. C. EASTERDAY

STATE OF NEVADA

COUNTY OF CLARK

ss.:

On this 17 day of October, 1981, personally appeared before me, a Notary Public, Michael E. Ryff, who acknowledged to me that he executed the above instrument.



Notary Public State of Nevada
COUNTY OF CLARK

Helen E. Thayer

My Appointment Expires Jan. 19, 1982

Helen E. Thayer

Notary Public in and for said
County and State

My Commission expires Jan. 19, 1982

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

} ss.:

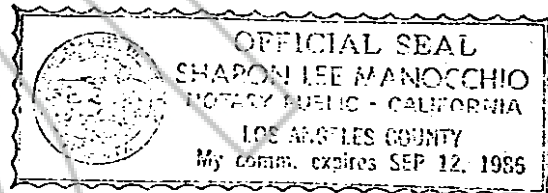
On this 19 day of October, 1984, before the undersigned, a Notary Public in and for the said County and State, residing therein, duly commissioned and sworn, personally appeared Linda Ogden and known to me or proved to me on the basis of satisfactory evidence to be an Assistant Vice Pres, and, respectively, 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 bylaws 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.

Sharon Lee Manocchio

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 19 day of October, 1984, before the undersigned, a Notary Public in and for the said County and State, residing therein, duly commissioned and sworn, personally appeared D. C. EASTERDAY, known to me or proved to me on the basis of satisfactory evidence 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.

Sharon Lee Manocchio

Notary Public in and for the
County of Los Angeles,
State of California

My Commission expires



Exhibit A
I
PIPE LINES

IDAHO-RENO LINE

A right-of-way 50 feet in width (except where otherwise indicated herein), the boundaries of which be equally distant from the following center line, to wit:

Beginning at the terminus of the Northwest Pipeline Corporation's transmission pipeline at the Nevada border, said terminus being located approximately 413 feet east of the southwest corner of Section 29, Township 16 South, Range 2 West, Boise Base Meridian; thence S. $44^{\circ} 32' W.$ a distance of 24,001 feet more or less crossing through Sections 5, 8, 7 and 18, Township 47 North, Range 48 East, Sections 13, 24, 23, Township 47 North, Range 47 East, M.D.B.&M., Elko County, Nevada, to a point on the north line of Section 26, said township and range, approximately 1,131 feet east of the northwest corner of said Section 26; thence S $44^{\circ} 32' W.$ a distance of 1,257 feet more or less to a point 900 feet south and 300 feet east of the northwest corner of said Section 26; thence S. $39^{\circ} 40' W.$ a distance of 972 feet more or less to a point approximately 1,650 feet south and 250 feet west of the northeast corner of Section 27, Township 47 North, Range 47 East, M.D.B. & M., Elko County, Nevada; thence S. $54^{\circ} 35' 26'' W.$ a distance of 1,834 feet more or less to a point; thence N. $84^{\circ} 26' 57'' W.$ a distance of 3,574 feet more or less to a point on the east line of Section 28, Township 47 North, Range 47 East, M.D.B.&M., Elko County, Nevada, approximately 2,980 feet north of the southeast corner of said Section 28; thence N. $84^{\circ} 26' 57'' W.$ a distance of 400 feet more or less to a point; thence S. $54^{\circ} 46' W.$ a distance of 14,590 feet more or less crossing through Sections 28, 33, 32 and 31, Township 47 North, Range 47 East, M.D.B.&M., Elko County, Nevada to a point on the north line of Section 6, Township 46 North, Range 47 East, M.D.B.&M., Elko County, Nevada, said point being approximately 3,407 feet east of the northwest corner of said Section 6; thence S $54^{\circ} 46' W.$ a distance of 4,148 feet more or less to a point on the west line of said Section 6, said point being 2,400 feet south of the northwest corner of said Section 6; thence S. $54^{\circ} 46' W.$ crossing through Sections 1, 12, 11, 10, 15, 16, 21, 20, 19 and 30 Township 46 North, Range 46 East, Sections 25, 36 and 35, Township 46 North, Range 45 East, Sections 3, 4, 9, 8 and 7 a distance of 74,550 feet more or less to a point on the west line of Section 18, Township 45 North, Range 45 East, M.D.B.&M., Elko County, Nevada, said point being approximately

3,280 feet south of the Northwest corner of said Section 18, thence $54^{\circ} 46' W.$ across unsurveyed Township 45 North, Range 44 East, M.D.B.&M., a distance of 24,695 feet more or less to a point on the west line of said Township, said point being approximately 3,636 feet north of the southwest corner of Township 45 North, Range 44 East, M.D.B.&M., Humboldt County, Nevada, thence $554^{\circ} 46' W.$ through Sections 24, 25, 26, 27, 34 and 33 Township 45 North, Range 43 East, Sections 4, 5, 6 and 7 Township 44 North, Range 43 East, Sections 12, 13 and 14 a distance of 47,535 feet more or less to a point, said point being approximately 2,100 feet north and 2,150 feet west of the southeast corner of said Section 14, Township 44 North, Range 42 East, M.D.B.&M., Humboldt County, Nevada; thence $S. 60^{\circ} 21' W.$ a distance of 2,124 feet more or less to a point, thence $S 46^{\circ} 6' W.$ a distance of 4,249 feet more or less to a point, said point being approximately 1,810 feet south and 1,730 feet west of the northeast corner of Section 22, Township 44 North, Range 42, East, M.D.B.&M., Humboldt County, Nevada; thence $S. 47^{\circ} 28' W.$ a distance of 1,895 feet more or less to a point; thence $S 45^{\circ} 27' W.$ a distance of 1,501 feet more or less to a point; thence $S. 47^{\circ} 22' W.$ a distance of 1,096 feet more or less to a point, said point being approximately 215 feet east and 300 feet north of the southwest corner of said Section 22; thence $S. 37^{\circ} 42' W.$ a distance of 2,170 feet more or less to a point, said point being approximately 1,110 feet west and 1,430 feet south of the northeast corner of Section 28, Township 44 North, Range 42 East, M.D.B.&M., Humboldt County, Nevada; thence $S. 44^{\circ} 08' W.$ crossing through Sections 28 and 33 a distance of 7,757 feet more or less to a point, said point being approximately 1,300 feet west and 1,700 feet south of the northeast corner of Section 32, Township 44 North, Range 42 East, M.D.B.&M., Humboldt County, Nevada; thence $S. 42^{\circ} 25' W.$ a distance of 1,042 feet more or less to a point; thence $S. 24^{\circ} 48' W.$ a distance of 808 feet more or less to a point; thence $S. 8^{\circ} 14' W.$ crossing through Section 32, Township 44 North, Range 42 East, M.D.B.&M., a distance of 2,889 feet more or less to a point, said point being approximately 765 feet south and 2,500 feet east of the northwest corner of Section 5, Township 43 North, Range 42 East, M.D.B.&M., Humboldt County, Nevada; thence $S. 9^{\circ} 24' W.$ a distance of 1,541 feet more or less to a point, said point being near the southwest corner of the northwest quarter of said Section 5; thence $S. 32^{\circ} 59' W.$ crossing through Sections 5, 8, 7 and 18, Township 43 North, Range 42 East, M.D.B.&M., a distance of 15,996 feet more or less to a point on the south line of Section 13, Township 43 North, Range 41 East, M.D.B.&M., Humboldt County, Nevada, said point being approximately

1,262 feet west of the southeast corner of said Section 13; thence S. $39^{\circ} 32'$ W. crossing Sections 24, 23, 26, 35 and 34, Township 43 North, Range 41 East and Sections 3 and 4, Township 42 North, Range 41 East, a distance of 27,920 feet more or less to a point, said point being approximately 410 feet south and 2,035 feet east of the northwest corner of Section 9, Township 42 North, Range 41 East, M.D.B.&M., Humboldt County, Nevada; thence S. $49^{\circ} 49'$ W. crossing through Sections 8, 17 and 18, a distance of 16,140 feet more or less to a point, said point being approximately 40 feet south and 28 feet east of the northwest corner of Section 19, Township 42 North, Range 41 East, M.D.B.&M., Humboldt County, Nevada; thence S. $38^{\circ} 31'$ W. a distance of 5,458 feet more or less to a point, said point being approximately 1,950 feet east and 980 feet north of the southwest corner of Section 24, Township 42 North, Range 40 East, M.D.B.&M., Humboldt County, Nevada; thence S. $40^{\circ} 29'$ W. crossing through Sections 25, 26 and 35, a distance of 12,734 feet more or less to a point, said point being approximately 2,080 feet north and 1,200 feet west of the southeast corner of Section 34, Township 42 North, Range 40 East, M.D.B.&M., Humboldt County, Nevada; thence S $37^{\circ} 23'$ W., a distance of 2,655 feet more or less to a point on the south line of said Section 34, said point being approximately 2,872 feet west of the southeast corner of said Section 34, Township 42 North, Range 40 East, M.D.B.&M., Humboldt County, Nevada; thence S. $37^{\circ} 23'$ W. a distance of 4,017 feet more or less to a point on the east line of Section 4, Township 41 North, Range 40 East, M.D.B.&M., Humboldt County, Nevada, said point being approximately 2,184 feet north of the southeast corner of said Section 4; thence S $37^{\circ} 23'$ W., a distance of 2,175 feet more or less to a point; thence S. $53^{\circ} 09'$ W. a distance of 4,470 feet more or less to a point, said point being approximately 45 feet west and 2,620 feet south of the northwest corner of Section 9, Township 41 North, Range 40 East, M.D.B.&M., Humboldt County, Nevada; thence S. $25^{\circ} 28'$ W. crossing Section 8, a distance of 2,998 feet more or less to a point; thence S. $11^{\circ} 40'$ W. crossing through Sections 17 and 20, a distance of 10,599 feet more or less to a point; thence S. $54^{\circ} 50'$ W., a distance of 312 feet more or less to a point, said point being approximately 86 feet north and 1,422 feet east of the southwest corner of Section 20, Township 41 North, Range 40 East, M.D.B.&M., Humboldt County, Nevada; thence S. $89^{\circ} 26'$ W. crossing through Section 19, Township 41 North, Range 40 East and Section 24, Township 41 North, Range 39 East, a distance of 9,311 feet more or less to a point; thence S. $54^{\circ} 59'$ W. a distance of 214 feet more or less to a point, said point being approximately 2,780 feet west and 80 feet south of the southeast corner of said Section 24; thence S. $32^{\circ} 45'$ W.

crossing through Sections 25 and 26, a distance of 6,412 feet more or less to a point in Section 35, Township 41 North, Range 39 East, M.D.B.&M., Humboldt County, Nevada; thence S. $24^{\circ} 47'$ W. crossing through Sections 2, 11 and 10, a distance of 13,911 feet more or less to a point, said point being approximately 2,180 feet south and 900 feet west of the northeast corner of Section 10, Township 40 North, Range 39 East, M.D.B.&M., Humboldt County, Nevada; thence S. $29^{\circ} 25'$ W. crossing through Sections 15, 16, 21, 28, 29 and 32, Township 40 North, Range 39 East, Sections 5, 6 and 7, Township 39 North, Range 39 East, M.D.B.&M., Humboldt County, Nevada, and Sections 13, 24, 23, 26, 35 and 34, a distance of 64,304 feet more or less to a point, said point being 50 feet east of U. S. Highway 95 and approximately 350 feet north and 1,550 feet west of the southeast corner of Section 34, Township 39 North, Range 38 East, M.D.B.&M., Humboldt County, Nevada; thence S. $84^{\circ} 61'$ W., a distance of 100 feet more or less to a point; thence S. $27^{\circ} 21'$ W. crossing through Sections 3, 10, 9, 16, 21 and 20, a distance of 29,640 feet more or less, to a point, said point being approximately 890 feet N. $33^{\circ} 13'$ E. of the Southwest corner of Section 29, Township 38 North, Range 38 East, M.D.B.&M., Humboldt County, Nevada; thence S. $33^{\circ} 13'$ W. crossing through Sections 30 and 31, Township 38 North, Range 38 East, and Section 6, Township 37 North, Range 38 East, M.D.B.&M., Humboldt County, Nevada, a distance of 10,990 feet more or less to a point, said point being approximately 2,270 feet south and 919 feet west of the northeast corner of Section 1, Township 37 North, Range 37 East, M.D.B.&M., Humboldt County, Nevada; thence S. $32^{\circ} 29'$ W. crossing through Sections 11 and 12, a distance of 9,143 feet more or less to a point on the north line of Section 14, Township 37 North, Range 37 East, M.D.B.&M., Humboldt County, Nevada, said point being approximately 278 feet west of the northeast corner of said Section 14; thence S. $32^{\circ} 29'$ W. a distance of 827 feet more or less to a point; thence S. $42^{\circ} 32'$ W. crossing through Sections 23, 22 and 27, a distance of 14,703 feet more or less to a point, said point being approximately 512 feet S. $0^{\circ} 8'$ W. and 377 feet S. $39^{\circ} 29'$ W. of the northeast corner of Section 28, Township 37 North, Range 37 East, M.D.B.&M., Humboldt County, Nevada; thence S. $39^{\circ} 29'$ W., a distance of 5,010 feet more or less to a point in Section 28; thence S. $25^{\circ} 35'$ W. crossing Sections 33 and 32, a distance of 8,768 feet more or less to a point, said point being approximately 1,930 feet south and 1,675 feet west of the northeast corner of Section 5, Township 36 North, Range 37 East, M.D.B.&M., Humboldt County, Nevada; thence S. $25^{\circ} 0'$ W., a distance of 5,154 feet more or less to a point in the northwest quarter of Section 8, Township 36 North, Range 37

East, M.D.B.&M., Humboldt County, Nevada; thence S. 20° 15' W. crossing through Section 7, a distance of 8,081 feet more or less to a point in the southeast quarter of Section 18, Township 36 North, Range 37 East, M.D.B.&M., Humboldt County, Nevada; thence S. 46° 20' W. crossing through Section 19, Township 36 North, Range 37 East, M.D.B.&M., Humboldt County, Nevada and Sections 24, 25, 26, 35 and 34, Township 36 North, Range 36 East, M.D.B.&M., Humboldt County, Nevada, a distance of 27,492 feet more or less to a point, said point being approximately 1,180 feet south and 110 feet east of the northwest corner of Section 3, Township 35 North, Range 36 East, M.D.B.&M., Humboldt County, Nevada; thence S. 44° 32' W. crossing through Sections 4 and 9, a distance of 12,978 feet more or less to a point, said point being approximately 310 feet north and 1,620 feet east of the southwest corner of Section 8, Township 35 North, Range 36 East, M.D.B.&M., Humboldt County, Nevada; thence S. 36° 23' W. crossing through Sections 18, 17 and 19, Township 35 North, Range 36 East, M.D.B.&M., Humboldt County, Nevada, Sections 24, 25, 26 and 35, Township 35 North, Range 35 East, M.D.B.&M., Humboldt County, Nevada, and Sections 2 and 3, Township 34 North, Range 35 East, M.D.B.&M., Pershing County, Nevada, a distance of 34,317 feet more or less to a point, said point being approximately 550 feet south and 1,650 feet east of the northwest corner of Section 10, Township 34 North, Range 35 East, M.D.B.&M., Pershing County, Nevada; thence S. 32° 3' W. crossing through Sections 9, 16, 21, 20, 29, 30 and 31, Township 34 North, Range 35 East, M.D.B.&M., Pershing County, Nevada, and Sections 1 and 2, Township 33 North, Range 34 East, M.D.B.&M., Pershing County, Nevada, a distance of 40,086 feet more or less to a point, said point being approximately 700 feet north and 2,660 feet east of the southwest corner of Section 2, Township 33 North, Range 34 East, M.D.B.&M., Pershing County, Nevada; thence S. 35° 02' W. crossing through Sections 11, 10, 15, 22, 21 and 28, Township 33 North, Range 34 East, M.D.B.&M., Pershing County, Nevada, a distance of 25,644 feet more or less to a point, said point being approximately 960 feet north and 1,420 feet west of the southeast corner of Section 29, Township 33 North, Range 34 East, M.D.B.&M., Pershing County, Nevada; thence S. 19° 29' W. a distance of 556 feet more or less to a point, thence S. 42° 08' W. a distance of 1,104 feet more or less to a point, thence S. 35° 02' W. a distance of 5,123 feet more or less to a point on the north bank of the Pitt-Taylor Diversion Canal in the southeast quarter of Section 31, Township 33 North, Range 34 East, M.D.B.&M., Pershing County, Nevada; thence S. 1° 53' E. a distance of 167 feet more or less to a point, thence S. 34° 08' W. and crossing through

Sections 6 and 7, Township 32 North, Range 34 East, M.D.B.&M., Pershing County, Nevada, and Section 12, Township 34 North, Range 33 East, M.D.B.&M., Pershing County, Nevada, a distance of 15,856 feet more or less to a point, said point being approximately 2,040 feet south and 1,680 feet east of the northwest corner of Section 13, Township 32 North, Range 33 East, M.D.B.&M., Pershing County, Nevada; thence S. 42° 12' W. and crossing through Sections 14, 23, 22 and 27, a distance of 17,162 feet more or less to a point in the southwest quarter of Section 27, Township 32 North, Range 33 East, M.D.B.&M., Pershing County, Nevada; thence S. 27° 29' W. crossing through Sections 34 and 33, Township 32 North, Range 33 East, M.D.B.&M., Pershing County, Nevada and Section 4, Township 31 North, Range 33 East, M.D.B.&M., Pershing County, Nevada, a distance of 13,457 feet more or less to a point, said point being approximately 500 feet south and 1,500 feet east of the northwest corner of Section 9, Township 31 North, Range 33 East, M.D.B.&M., Pershing County, Nevada; thence S. 22° 32' W., a distance of 2,777 feet more or less to a point in the southwest quarter of said Section 9; thence S. 13° 23' W., a distance of 2,820 feet more or less to a point in the northeast quarter of Section 17, Township 31 North, Range 33 East, M.D.B.&M., Pershing County, Nevada; thence S. 12° 42' W. crossing through Sections 17, 20, 29 and 32, Township 31 North, Range 33 East, M.D.B.&M., Pershing County, Nevada and Section 5, Township 30 North, Range 33 East, M.D.B.&M., Pershing County, Nevada, a distance of 25,839 feet more or less to a point, said point being approximately 21 feet west of the east line of Section 6, Township 30 North, Range 33 East, M.D.B.&M., Pershing County, Nevada, and approximately 691 feet North of the southeast corner of said Section 6; thence S. 5° 07' E., a distance of 1,338 feet more or less to a point in the northwest quarter of Section 8, Township 30 North, Range 33 East, M.D.B.&M., Pershing County, Nevada; thence S. 25° 30' E. a distance of 2,785 feet more or less to a point, thence S. 03° 37' E., a distance of 300 feet more or less to a point, thence S. 08° 12' E. a distance of 1,510 feet more or less to a point, said point being approximately 350 feet north and 1,580 feet east of the southwest corner of said Section 8; thence S. 11° 30' W., a distance of 1,735 feet more or less to a point; thence S. 17° 33' W., a distance of 788 feet more or less to a point; thence S. 44° 37' W. a distance of 427 feet more or less to a point; thence S. 52° 50' W. a distance of 695 feet more or less to a point, said point being on the east line and approximately 2,050 feet north of the southeast corner of Section 18, Township 30 North, Range 33 East, M.D.B.&M., Pershing County, Nevada; thence S. 61° 13' W. a distance of 980 feet more or less to a

point; thence S. 85° 48' W., a distance of 1,110 feet more or less to a point; thence S. 56° 46' W., a distance of 200 feet more or less to a point; thence S. 25° 16' W., a distance of 1,244 feet more or less to a point, said point being on the south line of said Section 18 and approximately 2,568 feet east of the southwest corner thereof; thence S. 23° 22' W. crossing through Sections 19 and 30, Township 30 North, Range 33 East, M.D.B.&M., Pershing County, Nevada, and Section 25, Township 30 North, Range 32 East, M.D.B.&M., Pershing County, Nevada, a distance of 14,536 feet more or less to a point, said point being approximately 2,540 feet south and 2,130 feet east of the northwest corner of Section 36, Township 30 North, Range 32 East, M.D.B.&M., Pershing County, Nevada; thence S. 27° 33' W. crossing through Sections 1, 2, 11, 14, 15, 22, 27 and 28, Township 29 North, Range 32 East, M.D.B.&M., Pershing County, Nevada, a distance of 29,272 feet more or less to a point, said point being approximately 2,200 feet south and 900 feet east of the northeast corner of Section 28, Township 29 North, Range 32 East, M.D.B.&M., Pershing County, Nevada; thence S. 43° 02' W. crossing through Sections 33 and 32, Township 29 North, Range 32 East, M.D.B.&M., Pershing County, Nevada, Sections 5, 6 and 7, Township 28 North, Range 32 East, M.D.B.&M., Pershing County, Nevada, Sections 12, 13, 14, 23, 22, 27, 28, 33 and 32 Township 28 North, Range 31 East, M.D.B.&M., Pershing County, Nevada, Sections 5, 8, 7 and 18, Township 27 North, Range 31 East, M.D.B.&M., Pershing County, Nevada, and Sections 13, 24 and 23, Township 27 North, Range 30 East, M.D.B.&M., Pershing County, Nevada, a distance of 79,935 feet more or less to a point, said point being approximately 2,290 feet east and 800 feet north of the southeast corner of Section 23, Township 27 North, Range 30 East, M.D.B.&M., Pershing County, Nevada; thence S. 41° 13' W. crossing through Sections 26, 27, 34 and 33, Township 27 North, Range 31 East, M.D.B.&M., Pershing County, Nevada, a distance of 18,605 feet more or less to a point, said point being approximately 2,650 feet south and 1,320 feet east of the northwest corner of Section 4, Township 26 North, Range 30 East, M.D.B.&M., Pershing County, Nevada; thence S. 52° 04' W., a distance of 3,744 feet, more or less, to a point in Section 5; thence S. 30° 44' W. crossing through Sections 8, 17, and 18, Township 26 North, Range 30 East, M.D.B.&M., Pershing County, Nevada, a distance of 13,083 feet, more or less, to a point, said point being approximately 2,310 feet east and 320 feet south of the northwest corner of Section 19, Township 26 North, Range 30 East, M.D.B.&M., Pershing County, Nevada; thence S. 34° 31' W., crossing through Section 24, Township 26 North, Range 29 East, M.D.B.&M., Pershing County, Nevada, a distance of 11,049 feet, more

or less, to a point, said point being approximately 1,300 feet north and 1,350 feet east of the southwest corner of Section 25, Township 26 North, Range 29 East, M.D.B.&M., Pershing County, Nevada; thence S. $53^{\circ} 57'$ W., a distance of 2,161 feet, more or less, in Section 26 to a point; thence S. $72^{\circ} 13'$ W., a distance of 2,371 feet to a point; thence S. $69^{\circ} 13'$ W., a distance of 1,591 feet to a point; thence S. $70^{\circ} 17'$ W., a distance of 2,183 feet, to a point; thence S. $51^{\circ} 43'$ W., a distance of 1,639 feet to a point; thence S. $44^{\circ} 02'$ W., a distance of 716 feet to a point; thence S. $73^{\circ} 44'$ W., a distance of 1,249 feet to a point; thence S. $70^{\circ} 56'$ W., a distance of 792 feet to a point; thence S. $64^{\circ} 59'$ W., a distance of 1,221 feet to a point; thence S. $77^{\circ} 49'$ W., a distance of 1,943 feet to a point; thence S. $78^{\circ} 54'$ W., a distance of 280 feet to a point on the south line of Section 33, said township and range, said point being 275 feet west of the south quarter corner of said Section 33; thence S. $78^{\circ} 54'$ W., a distance of 537 feet to a point; thence S. $74^{\circ} 52'$ W., a distance of 1,696 feet to a point; thence S. $61^{\circ} 58'$ W., a distance of 1,664 feet to a point; thence S. $69^{\circ} 59'$ W., a distance of 689 feet to a point; thence N. $78^{\circ} 36'$ W., a distance of 1,432 feet to a point; thence S. $77^{\circ} 42'$ W., a distance of 804 feet to a point; thence S. $55^{\circ} 36'$ W., a distance of 325 feet to a point; thence S. $54^{\circ} 03'$ W., a distance of 1,636 feet to a point; thence S. $80^{\circ} 31'$ W., a distance of 1,792 feet to a point; thence S. $85^{\circ} 08'$ W., a distance of 1,840 feet, more or less, to a point on the west line of Section 6, Township 25 North, Range 29 East, M.D.B.&M., Pershing County, Nevada, said point being approximately 1,950 feet north of the southwest corner of said Section 6; thence S. $85^{\circ} 08'$ W. a distance of 599 feet, more or less, to a point; thence S. $85^{\circ} 24'$ W., a distance of 628 feet to a point, said point being approximately 1,850 feet north and 1,280 feet east of the southeast corner of Section 1, Township 25 North, Range 28 East, M.D.B.&M., Pershing County, Nevada; thence S. $68^{\circ} 43' 05''$ W., a distance of 5,631 feet more or less to a point in Section 2; thence S. $57^{\circ} 16' 48''$ W., a distance of 5,595 feet more or less to a point in the southeast quarter of Section 10, Township 25 North, Range 28 East, M.D.B.&M., Pershing County, Nevada; thence S. $55^{\circ} 57' 24''$ W., crossing through Sections 15, 16, 17, 20, 19 and 30, Township 25 North, Range 28 East, M.D.B.&M., Pershing County, Nevada, and Sections 25, 26, 35 and 34, Township 25 North, Range 27 East, M.D.B.&M., Churchill County, Nevada, a distance of 44,110 feet more or less to a point, said point being approximately 1,560 feet south and 230 feet east of the northwest corner of Section 3, Township 24 North, Range 27 East, M.D.B.&M., Churchill County, Nevada; thence S. $55^{\circ} 44' 42''$ W. crossing through Sections 4 and 5, a distance of 7,123 feet more or less to a point in

Section 8, Township 24 North, Range 27 East, M.D.B.&M., Churchill County, Nevada; thence S. $55^{\circ} 18' 11''$ W. crossing through Sections 7 and 18, Township 24 North, Range 27 East, M.D.B.&M., Churchill County, Nevada, and Sections 13, 24 and 23, Township 24 North, Range 26 East, M.D.B.&M., Churchill County, Nevada, a distance of 25,046 feet more or less to a point, said point being approximately 1,380 feet north and 150 feet east of the southeast corner of Section 22, Township 24 North, Range 26 East, M.D.B.&M., Churchill County, Nevada; thence S. $55^{\circ} 13' 12''$ W. crossing Sections 27 and 28 a distance of 12,775 feet more or less to a point on the west line of Section 33, Township 24 North, Range 26 East, M.D.B.&M., Churchill County, Nevada, said point being approximately 678 feet south of the northwest corner of said Section 33; thence S. $55^{\circ} 13' 12''$ W., a distance of 1,950 feet more or less to a point; thence S. $60^{\circ} 11' 31''$ W., a distance of 1,011 feet more or less to a point; thence S. $59^{\circ} 29' 42''$ W., a distance of 2,864 feet more or less to a point; thence S. $55^{\circ} 46' 36''$ W., a distance of 2,841 feet, more or less, to a point, said point being approximately 200 feet south and 2,000 feet west of the northeast corner of Section 6, Township 23 North, Range 26 East, M.D.B.&M., Churchill County, Nevada, thence S. $50^{\circ} 27' 49''$ W., crossing through Sections 1, 12, 11, 14, 15, 22, 21 and 29, Township 23 North, Range 25 East, M.D.B.&M., Churchill County, Nevada, a distance of 40,219 feet, more or less to a point, said point being approximately 670 feet north and 1,240 feet west of the southeast corner of Section 30, Township 23 North, Range 25 East, M.D.B.&M., Washoe County, Nevada, thence S. $51^{\circ} 45' 36''$ W., a distance of 1,165 feet, more or less, to a point; thence S. $66^{\circ} 17' 58''$ W., a distance of 2,558 feet, more or less, to a point; thence S. $48^{\circ} 33'$ W., a distance of 850 feet, more or less, to a point on the east line of Section 36, Township 23 North, Range 24 East, M.D.B.&M., Washoe County, Nevada, said point being approximately 3,000 feet north of the southeast corner of said Section 36; thence S. $48^{\circ} 33'$ W., a distance of 1,859 feet, more or less, to a point; thence S. $40^{\circ} 52'$ W., a distance of 2,260 feet, more or less, to a point on the north line of Section 1, Township 22 North, Range 24 East, M.D.B.&M., Washoe County, Nevada, said point being approximately 2,450 feet east of the northwest corner of said Section 1; thence S. $40^{\circ} 52'$ W., a distance of 275 feet, more or less, to a point; thence S. $30^{\circ} 52'$ W., a distance of 977 feet to a point; thence S. $9^{\circ} 36'$ W., a distance of 11,501 feet to a point on the west line of Section 13, Township 22 North, Range 24 East, M.D.B.&M., Washoe County, Nevada, said point being approximately 1,800 feet south of the northwest corner of said Section 13; thence S. $21^{\circ} 01'$ W., a distance of 9,133 feet to a point, said point being

approximately 200 feet north and 2,100 feet east of the southwest corner of Section 23, said township and range; thence S. $37^{\circ} 16' 31''$ W., a distance of 1,518 feet, more or less, to a point, said point being in Section 26, Township 22 North, Range 24 East, M.D.B.&M., Washoe County, Nevada; thence S. $52^{\circ} 21' 53''$ W., a distance of 1,263 feet, more or less, to a point; thence S. $21^{\circ} 45'$ W., a distance of 4,166 feet, more or less, to a point; thence S. $38^{\circ} 26'$ W., a distance of 302 feet to a point; thence S. $41^{\circ} 22'$ W., a distance of 543 feet to a point; thence S. $19^{\circ} 53'$ W., a distance of 1,086 feet to a point; thence S. $44^{\circ} 32'$ W., a distance of 1,822 feet, more or less, to a point, said point being approximately 275 feet south of the east 12 mile boundary marker of the Pyramid Lake Indian Reservation in Section 34, Township 22 North, Range 24 East, M.D.B.&M., Washoe County, Nevada; thence S. $44^{\circ} 32'$ W., a distance of 109 feet, more or less, to a point; thence S. $04^{\circ} 43'$ W., a distance of 723 feet, more or less to a point; thence S. $16^{\circ} 30'$ W., a distance of 903 feet more or less to a point; thence S. $56^{\circ} 27'$ W., a distance of 655 feet more or less to a point; thence N. $84^{\circ} 42'$ W., a distance of 500 feet more or less to a point; thence S. $70^{\circ} 58'$ W., a distance of 353 feet more or less to a point, said point being approximately 220 feet south and 80 feet east of the southeast corner of Section 33, Township 22 North, Range 24 East, M.D.B.&M., Washoe County, Nevada; thence S. $43^{\circ} 49'$ W., a distance of 3,406 feet more or less to a point, said point being near the center of Section 4, Township 21 North, Range 24 East, M.D.B.&M., Washoe County, Nevada; thence S. $23^{\circ} 07' 53''$ W., a distance of 3,316 feet more or less to a point; thence S. $31^{\circ} 08' 55''$ W., a distance of 2,528 feet more or less to a point, said point being approximately 2,690 feet south and 400 feet west of the northwest corner of Section 9, Township 21 North, Range 24 East, M.D.B.&M., Washoe County, Nevada; thence S. $25^{\circ} 47' 11''$ W., a distance of 2,318 feet more or less to a point in the southwest quarter of Section 8, Township 21 North, Range 24 East, M.D.B.&M., Washoe County, Nevada; thence S. $29^{\circ} 29' 13''$ W., crossing Section 17, a distance of 6,348 feet more or less to a point, said point being approximately 302 feet east and 72 feet south of the northwest $\frac{1}{4}$ corner of Section 20, Township 21 North, Range 24 East, M.D.B.&M., Washoe County, Nevada; thence S. $39^{\circ} 33' 55''$ W., a distance of 1,176 feet more or less to a point, said point being on the east right-of-way boundary of the Southern Pacific Railroad, thence S. $64^{\circ} 16' 11''$ W., a distance of 150 feet more or less to a point on the west right-of-way boundary of the Southern Pacific Railroad, thence S. $27^{\circ} 07' 16''$ W., crossing Section 19, a distance of 6,930 feet more or less to a point on the east right-of-way boundary of Nevada State Highway 34, in Section 30, Township 21 North,

Range 24 East, M.D.B.&M., Washoe County, Nevada; thence S. $40^{\circ} 32'$ W., a distance of 300 feet more or less to a point on the west right-of-way boundary of said Highway 34, thence S. $21^{\circ} 14'$ W., a distance of 1,320 feet more or less to a point on the west boundary of the Pyramid Lake Indian Reservation, said point being approximately 3,512 feet south of the northwest $\frac{1}{4}$ corner of said Section 30; thence S. $21^{\circ} 14'$ W., a distance of 6,522 feet more or less to a point, said point being approximately 1,189 feet north of the southeast corner of Section 36, Township 21 North, Range 23 East, M.D.B.&M., Washoe County, Nevada; thence S. $37^{\circ} 42'$ W., a distance of 6,127 feet more or less to a point, said point being approximately 1,630 feet north and 1,420 feet east of the southwest corner of Section 1, Township 20 North, Range 23 East, M.D.B.&M., Washoe County, Nevada; thence S. $38^{\circ} 29' 32''$ W. crossing through Section 12, a distance of 4,906 feet more or less to a point; thence S. $32^{\circ} 09' 28''$ W., a distance of 2,360 feet more or less to a point, said point being approximately 980 feet north and 2,500 feet east of the southwest corner of Section 11, Township 20 North, Range 23 East, M.D.B.&M., Washoe County, Nevada; thence S. $36^{\circ} 32' 37''$ W., a distance of 1,611 feet more or less to a point, said point being approximately 350 feet south and 1,510 feet east of the northwest corner of Section 14, Township 20 North, Range 23 East, M.D.B.&M., Washoe County, Nevada; thence S. $62^{\circ} 04' 63''$ W., a distance of 2,238 feet more or less to a point; thence S. $63^{\circ} 40' 11''$ W., a distance of 2,592 feet more or less to a point near the center of Section 15, Township 20 North, Range 23 East, M.D.B.&M., Washoe County, Nevada; thence S. $68^{\circ} 41' 12''$ W., a distance of 4,788 feet more or less to a point; thence S. $76^{\circ} 23' 50''$ W., a distance of 1,907 feet more or less to a point; thence S. $86^{\circ} 56' 12''$ W., a distance of 1,585 feet more or less to a point, said point being approximately 112 feet north and 66 feet west of the southeast corner of Section 17, Township 20 North, Range 23 East, M.D.B.&M., Washoe County, Nevada; thence S. $78^{\circ} 01' 30''$ W., a distance of 3,154 feet more or less to a point, said point being in the northwest quarter of Section 20, Township 20 North, Range 23 East, M.D.B.&M., Washoe County, Nevada; thence S. $84^{\circ} 49' 51''$ W., a distance of 3,569 feet more or less to a point; thence N. $52^{\circ} 53' 40''$ W., a distance of 1,567 feet more or less to a point; thence S. $68^{\circ} 29' 35''$ W., a distance of 2,027 feet more or less to a point; thence S. $78^{\circ} 58' 10''$ W., a distance of 907 feet more or less to a point; thence N. $69^{\circ} 15' 13''$ W., a distance of 991 feet more or less to a point, said point being approximately 720 feet south and 480 feet east of the northwest corner of Section 19, Township 20 North, Range 23 East, M.D.B.&M., Washoe County, Nevada; thence S. $86^{\circ} 35' 15''$ W., a distance of

470 feet more or less to a point on the east line of Section 24, Township 20 North, Range 22 East, M.D.B.&M., Washoe County, Nevada; thence S. $60^{\circ} 58' 24''$ W., a distance of 284 feet more or less to a point; thence S. $43^{\circ} 52' 41''$ W., a distance of 402 feet more or less to a point; thence S. $70^{\circ} 29' 57''$ W., a distance of 1,638 feet more or less to a point; thence S. $70^{\circ} 43' 59''$ W., a distance of 1,147 feet more or less to a point; thence S. $80^{\circ} 28' 44''$ W., a distance of 3,131 feet more or less to a point, said point being approximately on the east-west centerline and 1,020 feet west of the east line of Section 23, Township 20 North, Range 22 East, M.D.B.&M., Washoe County, Nevada; thence N. $89^{\circ} 24' 47''$ W., a distance of 3,079 feet more or less to a point; thence S. $77^{\circ} 04' 49''$ W., a distance of 3,241 feet more or less to a point, said point being approximately 1,600 feet north and 920 feet west of the southeast corner of Section 21, Township 20 North, Range 22 East, M.D.B.&M., Washoe County, Nevada; thence S. $83^{\circ} 30' 52''$ W. crossing through Section 22, a distance of 4,063 feet more or less to a point; thence N. $89^{\circ} 39' 39''$ W., a distance of 5,463 feet more or less to a point in Section 20, Township 20 North, Range 22 East, M.D.B.&M., Washoe County, Nevada; thence N. $65^{\circ} 49' 27''$ W., a distance of 768 feet more or less to a point; thence N. $48^{\circ} 58' 22''$ W., a distance of 2,350 feet more or less to a point; thence N. $49^{\circ} 32' 46''$ W., a distance of 2,737 feet more or less to a point, said point being 300 feet north and 400 feet west of the southeast corner of Section 18, Township 22 North, Range 20 East, M.D.B.&M., Washoe County, Nevada; thence N. $76^{\circ} 09' 14''$ W., a distance of 2,852 feet more or less to a point; thence S. $74^{\circ} 53' 46''$ W. crossing through Section 13, a distance of 3,732 feet more or less to a point, said point being approximately 1,600 feet east and 150 feet south of the northeast corner of Section 24, Township 21 North, Range 20 East, M.D.B.&M., Washoe County, Nevada; thence S. $82^{\circ} 55' 17''$ W., a distance of 3,195 feet more or less to a point; thence S. $62^{\circ} 55' 38''$ W., a distance of 4,400 feet more or less to a point; thence S. $75^{\circ} 11' 46''$ W. crossing through Section 23, a distance of 1,977 feet more or less to a point, said point being approximately 50 feet east and 2,175 feet north of the southeast corner of Section 22, Township 20 North, Range 21 East, M.D.B.&M., Washoe County, Nevada; thence S. $66^{\circ} 21' 09''$ W., a distance of 1,298 feet more or less to a point; thence S. $50^{\circ} 22' 52''$ W. crossing through Section 27, a distance of 7,093 feet more or less to a point; thence S. $55^{\circ} 55' 40''$ W., a distance of 2,760 feet more or less to a point; thence N. $89^{\circ} 42' 49''$ W., a distance of 1,132 feet more or less to a point, said point being approximately 670 feet north and 390 feet east of the southwest corner

of Section 28, Township 20 North, Range 21 East, M.D.B.&M., Washoe County, Nevada; thence S. $54^{\circ} 46' 18''$ W., a distance of 3,186 feet more or less to a point; thence N. $63^{\circ} 12' 22''$ W., a distance of 2,085 feet more or less to a point, said point being approximately 250 feet south and 1,160 feet east of the northwest corner of Section 32, Township 20 North, Range 21 East, M.D.B.&M., Washoe County, Nevada; thence S. $88^{\circ} 28' 27''$ W., a distance of 4,697 feet more or less to a point, said point being approximately 480 feet south and 840 feet east of the northwest corner of Section 31, Township 21 North, Range 20 East, M.D.B.&M., Washoe County, Nevada; thence N. $87^{\circ} 02' 50''$ W., a distance of 2,734 feet more or less to a point, said point being approximately 1,932 feet west of the southeast corner of Section 25, Township 20 North, Range 20 East, M.D.B.&M., Washoe County, Nevada; thence N. $73^{\circ} 19' 35''$ W., a distance of 4,122 feet more or less to a point; thence S. $67^{\circ} 02' 02''$ W., a distance of 1,386 feet more or less to a point; thence S. $87^{\circ} 18' 28''$ W., a distance of 906 feet more or less to a point; thence N. $60^{\circ} 42' 23''$ W., a distance of 1,985 feet more or less to a point, said point being approximately 1,630 feet north and 720 feet east of the southwest corner of Section 26, Township 20 North, Range 20 East, M.D.B.&M., Washoe County, Nevada; thence N. $71^{\circ} 58' 06''$ W., a distance of 2,353 feet more or less to a point, said point being approximately 2,350 feet north and 1,520 feet east of the southeast corner of Section 27, Township 20 North, Range 20 East, M.D.B.&M., Washoe County, Nevada; thence S. $82^{\circ} 14'$ W., a distance of 505 feet more or less to a point; thence N. $73^{\circ} 01'$ W., a distance of 640 feet more or less to a point; thence N. $89^{\circ} 20'$ W., a distance of 132 feet more or less, to a point; thence S. $70^{\circ} 35'$ W., a distance of 74 feet, more or less, to a point; thence N. $89^{\circ} 28'$ W., a distance of 2,222 feet, more or less, to a point, said point being approximately 2,375 feet north and 180 feet east of the southwest corner of Section 27, Township 20 North, Range 20 East, M.D.B.&M., Washoe County, Nevada; thence N. $62^{\circ} 15'$ W., a distance of 497 feet more or less to a point, said point being approximately 2,600 feet north and 270 feet west of the southeast corner of Section 28, Township 20 North, Range 20 East, M.D.B.&M., Washoe County, Nevada; thence N. $89^{\circ} 09'$ W., a distance of 801 feet more or less to a point; thence N. $60^{\circ} 33'$ W., a distance of 185 feet more or less to a point; thence N. $88^{\circ} 23'$ W., a distance of 737 feet more or less to a point; thence N. $88^{\circ} 38'$ W., a distance of 3,237 feet more or less to a point, said point being approximately 2,688 feet north and 111 feet east of the southwest corner of Section 28, Township 20 North, Range 20 East, M.D.B.&M., Washoe County, Nevada; thence N. $86^{\circ} 59'$ W., a distance of 1,085 feet more or less to a point; thence N. $80^{\circ} 17'$ W., a distance of 460

feet more or less to a point; thence N. 84° 04' W., a distance of 1,458 feet more or less to a point, said point being approximately 2,320 feet south and 2,370 feet east of the northwest corner of Section 29, Township 20 North, Range 20 East, M.D.B.&M., Washoe County, Nevada; thence S. 72° 53' W., a distance of 1,218 feet more or less to a point; thence S. 63° 09' W., a distance of 2,911 feet more or less to a point, said point being approximately 1,250 feet north and 1,375 feet west of the southeast corner of Section 30, Township 20 North, Range 20 East, M.D.B.&M., Washoe County, Nevada; thence a 33 foot in width right-of-way N. 86° 12' W., a distance of 1,117 feet more or less to a point; thence a 50 foot in width right-of-way N. 62° 25' W., a distance of 104 feet more or less to a point, thence N. 89° 39' W., a distance of 2,689 feet more or less to a point; thence S. 54° 02' W., a distance of 117 feet more or less to a point, said point being on the east line and approximately 1,310 feet north of the southeast corner of Section 25, Township 20 North, Range 19 East, M.D.B.&M., Washoe County, Nevada; thence N. 88° 20' W., a distance of 1,189 feet more or less to a point; thence S. 48° 39' W., a distance of 1,953 feet more or less to a point on the south line of said Section 25 and 100 feet west of the south $\frac{1}{4}$ corner; thence a 30 foot in width right-of-way S. 47° 18' W., a distance of 1,623.78 feet more or less to a point on the Sierra Pacific Power Company's property line; thence a 50 foot in width right-of-way S. 47° 18' W., a distance of 324.08 feet more or less to a point; thence S. 41° 38' W., a distance of 328 feet more or less to a point; thence S. 08° 26' W., a distance of 100 feet more or less to a point; thence S. 23° 56' E., a distance of 90 feet more or less to a point, said point being the location of Nevada Northern's Sierra Pacific Power Company's Metering Station and the terminus of the pipeline, a total length of 252.15 miles, more or less.

EAST SIDE LINE

A transmission line, beginning at a point of connection with Southwest Gas Corporation's 12 $\frac{3}{4}$ " O.D. Blue Diamond line in the southeast quarter of the southeast quarter of Section 28, Township 21 South, Range 62 East, M.D.B.&M., Clark County, Nevada, thence running in a northerly direction crossing Sections 28, 27, 21, 22, 15, 16 and 10 of said township and range to the west quarter corner of said Section 10, continuing thence in an easterly direction for a distance of 3,850 feet, more or less, continuing thence in a northerly direction for a distance of 2,714 feet, more or less, to a point on the north line of said Section 10, continuing, thence in a northerly direction through Section 2, said township and range, for a distance of 1,323 feet, more

or less, continuing thence in an easterly direction for a distance of 1,319 feet, more or less, to a point 20 feet east of the westerly line of Section 1, said township and range, continuing thence in a northerly direction for a distance of 4,038 feet to the northwest corner of said Section 1, continuing thence easterly along the north line of said Section 1 for a distance of 1,012 feet, more or less, to the southwest corner of Section 35, Township 20 South, Range 62 East, M.D.B.&M., Clark County, Nevada, continuing thence in a northerly direction through Sections 35, 26 and 23, said township and range, to the southwest corner of Section 14, said township and range, continuing thence in an easterly direction to the south quarter corner of said Section 14, continuing thence in a northerly direction to the center of said Section 14, continuing thence in an easterly direction to the east quarter corner of said Section 14, continuing thence in a northerly direction through said Section 14 and Section 11, said township and range, to the quarter corner common to said Section 11 and Section 12, said township and range, continuing thence in a northerly direction through said Section 12 and Section 1, said township and range, to the southwest corner of Section 36, Township 19 South, Range 62 East, M.D.B.&M., Clark County, Nevada, continuing thence in a northerly direction through said Section 36 and Section 25, said township and range, to a point 1,047 feet north of the southwest corner of said Section 25, continuing thence in a northwesterly direction for a distance of 469 feet, more or less, to the point of beginning of a curve to the west of $81^{\circ} 29'$ on a radius of 636 feet, continuing thence around said curve for a distance of 907 feet to a point on the Southwest Gas Corporation's existing Apex lateral, a total length of 77,823 feet or 14.74 miles, more or less.

WEST SIDE LINE

A transmission line, beginning at a point of connection with Southwest Gas Corporation's existing Blue Diamond lateral at the northwest corner of Section 5, Township 22 South, Range 60 East, M.D.B.&M., Clark County, Nevada, thence running in a northerly direction through Sections 32, 29, 20, 17 and 8, Township 21 South, Range 60 East, M.D.B.&M., Clark County, Nevada, to the quarter corner common to Sections 8 and 9, said township and range, continuing thence in a northerly direction through Sections 9 and 4, said township and range, to the southwest corner of Section 33, Township 20 South, Range 60 East, M.D.B.&M., Clark County, Nevada, continuing thence in a northerly direction through Sections 33 and 28, said township and range, to the northwest corner of said Section 28, continuing thence in an easterly direction to the northwest corner of Section 27, said township

and range, continuing thence in a northerly direction through Sections 22 and 15, said township and range, to the northwest corner of said Section 15, a total length of 58,588 feet or 11.10 miles, more or less.

FERNLEY LATERAL

A lateral pipeline, beginning at a point of connection with Southwest Gas Corporation's Carson City lateral in the southwest quarter of Section 22, Township 20 North, Range 24 East, M.D.B.&M., Lyon County, Nevada, said point being approximately 220 feet north and 1,500 feet east of the southwest corner of said Section 22, running thence in a northeasterly direction a distance of 17,635 feet, more or less, crossing Sections 22, 23, 14, and 11, said township and range, to the terminus of the pipeline at a point in the southeast quarter of said Section 11, said point being approximately 450 feet north and 865 feet west of the southeast corner of said Section 11, a total length of 17,635 feet, more or less.

All those certain pipe lines for the transportation and supply of natural gas owned by and/or to be acquired or constructed by or in behalf of the Company, and all real estate and rights of way acquired or to be acquired by the Company pertaining to such pipe lines or used or useful or to be used or useful in the operation thereof, as follows:

12 $\frac{3}{4}$ " - 16" TRANSMISSION LOOP LINE

A main pipe line, beginning at the terminus of the 16" and 12 $\frac{3}{4}$ " loop pipe line, said terminus being a point of connection with the Southwest Gas Corporation's existing Blue Diamond line, said point being the north $\frac{1}{4}$ corner of Section 6, Township 22 South, Range 62 East, M.D.B.&M., Clark County, Nevada; thence running in an easterly direction to the northeast corner of said Section 6, thence in a southerly direction to the southeast corner of said Section 6, thence in a southeast and easterly direction crossing Sections 8, 9, 16, 15, 14, 13 and 24 of said township and range to a point on the west line of Section 19, Township 22 South, Range 63 East, M.D.B.&M., continuing thence in a southerly direction crossing Sections 19, 30 and 31 of said township and range to a point on the north line of Section 6, Township 23 South, Range 63 East, M.D.B.&M., continuing thence in a southerly direction crossing Sections 6, 5, 8, 17, 20, 19, 30 and 31 of said township and range to a point on the north line of Section 6, Township 24 South, Range 63 East, M.D.B.&M., continuing thence in a southerly direction crossing Sections 6, 7, 18, 19, 30, 29 and 32 of said township and range to a point on the north line of Section 5, Township 25 South, Range 63 East, M.D.B.&M.,

continuing thence in a southerly direction crossing Sections 5, 8, 17, 20, 29 and 32 of said township and range to a point on the north line of Section 5, Township 26 South, Range 63 East, M.D.B.&M., continuing thence in a southerly direction in Section 5 to a point of connection with Southwest Gas Corporation's existing 10 $\frac{3}{4}$ " O.D. pipeline in said Section 5, continuing thence in a southerly direction parallel to said 10 $\frac{3}{4}$ " O.D. main line crossing Sections 5, 8, 17, 20, 29, 28 and 33 of said township and range to a point on the north line of Section 4, Township 27 South, Range 63 East, M.D.B.&M., continuing thence in southerly direction parallel to said existing 10 $\frac{3}{4}$ " main line crossing Sections 4, 3, 10, 15, 22, 27 and 34 of said township and range to a point on the north line of Section 3, Township 28 South, Range 63 East, M.D.B.&M., continuing thence in a southerly direction crossing Sections 3, 10, 15, 22, 27, 28, 33 and 34 of said township and range to a point on the north line of Section 3, Township 29 South, Range 63 East, M.D.B.&M., continuing thence in a southerly direction crossing Sections 3, 10, 11 and 14 of said township and range to a point in Section 14 whence said loop line leaves the existing 10 $\frac{3}{4}$ " O.D. main line, continuing thence in a southeasterly direction crossing Sections 14, 13, 24, 25, and 36 of said township and range to a point on the west line of Section 31, Township 29 South, Range 64 East, M.D.B.&M., continuing thence in a southeasterly direction across said Section 31 to a point on the north line of Section 6, Township 30 South, Range 64 East, M.D.B.& M., continuing thence in a southeasterly direction crossing Sections 6, 7, 18, 17, 20, 29, 28 and 33 of said township and range to a point on the north line of Section 4, Township 31 South, Range 64 East, M.D.B.&M., continuing thence in a southeasterly direction crossing Sections 4, 9, 10, 15, 22, 23, 26 and 35 of said township and range to a point on the north line of Section 2, Township 32 South, Range 64 East, M.D.B.&M., continuing thence in a southeasterly direction crossing Sections 2, 1, 12, 13 and 24 of said township and range to a point on the west line of Section 19, Township 32 South, Range 65 East, M.D.B.&M., continuing thence in a southeasterly direction crossing Sections 19, 30, 32 and 33 of said township and range to a point on the north line of Section 4, Township 33 South, Range 65 East, M.D.B.&M., continuing thence in a southeasterly and easterly direction crossing Sections 4, 3, 2 and 1 of said township and range to a point on the west line of Section 6, Township 33 South, Range 66 East, M.D.B.&M., continuing thence in a southeasterly and northeasterly direction crossing Sections 6, 7, 8, 5 and 4 of said township and range to a point on the Nevada-Arizona state boundary, said point being the terminus of the pipeline, a total length of 80.7 miles, more or less.

SPARKS PROPERTY

A parcel of land located in Section 27, Township 20 North, Range 20 East, M.D.B.&M., Washoe County, Nevada, more particularly described as follows:

Beginning at the center of said Section 27, said point being the true point of beginning; thence south $1^{\circ} 56'$ west a distance of 258.15 feet to a point; thence west 168.70 feet to a point; thence north $1^{\circ} 56'$ east a distance of 258.15 feet to a point; thence east a distance of 168.70 feet to the true point of beginning, and containing 1.0 acres, more or less.

STATE PRISON LATERAL

A lateral pipeline, beginning at a point of connection with Southwest Gas Corporation's Carson City Lateral in the northeast quarter of Section 21, Township 15 North, Range 20 East, M.D.B.&M., Ormsby County, Nevada, said point being approximately 360 feet south and 500 feet west of the northeast corner of said Section 21, running thence in a northwesterly direction a distance of 1,610 feet, more or less, crossing Sections 21 and 16, said township and range, to the terminus of the pipeline in the southeast quarter of said Section 16, said point being approximately 850 feet north and 965 feet west of the southeast corner of said Section 16, a total length of 1,610 feet, more or less.

STEWART INDIAN SCHOOL LATERAL

A lateral pipeline, beginning at a point of connection with Southwest Gas Corporation's Carson City Lateral in the southeast quarter of Section 33, Township 15 North, Range 20 East, M.D.B. & M., Ormsby County, Nevada, said point being approximately 5 feet north and 1,692 feet east of the southwest corner of said Section 33, running thence in a westerly and northwesterly direction a distance of 2,798 feet, more or less, crossing Sections 33 and 32, said township and range, to the terminus of the pipeline at a point in the southeast quarter of said Section 32, said point being approximately 410 feet north and 1,005 feet west of the southeast corner of said Section 32, a total length of 2,798 feet, more or less.

TRACY STEAM PLANT LATERAL

A lateral pipeline, beginning at a point of connection with Southwest Gas Corporation's Idaho Border-Reno $12\frac{3}{4}$ "-16" pipeline in the southwest quarter of Section 22, Township 20 North, Range 22 East, M.D.B.&M.,

Washoe County, Nevada, said point being approximately 1,750 feet north and 170 feet east of the southwest corner of said Section 22, running thence in a southwesterly direction a distance of 8,064 feet, more or less, crossing Sections 22, 27, 28, and 33, said township and range, to the terminus of the pipeline in the northeast quarter of said Section 33, said point being approximately 360 feet south and 2,210 feet west of the northeast corner of said Section 33, a total length of 8,064 feet, more or less.

CARSON CITY LATERAL

A lateral transmission pipeline, beginning at a point of connection with the Southwest Gas Corporation's Idaho Border-Reno 12 $\frac{3}{4}$ "-16" mainline in the southwest quarter of Section 1, Township 20 North, Range 23 East, M.D.B.& M., Washoe County, Nevada, said point being approximately 1,850 feet north and 1,600 feet east of the southwest corner of said Section 1, thence running southeasterly a distance of 4,372 feet, more or less, crossing Sections 1 and 12, said township and range, to a point on the west line of Section 7, Township 20 North, Range 24 East, M.D.B.&M., Washoe County, Nevada, said point being 683 feet south of the northwest corner of said Section 7, continuing thence southeasterly a distance of 37,666 feet, more or less, crossing Sections 7, 8, 17, 16, 21, 22, 27, 26, and 35, said township and range, to a point on the north line of Section 1, Township 19 North, Range 24 East, M.D.B.&M., Lyon County, Nevada, said point being 435 feet east of the northwest corner of said Section 1, continuing thence southeasterly a distance of 14,111 feet, more or less, crossing Sections 1, 12, and 13, said township and range, to a point on the west line of Section 18, Township 19 North, Range 25 East, M.D.B.&M., Lyon County, Nevada, said point being 1,534 feet south of the northwest corner of said Section 18, continuing thence in a southerly direction a distance of 19,633 feet, more or less, crossing Sections 18, 19, 30, and 31 of said township and range to a point on the north line of Section 6, Township 18 North, Range 25 East, M.D.B.&M., Lyon County, Nevada, said point being 1,317 feet east of the northwest corner of said Section 6, continuing thence in a southerly direction a distance of 10,476 feet, more or less, crossing Sections 6 and 7, said township and range, to a point on the east line of Section 12, Township 18 North, Range 24 East, M.D.B.&M., Lyon County, Nevada, said point being 141 feet north of the southeast corner of said Section 12, continuing thence in a southwesterly and southeasterly direction a distance of 3,386 feet, more or less, crossing Sections 12 and 13, said township and range, to a point on the west line of Section 18, Township 18 North, Range 25 East, M.D.B.&M., Lyon County,

Nevada, said point being 2,619 feet south of the northwest corner of said Section 18, continuing thence in a southerly direction a distance of 4,179 feet, more or less, crossing Sections 18 and 19, said township and range, to a point on the east line of Section 24, Township 18 North, Range 24 East, M.D.B.&M., Lyon County, Nevada, said point being 1,480 feet south of the northwest corner of said Section 24, continuing thence in a southwesterly direction a distance of 33,255 feet, more or less, crossing Sections 24, 23, 26, 27, 28, 33, 32, and 31, said township and range, to a point on the north line of Section 6, Township 17 North, Range 24 East, M.D.B.&M., Lyon County, Nevada, said point being 1,560 feet east of the northwest corner of said Section 6, continuing thence in a southwesterly direction a distance of 1,700 feet, more or less, across said Section 6 to a point on the east line of Section 1, Township 17 North, Range 23 East, M.D.B.&M., Lyon County, Nevada, said point being 780 feet south of the northeast corner of said Section 1, continuing thence in a southwesterly direction a distance of 34,895 feet, more or less, crossing Sections 1, 2, 11, 10, 9, 8, 17, and 18, said township and range, to a point on the east line of Section 13, Township 17 North, Range 22 East, M.D.B.&M., Lyon County, Nevada, said point being 500 feet north of the southeast corner of said Section 13, continuing thence in a southwesterly direction a distance of 30,005 feet, more or less, crossing Sections 13, 24, 23, 22, 27, 28, 33 and 32, said township and range, to a point on the north line of Section 5, Township 16 North, Range 22 East, M.D.B.&M., Lyon County, Nevada, said point being 1,500 feet east of the northwest corner of said Section 5, continuing thence in a southwesterly direction a distance of 8,084 feet, more or less, crossing Sections 5 and 6, said township and range, to a point on the east line of Section 1, Township 16 North, Range 21 East, M.D.B.&M., Lyon County, Nevada, said point being 120 feet north of the southeast corner of said Section 1, continuing thence in a southwesterly direction a distance of 40,185 feet, more or less, crossing Sections 1, 12, 11, 14, 15, 22, 21, 28, 29, 30 and 31, said township and range, to a point on the east line of Section 36, Township 16 North, Range 20 East, M.D.B.&M., Lyon County, Nevada, said point being 1,350 feet south of the northeast corner of said Section 36, continuing thence in a southwesterly direction a distance of 5,160 feet, more or less, crossing said Section 36 to a point on the north line of Section 1, Township 15 North, Range 20 East, M.D.B.&M., Ormsby County, Nevada, said point being 2,170 feet east of the northwest corner of said Section 1, continuing thence in a southwesterly direction a distance of 39,692 feet, more or less, crossing Sections 1, 2, 11, 10, 15, 22, 21, 28 and 33, said township and range, to a point on the north line of Section 4, Township

14 North, Range 20 East, M.D.B.&M., Ormsby County, Nevada, said point being 963 feet west of the north quarter corner of Section 4, continuing thence southerly and westerly a distance of 3,474 feet across said Section 4 to the terminus of the pipeline at a point on the former east right of way line of the Virginia and Truckee Railroad, said point being approximately 2,500 feet south and 1,700 feet east of the northwest corner of said Section 4, a total length of 290,273 feet, more or less.

EAGLE-PICHER #1 LATERAL

A lateral pipeline, beginning at a point of connection with Southwest Gas Corporation's Tracy Steam Plant lateral in the southeast quarter of Section 28, Township 20 North, Range 22 East, M.D.B.&M., Washoe County, Nevada, said point being approximately 1,040 feet north and 1,120 feet west of the southeast corner of said Section 28, running thence in an easterly direction a distance of 10,229 feet, more or less, crossing Sections 28, 27, 26 and 35, said township and range, to the terminus of the pipeline at a point in the northeast quarter of said Section 35, said point being approximately 290 feet south and 3,020 feet east of the northwest corner of said Section 35, a total length of 10,229 feet, more or less.

EAGLE-PICHER #2 LATERAL

A lateral pipeline, beginning at a point of connection with Southwest Gas Corporation's 12 $\frac{3}{4}$ "-16" Idaho Border-Reno pipeline in the northwest quarter of Section 27, Township 28 North, Range 31 East, M.D.B.&M., Pershing County, Nevada, said point being approximately 3,500 feet north and 1,500 feet east of the southwest corner of said Section 27, running thence southeasterly and easterly a distance of 15,857 feet, more or less, crossing Sections 27, 34, 35, 26 and 25, said township and range, to a point on the west line of Section 30, Township 28 North, Range 32 East, M.D.B.&M., Pershing County, Nevada, said point being 17 feet north of the southwest corner of said Section 30, continuing thence in an easterly and southeasterly direction a distance of 14,668 feet, more or less, crossing Sections 30, 31, 29, 28 and 33, said township and range, to the terminus of the pipeline at a point adjacent to the Eagle-Picher #2 plant, said point being approximately 2,700 feet north and 2,050 feet east of the southwest corner of said Section 33, a total distance of 30,525 feet, more or less.

**16" LOOP LINE PARALLEL TO
EXISTING 12¾"-16" LOOP LINE**

A transmission line, beginning at a point of connection with Southwest Gas Corporation's existing 12¾"-16" loop line in the southeast quarter of the southeast quarter of Section 31, Township 23 South, Range 63 East, M.D.B.&M., Clark County, Nevada, thence running in a southerly direction parallel to said 12¾"-16" loop line across said Section 31 to a point on the north line of Section 6, Township 24 South, Range 63 East, M.D.B.&M., Clark County, Nevada, continuing thence in a southerly direction crossing Sections 6, 7, 18, 19, 29, 30 and 32 of said township and range to a point on the north line of Section 5, Township 25 South, Range 63 East, M.D.B.&M., Clark County, Nevada, continuing thence in a southerly direction crossing Sections 5, 8, 17, 20, 29 and 32 of said township and range to a point on the north line of Section 5, Township 26 South, Range 63 East, M.D.B.&M., Clark County, Nevada, continuing thence in a southerly direction crossing Sections 5, 8, 17, 20, 28, 29 and 33 of said township and range to a point on the north line of Section 4, Township 27 South, Range 63 East, M.D.B.&M., Clark County, Nevada, continuing thence in a southerly direction crossing Sections 4, 3, 10, 15, 22, 27 and 34 of said township and range to a point on the north line of Section 3, Township 28 South, Range 63 East, M.D.B.&M., Clark County, Nevada, continuing thence in a southerly direction to a point in said Section 3 whence said transmission line leaves the existing 12¾"-16" loop line, continuing thence in a southeasterly direction crossing Sections 3, 2, 11, 14, 23, 26 and 35 of said township and range to a point on the north line of Section 1, Township 29 South, Range 63 East, M.D.B.&M., Clark County, Nevada, continuing thence in a southerly direction crossing Sections 1, 12, and 13 of said township and range to a point in said Section 13 whence said transmission line again parallels the existing 12¾"-16" loop line, continuing thence in a southeasterly direction crossing Sections 13, 24, 25 and 36 of said township and range to a point on the west line of Section 31, Township 29 South, Range 64 East, M.D.B.&M., Clark County, Nevada, continuing thence in a southeasterly direction across said Section 31 to a point on the north line of Section 6, Township 30 South, Range 64 East, M.D.B.&M., Clark County, Nevada, continuing thence in a southeasterly direction crossing Sections 6, 7, 8, 17, 20, 29, 28 and 33 of said township and range to a point on the north line of Section 4, Township 31 South, Range 64 East, M.D.B.&M., Clark County, Nevada, continuing thence in a southeasterly direction crossing Sections 4, 9, 10, 15, 22, 23, 26 and 35 of said township and range to a point on the north line of Section 2, Township 32 South,

Range 64 East, M.D.B.&M., Clark County, Nevada, continuing thence in a southeasterly direction crossing Sections 2, 1, 12, 13 and 24 of said township and range to a point on the west line of Section 19, Township 32 South, Range 65 East, M.D.B.&M., Clark County, Nevada, continuing thence in a southeasterly direction crossing Sections 19, 30, 32 and 33 of said township and range to a point on the north line of Section 4, Township 33 South, Range 65 East, M.D.B.&M., Clark County, Nevada, continuing thence in a southeasterly and easterly direction crossing Sections 4, 3, 2 and 1 to a point in the southwest quarter of said Section 1 whence said transmission line connects to the existing $12\frac{3}{4}$ "-16" loop line a total distance of 321,369 feet or 60.86 miles, more or less.

**10 $\frac{3}{4}$ " TRANSMISSION LINE
(State Highway 77 to Whitney)**

A main pipeline, beginning at a point of connection with Southwest Gas Corporation's existing $12\frac{3}{4}$ "-16" loop line in the northwest quarter of Section 12, Township 32 South, Range 64 East, said point being approximately 1,830 feet east and 1,900 feet south of the northwest corner of said Section 12, running thence northwesterly a distance of 19,355 feet, more or less, to Nevada State Highway 77 across Sections 12, 11, 2, 3, 4 and 5, said township and range, to a point in said Section 5, said point being approximately 750 feet west and 900 feet south of the northeast corner of said Section 5, thence in a northerly direction and parallel to the west right of way line of U.S. Highway No. 95 a distance of 86,935 feet, more or less, to a point approximately 1,750' west and 250' south of the northeast corner of Section 14, Township 29 South, Range 63 East, M.D.B.&M., thence northwesterly a distance of 9,350' more or less to a point approximately 2,350' west and 1,700' north of the southeast corner of Section 3, Township 29 South, Range 63 East, M.D.B.&M., thence northwesterly 6,400' more or less to a point approximately 780' west and 2,200' north of the southeast corner of Section 33, Township 28 South, Range 63 East, M.D.B.&M., thence northerly and parallel to the Needles Power Line a distance of 4,700' more or less to a point approximately 1,500' north and 325' west of the southeast corner of Section 28, Township 28 South, Range 63 East, M.D.B.&M., thence northerly a distance of 1,170' more or less to a point approximately 2,640' north and 140' east of the southwest corner of Section 27, Township 28 South, Range 63 East, M.D.B.&M., thence northerly a distance of 4,700' more or less to a point approximately 525' east and 2,000' north of the southwest corner of Section 22, Township 28 South, Range 63 East, M.D.B.&M., thence northeasterly a

distance of 2,700' more or less to a point approximately 2,200' east and 1,180' south of the northwest corner of Section 22, Township 28 South, Range 63 East, M.D.B.&M., thence northerly a distance of 398' more or less to a point approximately 2,350' east and 820' south of the northwest corner of said Section 22, Township 28 South, Range 63 East, M.D.B.&M., thence northwesterly a distance of 620' more or less to a point approximately 1,950' east and 350' south of the northwest corner of Section 22, Township 28 South, Range 63 East, M.D.B.&M., thence northwesterly 620' more or less to a point approximately 350' south, 1,950' east of the northwest corner of Section 22, Township 28 South, Range 63 East, M.D.B.&M., thence northerly 1,510' more or less to a point approximately 2,400' east and approximately 1,200' north of the southwest corner of Section 15, Township 28 South, Range 63 East, M.D.B.&M., thence northerly a distance of 8,800' more or less to a point approximately 800' west and 800' south of the northeast corner of Section 10, Township 28 South, Range 63 East, M.D.B.&M., thence northeasterly a distance of 8,330' more or less to a point 190' west of the center line of U.S. Highway No. 95, said point being approximately 2,250' east and approximately 1,200' north of the southwest corner of Section 35, Township 27 South, Range 63 East, M.D.B.&M., thence northerly a distance of approximately 190' west and parallel to the center line of U.S. Highway No. 95, a distance of 18,350' more or less to a point approximately 170' south and 850' east of the northwest corner of Section 14, Township 27 South, Range 63 East, M.D.B.&M., thence continuing northerly and parallel to U.S. Highway No. 95 a distance of 28,800' more or less to a point approximately 2,640' north and 1,850' west of the southeast corner of Section 20, Township 26 South, Range 63 East, M.D.B.&M., thence continuing parallel to U.S. Highway No. 95 northerly a distance of 29,300' more or less to a point 190' west and 1,900' south of the northeast corner of Section 14, Township 23 South, Range 63 East, M.D.B.&M., thence northerly a distance of 8,000' more or less to a point approximately 1,850' west and 850' north of the southeast corner of Section 2, Township 23 South, Range 63 East, M.D.B.&M., thence northwesterly a distance of 57,600' more or less to a point approximately 2,250' east and 1,300' north of the southwest corner of Section 27, Township 21 South, Range 62 East, M.D.B.&M., said point being the east city limits of Whitney, Nevada.

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 northwesterly 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 northeasterly 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-31½-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-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; continuing 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.

NORTH TAHOE LATERAL

Beginning at a point on the Southwest Gas Corporation's Carson City Lateral line in the SW $\frac{1}{4}$ of Sec. 2, T-15-N, R-20-E, M.D.B.&M., Ormsby County, Nevada; thence in a westerly direction to a point in said Sec 2; thence in a northerly direction to a point on the north line of said Sec. 2; thence in a northwesterly direction through Sec's. 35 & 34, T-16-N, R-20-E, to a point on the west line of said Sec. 34; thence in a westerly direction to a point in the NW $\frac{1}{4}$ of Sec. 33; thence in a northerly direction to a point in the SW $\frac{1}{4}$ of Sec. 28; thence in a westerly direction to a point on the west line of Sec. 29; thence in a northwesterly direction through Sec's. 30, 25 & 26, T-16-N, R-19-E, Washoe County, Nevada, to a point in the NE $\frac{1}{4}$ of said Sec. 26; thence northerly to a point in the NE $\frac{1}{4}$ of Sec. 23; thence westerly to a point in the SW $\frac{1}{4}$ of Sec. 22; thence in a southerly direction to a point in the NE $\frac{1}{4}$ of Sec. 28; thence in a westerly direction to a point in the NW $\frac{1}{4}$ of

said Sec. 28; thence in a southwesterly direction through Sec's 29 & 32 to a point on the west line of Sec. 32; thence northwesterly through Sec's. 31 & 30 of said township & range; thence through Sec's. 25 & 26, T-16-N, R-18-E, to a point in the NE $\frac{1}{4}$ of said Sec. 26; thence in a southeasterly direction to a point in the NW $\frac{1}{4}$ of said Sec. 26; thence in a northerly direction to a point in the NE $\frac{1}{4}$ of Sec. 23; thence in a northwesterly direction through Sec's. 22, 16 & 17 to a point on the west line of Sec. 17; then in a westerly direction to a point in the SE $\frac{1}{4}$ of Sec. 18; thence southerly to a point in the NE $\frac{1}{4}$ of Sec. 19; thence westerly to a point in the SW $\frac{1}{4}$ of Sec. 12, T-16-N, R-17-E, S.B.B.&M., Placer County, California; thence southwesterly to a point in the NE $\frac{1}{4}$ of Sec. 13; thence westerly to a point in the NW $\frac{1}{4}$ of Sec. 14; thence southwesterly through Sec's. 15, 18, 21, 28, 33 & 32, of said township & range; thence continuing through Sec's. 5, 6 & 7, T-15-N, R-17-E, to a point in the NW $\frac{1}{4}$ of said Sec. 7; thence southerly to a point in the NW $\frac{1}{4}$ of Sec. 18; thence southwesterly through Sec. 13 of said township & range, and 24 of T-15-N, R-16-E to a point on the south line of said Sec. 24; thence southerly through Sec's. 25 & 36 to a point on the south line of Sec. 36 of said township & range; thence southeasterly through Sec's. 1 & 12 of T-14-N, R-16-E, & Sec's 7 & 8 of T-14-N, R-17-E, to an end point in the SW $\frac{1}{4}$ of said Sec. 8, T-14-N, R-17-E, S.B.B.&M., Placer County, California.

FORT CHURCHILL LATERAL

Beginning at a point on the Southwest Gas Corporation's Carson City Lateral line in the NW $\frac{1}{4}$ of Sec. 19, T-18-N, R-25-E, M.D.M., Lyon County, Nevada; thence in a southerly direction along the westerly line of Sections 19 and 30 to a point on the westerly line of said Sec. 30; thence continuing in a southerly direction along the easterly lines of Sections 25 and 36, T-18-N, R-24-E, to a point on the easterly line of said Sec. 36; thence easterly to a point in Sec. 31, T-18-N, R-25-E to a point; thence southwesterly to a point on the westerly line of said Sec. 31; thence continuing in a southwesterly direction in Sec. 36, T-18-N, R-24-E, to a point on the northerly line of Sec. 1, T-17-N, R-24-E; thence easterly along the northerly line of Sec. 1, to a point near the easterly line of said Sec. 1; thence southerly along the easterly lines of Sections 1, 12, 13, 24, 25 and 36, T-17-N, R-24-E, to a point on the southerly line of said Sec. 36; thence southerly along the easterly line of Sec. 1, T-16-N, R-24-E, to a point on the easterly line of said Sec. 1; thence continuing in a southeasterly direction along the westerly line of Sec. 6, T-16-N, R-25-E, to a point on the southerly line of said Sec. 6; thence in a southerly direction along the westerly line of Sec. 7, T-16-N, R-25-E, to a point on the westerly

line of said Sec. 7; thence southwesterly through the E $\frac{1}{2}$ of Sec. 12, T-16-N, R-24-E, to a point on the southerly line of said Sec. 12; thence continuing in a southeasterly direction through the E $\frac{1}{2}$ of Sections 13 and 24 to a point on the easterly line of said Sec. 24; thence continuing in a southeasterly direction through Sections 19, 30 and 31, T-16-N, R-25-E, to a point on the southerly line of said Sec. 31; thence southeasterly through Sections 5, 8, 17, 16 and 21, T-15-N, R-25-E, to a point on the easterly line of said Sec. 21; thence easterly and southeasterly through Sections 22, 27, 26 and 25, T-15-N, R-25-E, M.D.M., terminating in the S $\frac{1}{2}$ S $\frac{1}{2}$ of said Sec. 25, Lyon County, Nevada.

CLARK — ELDORADO LOOP LINE

Beginning at a point of the existing meter and regulating station site of the Nevada Power Company's Clark Steam Plant located in a portion of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 28, T-21-S, R-62-E, M.D.M., Clark County, Nevada; thence easterly to a point on the easterly line of said Sec. 28; thence southerly along said easterly line to a point on the southerly line of said Sec. 28; thence continuing in a southerly direction along the easterly line of Sec. 33, T-21-S, R-62-E, M.D.M., to a point on the south line of said Sec. 33; thence continuing southerly along the easterly line of Sections 4 and 9, T-22-S, R-62-E, M.D.M., to a point on the easterly line of said Sec. 9; thence across Sections 10 and 11, T-22-S, R-62-E, to a point on the westerly line of said Sec. 11; thence southerly along the westerly lines of Sections 11 and 14 to a point; thence easterly across said Sec. 14 to a point; thence southeasterly across said Sec. 14 to a point on the easterly line of said Sec. 14; thence continuing in a southeasterly direction across Sections 13 and 24 to a point on the easterly line of said Sec. 24; thence continuing southeasterly across Sections 19, 30 and 31, T-22-S, R-63-E, M.D.M., to a point on the south line of said Sec. 31; thence continuing in a southeasterly direction across Sections 6, 5 and 8, T-23-S, R-63-E, M.D.M., to a point in said Sec. 8; thence in a southwesterly direction across portions of Sections 8, 17, 20, 19, 30 and 31, T-23-S, R-63-E, M.D.M.; terminating said pipeline near the south line of said Sec. 31, Clark County, Nevada.

LOOP LINE NEAR COLORADO RIVER BRIDGE CROSSING

Beginning in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 1, T-33-S, R-65-E, M.D.M., Clark County, Nevada; thence in a southeasterly direction to a point on the east line of said Sec. 1; thence continuing in a southeasterly direction through portions of Sections 6, 7 and 8, T-33-S, R-66-E to a point in said Sec.

8; thence in a northeasterly direction, terminating said pipeline in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Sec. 8, T-33-S, R-66-E, M.D.M., Clark County, Nevada.

FORT MOHAVE STEAM GENERATING PLANT LATERAL

Beginning in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 8, T-33-S, R-66-E, M.D.M., Clark County, Nevada; thence northeasterly along the easterly right of way of the Clark County "Davis Dam-Needles Cut Off Road" across said Sec. 8 and Sec. 5, said township and range to a point on the north line of said Sec. 5; thence continuing in a northeasterly direction along the easterly side of said right of way across Sections 32, 29 and 28 to a point in said Sec. 28, said point being the intersection of the north one sixteenth (N $\frac{1}{16}$) line and the easterly right of way line of said "Davis Dam-Needles Cut Off Road;" thence easterly to a point on the east line of said Sec. 28; thence northeasterly across portions of Sections 27, 22, and 23, T-32-N, R-66-E, M.D.M., said pipeline terminating in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 23, Clark County, Nevada.

LOVELOCK COMPRESSOR SITE

That portion of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4, T-31-N, R-33-E, M.D.M., Pershing County, Nevada, described as follows:

Commencing at the Southwest corner of Section 33, T-32-N, R-33-E; thence South 40° 43' 29" East a distance of 2466.27 feet to the true point of beginning in said Section 4; thence North 62° 21' West a distance of 417.42 feet to a point; thence South 27° 39' West a distance of 417.42 feet to a point; thence South 62° 21' East a distance of 417.42 feet to a point; thence North 27° 39' East a distance of 417.42 feet to the true point of beginning, said parcel containing 4 acres more or less.

WINNEMUCCA COMPRESSOR SITE

That portion of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 34, T-39-N, R-38-E, M.D.M., Humboldt County, Nevada described as follows:

Commencing at the Southwest corner of said Section 34; thence North 88° 32' 54" East a distance of 3647.3 feet, more or less, to the true point of beginning; thence North 27° 21' East a distance of 208.71 feet to a point; thence North 62° 39' West a distance of 208.71 feet to a point; thence South 27° 21' West a distance of 208.71 feet to a point; thence South 62° 39' East a

distance of 208.71 feet to the true point of beginning, said parcel containing 1 acre more or less.

**FORT MOHAVE STEAM GENERATING PLANT
METERING AND REGULATING SITE NEAR
COLORADO RIVER BRIDGE CROSSING**

That portion of the Northeast Quarter of Section 8, Township 33 South, Range 66 East, M.D.M., Clark County, Nevada, described as follows:

Commencing at the Northeast corner of said Section 8; thence South $88^{\circ} 32' 06''$ West along the North line of said Section 8 a distance of 806.31 feet to the TRUE POINT OF BEGINNING; thence continuing South $88^{\circ} 32' 06''$ West along the North line of said Section 8 a distance of 340.69 feet to a point; thence from a tangent which bears South $20^{\circ} 58' 41''$ East turning to the right along a curve having a radius of 2075.00 feet and subtending a central angle of $5^{\circ} 45' 54''$ an arc length of 208.78 feet to a point; thence North $88^{\circ} 32' 06''$ East a distance of 277.13 feet; thence North $01^{\circ} 27' 54''$ West a distance of 200.00 feet to the TRUE POINT OF BEGINNING.

**BIG BEAR, CALIFORNIA METER
AND REGULATING STATION SITE**

All of that portion of the Northeast $\frac{1}{4}$ of Section 21, Township 2 North, Range 1 East, San Bernardino Base and Meridian, in the County of San Bernardino, State of California, described as follows:

COMMENCING at the North $\frac{1}{4}$ corner of Section 21, as shown on map recorded in Book 3, pages 123 and 124 of Records of Survey, records of said County; thence North $89^{\circ} 22' 30''$ West 7.68 feet along the North line of Section 21 to its intersection with the centerline of Big Bear Boulevard; thence South $17^{\circ} 32' 30''$ East 689.47 feet along the centerline of Big Bear Boulevard to its intersection with the centerline of Fox Farm Road, as shown on said map recorded in Book 3, pages 123 and 124 of Records of Survey; thence continuing South $17^{\circ} 32' 30''$ East 100.08 feet along the centerline of Big Bear Boulevard to the beginning of a tangent curve as shown on said Records of Survey as B. C. Station 28 + 36.8, said curve being concave to the West with a radius of 1432.40 feet, the said beginning of the tangent curve is also the True Point of Beginning; thence from the True Point of

BEGINNING Southerly along said curve 6.00 feet and through a central angle of $0^{\circ} 14' 24''$; thence South $72^{\circ} 27' 30''$ West 67.99 feet; thence North $17^{\circ} 32' 30''$ West 12.00 feet; thence North $72^{\circ} 27' 30''$ East 68.00 feet to a point in the centerline of said Big Bear Boulevard; thence South $17^{\circ} 32' 30''$ East 6.00 feet along the said centerline of Big Bear Boulevard to the True Point of Beginning.

EXCEPTING therefrom that portion lying within the existing right of way of said Big Bear Boulevard.

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 $65^{\circ} 43'$ 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 $21^{\circ} 08'$ 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 $38^{\circ} 20'$ East through said Section 19 and continuing through Section 30, T-32-S, R-65-E, a distance of 1,507.87 feet to a point, said point being on the quarter Section line, South $1^{\circ} 46'$ 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 distance from said Fort Mohave Indian Reservation northeast boundary a distance of 6,007.00 feet to the True Point of Beginning; thence continuing South 53° 51' 06" East a distance of 1,033.00 feet more or less to a point; thence South 74° 18' East a distance of 1,371.00 feet more or less to a point; thence South 38° 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 3,650.26 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 7,594.09 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 8,121.51 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.

12½" SANDHILL ROAD LATERAL

Beginning at a point 5 Feet East of the South Quarter Corner of Section 30, T-21-S, R-62-E, M.D.M., Clark County, Nevada and continuing in a northerly direction on Sandhill Road, East of and parallel to the North-South Quarter Section Line of said Section 30, a distance of approximately 5,300 Feet; thence continuing in a Northerly direction on Sandhill Road, 30 Feet East of and parallel to the North-South Quarter Section Line of Section 19, T-21-S, R-62-E a distance of approximately 2,715 Feet, thence in a northerly direction on Sandhill Road 30 Feet West of the centerline of said road a distance of approximately 2,833 Feet; thence continuing in a northerly direction on Sandhill Road 30 Feet West and parallel to the North-South Quarter Section Line of Section 18, T-21-S, R-62-E, a distance of 2,588 Feet; thence in a Northerly direction 7 Feet West of the North-South Quarter Section Line of said Section 18 a distance of approximately 2,638 Feet; thence continuing in a Northeasterly direction on Sandhill Road in Section 7, T-21-S, R-62-E, 30 Feet West of and parallel to the centerline of said road a distance of approximately 2,066 Feet to the intersection of Sandhill Road and U.S. Highway 93-95-466 (Boulder Highway); thence continuing in a Northwesterly direction on said U.S. Highway, 20 Feet East and parallel to the West Right-of-Way Line of said U.S. Highway, a distance of approximately 1,170 Feet; thence Northeasterly across said U.S. Highway a distance of 400 Feet to a point 25 Feet East of the North-South Quarter Section Line of said Section 7; thence continuing in a Northerly direction 25 Feet East of and parallel to the North-South Quarter Section Line of said Section 7 a distance of approximately 2,210 Feet; thence continuing in a Northerly direction on Sandhill Road, 30 Feet East of and parallel to the North-South Quarter Section Line of Section 6, T-21-S, R-61-E, a distance of approximately 5,261 Feet; thence continuing in a Northerly direction a distance of 25 Feet, thence Westerly on East Charleston Blvd., all in Section 31, T-20-S, R-62-E a distance of approximately 1,950 Feet to a point 20 Feet West and 40 Feet North of the Southwest Corner of said Section 36; said pipeline being approximately 29,156 Feet in length.

8⅝" O.D. SIMMONS STREET LATERAL

Beginning at the Center Quarter Corner of Section 5, T-20-S, R-61-E, M.D.M., Clark County, Nevada at a point 20 Feet North and 20 Feet East,

said point being the true point of beginning; continuing thence in a Southerly direction 20 Feet East and parallel to the North-South Quarter Section Line of said Section 5 a distance of 2,710.69 Feet; continuing thence in a Southerly direction 20 Feet East and parallel to the North-South Quarter Section Line of Section 8, T-20-S, R-61-E, a distance of 5,259.61 Feet; continuing thence in a Southerly direction 20 Feet East and parallel to the North-South Quarter Section Line of Section 17, T-20-S, R-61-E, a distance of 5,358.13 Feet; continuing thence in a Southerly direction 20 Feet East and parallel to the North-South Quarter Section Line of Section 20, T-20-S, R-61-E a distance of 5,245.36 Feet to a point 20 Feet East of the South Quarter Corner of said Section 20, said point being the true Point of Ending; said pipeline being 18,573.79 Feet in length.

6 $\frac{5}{8}$ " LUCERNE VALLEY LATERAL

Beginning at a point 1,350 Feet West and 19 Feet North of the Southeast Corner of Section 10, T-4-N, R-1-W, M.D.M., San Bernardino County, California, and continuing in an Easterly direction 19 Feet North and parallel to the South Section Line of Sections 11 and 12, T-4-N, R-1-W, thence in an Easterly Direction 19 Feet North and parallel to the South Section Line of Sections 7, 8, 9 and 10, T-4-N, R-1-E, to a point 100 Feet West and 19 Feet North of the Southeast Corner of Section 10, T-4-N, R-1-E, M.D.M., San Bernardino County, California, said pipeline being 33,156 Feet in length.

4 $\frac{1}{4}$ " ORACLE LATERAL

Beginning at a point 20 Feet South and 10 Feet East of the Northwest Corner of Section 36, T-9-S, R-15-E, G.&S.R.B.&M., Pinal County, Arizona, and continuing in a Northerly direction along the West Section Line of Sections 25, 24, 13, 12 and 1, all in T-9-S, R-15-E, G.&S.R.B.&M., Pinal County, Arizona, to a point 1,788 Feet North and 104 Feet West of the Southeast Corner of Section 35, T-8-S, R-15-E, G.&S.R.B.&M., Pinal County, Arizona, said pipeline being 28,257 Feet in length.

10 $\frac{3}{4}$ " O.D. CRAIG ROAD LATERAL

Beginning at the Southwest Corner of Section 10, T-20-S, R-60-E, M.D.M., Clark County, Nevada thence 10.0 Feet East of said Corner to true point of beginning; thence North 0° 13' East a distance of 5,416.35 Feet; thence North 0° 13' East in Section 3, T-20-S, R-60-E a distance of 1,354.93 Feet, continuing thence North 02° 04' East in said Section 3 a distance of

1,329.07 Feet; continuing thence in said Section 3 South $89^{\circ} 33'$ East a distance of 2,663.65 Feet, being 25 Feet South of East West Quarter Section Line of said Section 3; thence South $89^{\circ} 33'$ East in said Section 3 a distance of 2677.03 Feet, being 20 Feet South of East-West Quarterly Section Line of said Section 3; continuing thence South $83^{\circ} 50'$ East in Section 2, T-20-S, R-60-E a distance of 2786.97 Feet; thence South $36^{\circ} 26'$ East, parallel with U.S. Highway 95 a distance of 125 Feet; thence North $53^{\circ} 34'$ East a distance of 121 Feet; thence South $83^{\circ} 51'$ East in said Section 2 a distance of 1471.0 Feet; thence approximately South $88^{\circ} 20'$ East a distance of 536.18 Feet; continuing thence South $88^{\circ} 58'$ East in Section 1, T-20-S, R-60-E a distance of 5277.33 Feet, being 20 Feet North and parallel to the East West Quarter Section Line of said Section 1; continuing thence South $87^{\circ} 54'$ East in Section 6, T-20-S, R-61-E a distance of 5157.74 Feet, being 20 Feet North and parallel to East West Quarter Section Line of said Section 6; continuing thence South $89^{\circ} 35'$ East in Section 5, T-20-S, R-61-E a distance of 5219.98 Feet, being 20 Feet North and parallel to East-West Quarter Section Line of said Section 5; continuing thence North $89^{\circ} 57'$ East in Section 4, T-20-S, R-61-E a distance of 5334.82 Feet, being 20 Feet North and parallel to East-West Quarter Section Line of said Section 4; continuing thence North $89^{\circ} 42'$ East in Section 3, T-20-S, R-61-E a distance of 2691.00 Feet, being 30 Feet North and parallel to East-West Quarter Section Line of said Section 3; thence South $0^{\circ} 18'$ East a distance of 60 Feet in said Section 3; thence North $88^{\circ} 52'$ East a distance of 2812.04 Feet in said Section 3; continuing thence North $88^{\circ} 52'$ East in Section 2, T-20-S, R-61-E a distance of 5183.72 Feet; continuing thence North $89^{\circ} 24'$ East in Section 1, T-20-S, R-61-E a distance of 1087.24 Feet; thence North $0^{\circ} 36'$ West in said Section 1 a distance of 47 Feet; thence North $89^{\circ} 24'$ East in said Section 1 a distance of 1837.00 Feet; thence South $45^{\circ} 46'$ East in said Section 1 a distance of 100 Feet; thence North $89^{\circ} 08'$ East in said Section 1 a distance of 822 Feet; thence South $45^{\circ} 52'$ East in said Section 1 a distance of 600 Feet; thence North $54^{\circ} 25'$ East in said Section 1 a distance of 1,200 Feet, being 19' inside and parallel to the South East Fence and Right-of-Way Line of Interstate Highway Route 15; continuing thence North $0^{\circ} 12'$ East in Section 6, T-20-S, R-62-E a distance of 25 Feet; thence North $88^{\circ} 52'$ East in said Section 6 a distance of 200 Feet; thence North $43^{\circ} 51'$ East in said Section 6 a distance of 100 Feet; thence North $88^{\circ} 52'$ East in said Section 6 a distance of 2996.0'; thence North $88^{\circ} 10'$ East in said Section 6 a distance of 700 Feet; thence South $88^{\circ} 15'$ East in said Section 6 a distance of 713.0 Feet; thence North $88^{\circ} 52'$ East in said Section 6 a distance of 929.60 Feet; continuing thence North

88° 51' East in Section 5, T-20-S, R-62-E, a distance of 5270.71 Feet; continuing thence North 88° 52' East in Section 4, T-20-S, R-62-E a distance of 2323.63 Feet; continuing thence North 54° 11' East in said Section 4 a distance of 2949.68 Feet, parallel to and 15 Feet inside Northerly Right-of-Way of U.S. Highway 91; thence South 35° 49' East in said Section 4 a distance of 118.49 Feet to true point of ending.

10¾" O.D. CARSON CITY LATERAL LOOP

Beginning at a point on the east boundary line of Section 23, Township 17 North, Range 22 East, M.D.B.&M., Lyon County, Nevada, said point being ten feet southerly of the 10¾" O.D. Carson City Lateral located in the U.S. Highway No. 50; thence in a southwesterly direction crossing Sections 23, 22, 27, 28, 33 and 32, continuing thence in Township 16 North, Range 22 East, M.D.B.&M., crossing Sections 5 and 6, continuing thence in Township 16 North, Range 21 East, M.D.B.&M., crossing Sections 1 and 12 and at that point the pipeline leaves U.S. Highway No. 50 right-of-way, continuing thence crossing said Section 12 and 11, 14, 15, 22, 21 and 28, at that point the pipeline reenters U.S. Highway No. 50 right-of-way, continuing thence crossing Sections 29, 30 and 31, continuing thence in Township 16 North, Range 20 East, M.D.B.&M., crossing Section 36 and entering Carson City

County, continuing thence to a point in Section 36 said point being the ending; a total of 76,355.5 feet or 14.461 miles.

11,124	ft.
329	ft.
2,450	ft.
2,133	ft.
750.84	ft.
2,142.75	ft.
1,225.52	ft.
1,770.77	ft.
1,014.74	ft.
1,085.83	ft.
447.69	ft.
869.49	ft.
2,433.33	ft.
1,962.73	ft.
416.08	ft.
414.0	ft.
622.71	ft.
664.72	ft.
1,159.23	ft.
2,202.51	ft.
3,806.56	ft.
8,287.	ft.
<u>29,043.</u>	ft.
76,355.50	ft. = 14.461 miles

8 $\frac{5}{8}$ " O.D. CARSON CITY LATERAL LOOP

Beginning at a point in Section 15, Township 15 North, Range 20 East, M.D.B.&M., Carson City County, Nevada, said point being approximately 6 feet easterly of an existing 10 $\frac{3}{4}$ " O.D. Carson City Lateral Pipeline located in Edmonds Drive; thence in a southwesterly direction parallel to and approximately 6 feet easterly of the existing Carson City Lateral to a point of intersection with E. 5th Street, at that point the Carson City Lateral Loop changes from 10 $\frac{3}{4}$ " O.D. to 8 $\frac{5}{8}$ " O.D. and the Carson City Loop changes to

be 6 feet westerly of the Carson City Lateral, continuing thence in a southwesterly direction in Edmonds Drive crossing Sections 15, 22 and 21, continuing thence in a southerly direction crossing Sections 28 and 33 to a point; continuing thence in Township 14 North, Range 20 East, M.D.B.&M. crossing Section 4 where the line enters Douglas County, continuing thence in a westerly direction crossing Section 5 and a part of 6 where the pipeline enters U.S. Highway No. 395, continuing thence in a southerly direction crossing Sections 6, 7, 18, 19, 30 and 31, continuing thence in a southerly direction in Township 13 North, Range 20 East, M.D.B.&M. crossing Section 6 to a point in Section 6, said point of ending; a total distance of 62,566 feet or 11.85 miles.

Thru Sheet 13	19,040 ft.
14	2,013 ft.
15	1,814 ft.
16	1,515 ft.
17 thru 20	6,864 ft.
20 thru 25	7,020 ft.
25 thru 34	15,529 ft.
35 thru 40	<u>8,771 ft.</u>
62,566 ft. = 11.85 miles.	

GAS GATHERING SYSTEM

The following described pipelines, situate in the States of New Mexico and Colorado, are a part of the gathering system from the gas well to El Paso Natural Gas Company's gathering system:

Kimbar-Horton No. 6 Well has connected 1,453 feet of 4½" O.D. pipeline that is located in Sections 7 and 8, Township 31 North, Range 11 West, San Juan County, New Mexico.

Kimbar-Horton No. 8 Well has connected 1,343 feet of 4½" O.D. pipeline that is located in Section 13, Township 32 North, Range 12 West, San Juan County, New Mexico.

Kimbar-Storey No. 2 Well has connected 328 feet of 4½" O.D. pipeline that is located in Section 34, Township 32 North, Range 11 West, San Juan County, New Mexico.

Kimbark-Storey No. 3 Well has connected 225 feet of 4½" O.D. pipeline that is located in Section 34, Township 32 North, Range 11 West, San Juan County, New Mexico.

Kimbark-Barnes No. 1 Well has connected 5,283 feet of 4½" O.D. pipeline that is located in Sections 6 and 7, Township 33 North, Range 8 West, La Plata County, Colorado.

Kimbark-Squires No. 1 Well has connected 1,454 feet of 4½" O.D. pipeline that is located in Section 1, Township 32 North, Range 7 West and Section 36, Township 33 North, Range 7 West, La Plata County, Colorado.

Kimbark-Penrose No. 1 Well has connected 6,025 feet of 2¾" O.D. pipeline that is located in Sections 8 and 7, Township 32 North, Range 6 West, La Plata County, Colorado.

TUCSON GAS AND ELECTRIC EASEMENTS

All of those certain easements, the descriptions of which are contained in three volumes entitled "TGE — SOUTHWEST SALE: LEGAL DESCRIPTIONS FOR NATURAL GAS LINE RIGHT-OF-WAY EASEMENTS" and identified as Volume I (Parcels 1-855), Volume II (Parcels 856-1788) and Volume III (Parcels 1789-2416), as assigned by document entitled "ASSIGNMENT OF NATURAL GAS LINE RIGHT-OF-WAY EASEMENTS" recorded on April 2, 1979 as Document No. 036342, Book 5997, Pages 0001-0836 in the office of the County Recorder of Pima County, Arizona.

All of those certain easements, the descriptions of which are contained in a volume entitled "TGE — SOUTHWEST SALE: LEGAL DESCRIPTIONS FOR NATURAL GAS LINE RIGHT-OF-WAY EASEMENTS — Volume IV (Parcels 2417-2473)," as assigned by document entitled "SUPPLEMENTAL ASSIGNMENT OF NATURAL GAS LINE RIGHT-OF-WAY EASEMENTS" recorded on April 2, 1979 as Document No. 044716, Book 6011, Pages 1297-1314 in the office of the County Recorder of Pima County, Arizona.

16" O.D. TROPICANA PIPELINE

Beginning at a point in Section 25, Township 21 South, Range 60 East, M.D.B.&M., Clark County, Nevada, said point being located approximately in the northwest corner of said Section 25, on Tropicana Avenue; thence in an easterly direction, parallel to Tropicana Avenue, crossing the northerly

portion Section 25 and the southerly portion of Section 24; continuing thence in an easterly direction, parallel to Tropicana Avenue, crossing the southerly portion of Section 19 and Section 20, Township 21 South, Range 61 East, to a point near the west sixteenth corner of said Section 20, said point is the intersection of Tropicana Avenue and Polaris Street; thence in a northerly direction in said Section 20, parallel to Polaris Street, to a point near the southwest sixteenth corner of said Section 20, said point being the intersection of Polaris Street and Tompkins Avenue; thence in an easterly direction in said Section 20, parallel to Tompkins Avenue, to a point near the south sixteenth corner of said Section 20, said point is the intersection of Tompkins Avenue and Industrial Road; thence in a southerly direction, parallel to Industrial Road in said Section 20 to a point; thence in an easterly direction, crossing Interstate No. 15; thence in a southerly direction parallel to Interstate 15 to a point on Tropicana Avenue in Section 29; thence in an easterly direction parallel to Tropicana Avenue to a point near the northeast corner of Section 29, the point of ending; a total distance of 17,953 feet.

8½" O.D. KINGSBURY GRADE LOOP LINE

Beginning at a point near the west sixteenth corner of Section 26, Township 13 North, Range 18 East, M.D.B.&M., Carson City, Nevada, said point being on Kingsbury Grade S.R. 19; thence in a westerly and southwesterly direction along said Kingsbury Grade and U.S. Highway No. 50 crossing a portion of Section 26 and Section 27 to point in Section 27 said point being the ending; a total distance of 2,289 feet.

GAS GATHERING SYSTEMS

The following described pipelines:

Abbott — Federal No. 3-11 Well has connected 142 feet of 4½" O.D. pipeline that is located in Section 11, Township 28 North, Range 13 West, San Juan County, New Mexico.

Merrion & Bayless — Hi Roll Wells Nos. 1, 2, 3 and 4 have connected 8,340 feet of 4½" O.D. pipeline that is located in Section 35, Township 27 North, Range 13 West, San Juan County, New Mexico.

Kimbark — Horton No. 5 Well has connected 4,213 feet of 4½" O.D. pipeline that is located in Section 7, Township 31 North, Range 11 West, San Juan County, New Mexico.

Kimbarck — Horton No. 10 Well has connected 602 feet of 4½" O.D. pipeline that is located in Section 13, Township 32 North, Range 12 West, San Juan County, New Mexico.

Kimbarck — Storey No. 4 Well has connected 712 feet of 4½" O.D. pipeline that is located in Section 34, Township 32 North, Range 11 West, San Juan County, New Mexico.

**20" O.D. PIPELINE ON SANDHILL ROAD FROM
TROPICANA AVENUE TO RUSSELL ROAD**

Beginning at a point in Section 30, Township 21 South, Range 62 East, M.D.B.&M., Clark County, Nevada, said point being near the north quarter corner of said Section 30 and located in Sandhill Road at the intersection with Tropicana Avenue; thence in a southerly direction within Sandhill Road crossing Reno Avenue, Casey Street, Hacienda Avenue, Eoca Chica Way, Mesa Vista Way, Rawhide Street, Lorraine Lane, Crellin Circle, Nicole Street to a point on Sandhill road and Russell Road into Section 31, same Township and Range, said point being near the north quarter corner of said Section 31; a total distance of 5,439 feet.

**10¾" O.D. PIPELINE ON HOLLYWOOD BOULEVARD FROM
LAKE MEAD BOULEVARD TO CAREY AVENUE**

Beginning at a point in Section 23, Township 20 south, Range 62 East, M.D.B.&M., Clark County, Nevada, said point being located in Hollywood Boulevard near the intersection with Lake Mead Boulevard at approximately the west quarter corner of said Section 23; thence in a northerly direction in Hollywood Boulevard crossing Golaron Avenue, Fallona Avenue, Legalla Lane, Tiffolla Lane to a point in Carey Avenue in Section 14, said Township and Range, said point being near the southwest corner of said Section 14; a total distance of 2,510 feet.

**10¾" O.D. PIPELINE ON JONES BOULEVARD FROM
CHARLESTON BOULEVARD TO EDNA AVENUE**

Beginning at a point in Section 12, Township 21 South, Range 60 East, M.D.B.&M., Clark County, Nevada, said point being near the west quarter corner of said Section 12 and located in Jones Boulevard near Edna Avenue; thence in a northerly direction within Jones Boulevard crossing Tara Avenue, Eldora Avenue, Laredo Avenue to a point crossing Sahara Avenue; continuing thence in a northerly direction in Section 1 near the southwest corner of said Section 1 crossing O'Bannon Street, El Parque Street, Oakey

Avenue to a point where the Del Rey Avenue intersects Jones Boulevard; continuing thence in a northeasterly direction crossing Transverse Drive to a point near Charleston Boulevard intersect said point is also near the north section line of said Section 1; a total distance of 8,147 feet.

2" AXIAL FLOW REGULATOR STATION AT TROPICANA AVENUE AND VALLEY VIEW BOULEVARD

Located near the northwest corner of Section 29, Township 21 South, Range 61 East, M.D.B.&M., Clark County, Nevada, more particularly described as being situated on the southerly side of Tropicana Avenue approximately four hundred ter. (410) feet east of the west boundary of said Section 29, the west boundary of said Section 29 being the centerline of Valley View Boulevard.

DAVIS DAM COMPRESSOR SITE

Beginning at a point in Section 13, Township 32 South, Range 64 East, M.D.B.&M., Clark County, Nevada, said point bears South $31^{\circ}12'09''$ West, a distance of 2,449.88 feet from the northeast corner of said Section 13; thence South $19^{\circ}15'40''$ East a distance of 208.71 feet; thence North $70^{\circ}09'20''$ East a distance of 208.71 feet; thence North $19^{\circ}15'40''$ West a distance of 208.71 feet; thence South $70^{\circ}09'20''$ West a distance of 208.71 feet to the point of ending, containing 1.00 acre, more or less.

12 $\frac{3}{4}$ " O.D. LOOP PIPELINE FROM RENO CITY GATE NO. 1 TO RENO CITY GATE NO. 2

Beginning at a point in Section 36, Township 20 North, Range 19 East, M.D.B.&M., Washoe County, Nevada, said point being located at the Reno City Gate No. 1 and approximately five (5) feet southerly of the 12 $\frac{3}{4}$ " O.D. Reno Main Pipeline; thence in a northeasterly direction, parallel to the Reno Main Pipeline, to a point on the north boundary of said Section 36, said point being near the north quarter corner of said Section 36; continuing thence in a northeasterly direction in Section 25, parallel to the Reno Main Pipeline, to a point near the northwest corner of the southwest quarter of the southeast quarter of said Section 25 where the loop pipeline crosses the Reno Main Pipeline to a point that is five (5) feet north of said Reno Main Pipeline; continuing thence in an easterly direction crossing said Section 25 to a point on the west line of Section 30, Township 20 North, Range 20 East, M.D.B.&M., near the south sixteenth corner of said Section 30; continuing thence in an easterly direction to a point near the northwest corner of the

southeast quarter of the southeast quarter of said Section 30; continuing thence in a northeasterly direction crossing said Section 30 to a point on the west line of Section 29, same Township and Range; continuing thence in a northeasterly and easterly direction across said Section 29 to a point on the west boundary of Section 28, same Township and Range, to a point that is near the west quarter of said Section 28; continuing thence in an easterly direction across said Section 28 to a point on the west boundary of Section 27, same Township and Range, near the west quarter corner of said Section 27; continuing thence in an easterly direction into said Section 27, to a point near the mid-point of said Section 27, said point being the location of the Reno City Gate No. 2, more particularly described under Parcel 1 of Deed recorded under Filing No. 312336, Washoe County, Nevada; a total distance of 24,613 feet.

**12¾" O.D. LOOP PIPELINE ON THE CARSON LATERAL
FROM M.P. 15.97 TO M.P. 31.944**

Beginning at a point in Section 7, Township 18 North, Range 25 East, M.D.B.&M., Lyon County, Nevada, said point being approximately ten (10) feet southeasterly of the 10¾" O.D. pipeline Carson Lateral; thence in a southerly direction parallel to the Carson Lateral crossing said Section 7, Section 12 and 13, Township 18 North, Range 24 East, M.D.B.&M., to a point near the quarter section corner of said Section 13, same Township and Range and Section 18, Township 18 North, Range 25 East, M.D.B.&M., continuing thence in a southerly direction crossing Sections 18 and 19 to a point in the U.S. Highway No. 50 where the pipeline crosses the section line of said Section 19, same Township and Range and Section 24, Township 18 North, Range 24 East, M.D.B.&M., continuing thence in a southwesterly direction, ten (10) feet southerly of the 10¾" O.D. pipeline Carson Lateral and located within U.S. Highway No. 50 crossing Sections 24, 23, 26, 27, 28, 33, 32 and 31, same Township and Range to a point on the section line of said Section 31, same Township and Range and Section 6, Township 17 North, Range 24 East, M.D.B.&M.; continuing thence in the same southwesterly direction, parallel to the 10¾" O.D. pipeline Carson Lateral, crossing said Section 6 to a point crossing the section line of said Section 6 and Section 1, Township 17 North, Range 23 East, M.D.B.&M.; continuing thence in a southwesterly direction crossing said Sections 1, 2, 11, 10, 9, 8, 17 and 18, same Township and Range, to a point on the section line between said Section 18 and Section 13, Township 17 North, Range 22 East, M.D.B.&M.; continuing thence in the

same southwesterly direction crossing said Sections 13, 24 and 23 to the point of ending; a total distance of 84,868 feet.

CP NATIONAL REGULATOR STATION AND SALES METER STATELINE, NEVADA

Located in the northeast quarter of Section 27, Township 13 North, Range 18 East, M.D.B.&M., Douglas County, Nevada, more particularly described as being on a parcel of land, ten (10) feet wide and sixty (60) feet long, adjacent to the southeasterly side of U.S. Highway No. 50 approximately eight hundred sixty (860) feet northeast of centerline of the Loop Road crossing said U.S. Highway No. 50, said regulator station and meter station occupy an Occupancy Agreement that is recorded in Book 979, Page 1508, Instrument No. 36811 of official records of Douglas County, Nevada.

8 $\frac{5}{8}$ " O.D. PIPELINE BIG BEAR "B" LATERAL

Beginning at a point in Section 10, Township 3 North, Range 1 East, S.B.B.&M., San Bernardino County, California, said point being the connection to Pacific Gas and Electric Company's pipeline near the California State Road No. 18; thence in a southeasterly direction along said California State Road No. 18, crossing said Sections 10, 11, 14, 13 and 24, said Township and Range, to a point on the west line of Section 19, Township 3 North, Range 2 East, S.B.B.&M.; continuing thence in a southeasterly direction crossing Sections 19 and 30 to a point nearing the mid-point of Section 30; continuing thence in a southerly and westerly direction after leaving said California State Road No. 18 crossing said Sections 30 and 31, to a point on the east line of Section 36, Township 3 North, Range 1 East, S.B.B.&M.; continuing thence in a southerly direction crossing a portion of said Section 36 to the west line of Section 31, Township 3 North, Range 2 East, S.B.B.&M.; continuing thence in a southeasterly direction crossing Section 31, to a point on the north line of Section 6, Township 2 North, Range 2 East, S.B.B.&M.; continuing thence in a southeasterly direction along Baldwin Lake Road crossing Sections 6, 5 and 8 to a point on the north line of Section 17, same Township and Range; continuing thence in a southerly and westerly direction crossing Sections 17 and 18 to a point of ending, said point being on Lot 16, Block 235, Tract 3196, as recorded in San Bernardino County Courthouse; a total distance of 60,422 feet.

**8 5/8" O.D. PIPELINE ON CENTRAL ROAD FROM
QUARRY ROAD TO THUNDERBIRD ROAD**

Beginning at a point in Section 14, Township 6 North, Range 3 West, S.B.B.&M., San Bernardino County, California, near the northwest corner of said Section 14, said point being in Central Road at the intersection with Quarry Road approximately twenty (20) feet east of the west line of said Section 14; thence in a southerly direction crossing said Section 14, within Central Road, to a point on the north boundary of Section 23, said Township and Range; continuing thence in a southerly direction crossing said Section 23 to a point on the north boundary of Section 26, same Township and Range; continuing thence in a southerly direction into said Section 26 crossing Las Padres Road, Dunsmuir Street, Altadena Street, Earlimar Street and Gustine Street to a point on the north boundary of Section 35, same Township and Range; continuing thence in a southerly direction along Central Road into said Section 35 crossing Corwin Road, Dexter Lane and Papago Road to a point on the north boundary of Section 2, Township 5 North, Range 3 West, S.B.B.&M., said point being the centerline of intersection Waalew Road and Central Road; continuing thence in a southerly direction on Central Road into said Section 2 crossing Walpi Road and Tocaloma Road to a point on the north boundary of Section 11, same Township and Range; continuing thence in a southerly direction along Central Road into said Section 11 crossing Los Olivos Lane, Zuni Road and Flint Road to a point near the southwest corner of said Section 11, said point being at the intersection of Central Road and Thunderbird Road; a total distance of 31,476 feet.

**8 5/8" O.D. PIPELINE ON SEQUOIA ROAD AND BEAR VALLEY
ROAD FROM BORNITE AVENUE TO TAMARISK AVENUE**

Beginning at a point in Section 33, Township 5 North, Range 4 West, S.B.B.&M., San Bernardino County, California, said point being approximately fifteen (15) feet north and six hundred fifty (650) feet west of the southeast corner of said Section 33, also said point being at the intersection of Bear Valley Road and Bornite Avenue; thence in a southerly direction along Bornite Avenue on the easterly side to a point on the north boundary of Section 4, Township 4 North, Range 4 West; continuing thence in a southerly direction into said Section 4 along Bornite Avenue to a point that is the intersection of Bornite Avenue and Sequoia Road; continuing in an easterly direction on the north side of Sequoia Road in said Section 4 to a point on the west line of Section 3, said Township and Range; continuing

thence in an easterly direction along Sequoia Road into said Section 3 to a point in the intersection of Sequoia Road and Apatite Street; continuing thence in a northerly direction on the easterly side of Apatite Street to a point on the south line of Section 34, Township 5 North, Range 4 West; said point being the centerline of Bear Valley Road; continuing thence in an easterly direction north of Bear Valley Road to a point on the west line of Section 35, same Township and Range; continuing thence in an easterly direction along Bear Valley Road into Section 35 to a point of intersection of Bear Valley Road and Tamarisk Avenue near the southeast corner of the southwest quarter of the southwest quarter of said Section 35; said point being the ending; a total distance of 8,620 feet.

II.

FEE LANDS

A portion of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, Sec. 10, T. 15 N., R. 20 E., M.D.B.&M., Ormsby County, Nevada, and being more particularly described as follows, to wit:

Commencing at a point at the SW Cor. of the Intersection of U.S. Highway 50 E. and N. Edmonds Dr. where there is set in the ground a hub and tack and from which point the SW Cor. of said Sec. 10 bears S. 40° 26' 47" W. a distance of 3693.07 ft.; thence S. 10° 43' 43" E. along the W. boundary of N. Edmonds Dr., a distance of 341.41 ft. to the TRUE POINT OF BEGINNING; thence S. 10° 43' 43" E. a distance of 11.5 ft. to a point at the NW Cor. of the intersection of N. Edmonds Dr. and Gordon St.; thence S. 71° 33' 17" W., along the N. boundary of Gordon St., a distance of 133.4 ft.; thence N. 10° 43' 33" W. a distance of 11.5 ft.; thence N. 71° 33' 17" E. a distance of 133.4 ft. back to the TRUE POINT OF BEGINNING and containing 0.034 acres, more or less.

**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.

PARADISE COMPRESSOR STATION

A parcel of land located in the Southwest one quarter (SW $\frac{1}{4}$) of Section 33, T-45-N, R-43-E, M.D.M. Humbolt County, Nevada, more particularly described as follows:

Beginning at the Southwest corner of said Section 33; thence Northeasterly on a course bearing North 72° 37' 17" East a distance of 1333.36 Feet to a point in the Southwest quarter (SW $\frac{1}{4}$) of the Southwest quarter (SW $\frac{1}{4}$) of said Section 33, said point being the true Point of Beginning; thence on a Southeasterly course, said course bearing South 35° 14' 00" East a distance of 417.42 Feet more or less to a point; thence on a Northeasterly course, said course bearing North 54° 46' 00" East a distance of 417.42 Feet more or less to a point; thence on a Northwesterly course, said course bearing North 35° 14' 00" West a distance of 417.42 Feet more or less to a point; thence on a Southwesterly course, said course bearing South 54° 46' 00" West a distance of 417.42 Feet more or less to a point, said point being the true Point of Beginning, said parcel containing four (4) acres more or less.

VICTORVILLE WAREHOUSE

That portion of the Southwest one-quarter of the Northwest one-quarter of Section 29, Township 5 North, Range 4 West, San Bernardino Base and Meridian, described as follows:

Commencing at the NE corner of said Southwest one-quarter, of the Northwest one-quarter of Section 29, thence South 0° 17' 21" East along the East line of said Southwest one-quarter of the Northwest one-quarter, 364.25 Feet; thence South 89° 14' 35" West 952.22 Feet more or less to the Easterly right of way line of Interstate No. 15; thence North 27° 20' 13" East 412.88 feet along said right of way line to the North line of said Southwest one-quarter of the Northwest one-quarter; thence North 89° 14' 35" East 740.76 Feet more or less to the point of beginning.

**NORTHERN NEVADA — EQUIPMENT
AND PIPE STORAGE CENTER**

Beginning at the Southeast corner of Section 19, Township 15 North, Range 20, East, M.D.B.&M.; running thence North along the East line of said Section, a distance of 225 Feet; thence Westerly parallel to the South line of said Section, a distance of 330 Feet; thence Southerly parallel with the East line of said Section a distance of 225 Feet to the South line of said Section; thence Easterly along the South line of said Section a distance of 330 Feet to the point of beginning. Being a portion of the Southeast quarter of the Southeast quarter of Section 19, Township 15 North, Range 20 East, M.D.B.&M.

**NORTHERN NEVADA — OFFICE AND
OPERATIONS CENTER
PARCEL NO. 1**

A portion of the Northwest Quarter of the Northwest Quarter of Section 29, Township 15 North, Range 20 East, M.D.B.&M., that is described as follows:

BEGINNING at the intersection of the North line of said Section 29 and the Westerly right of way line of Nevada State Highway Route 3; thence along the Westerly line of said Highway right of way line Southerly a distance of 300 feet; thence Westerly along a line parallel to the North line of said Section 29, a distance of 300 feet; thence Northerly along a line parallel to the Westerly right of way line of said Highway, a distance of 300 feet to a point on the North line of said Section 29; thence Easterly along the North line of said Section 29, a distance of 300 feet to the point of beginning.

PARCEL NO. 2

A portion of the Northwest Quarter of the Northwest Quarter of Section 29, Township 15 North, Range 20 East, M.D.B.&M., that is described as follows:

COMMENCING at the intersection of the North line of said Section 29 and the Westerly right of way line of Nevada State Highway Route 3; thence Westerly along the North line of said Section 29, a distance of 300 feet to the point of beginning; thence Southerly along a line parallel to the Westerly right of way line of said Highway, a distance of 300 feet; thence Westerly along a line parallel to the North line of said Section 29 to a point on the West line of said Section 29; thence Northerly along the West line of

said Section to the Northwest corner of said Section 29; thence Easterly along the North line of said Section 29 to the point of beginning.

PARCEL NO. 3

A portion of the Northwest Quarter of the Northwest Quarter of Section 29, Township 15 North, Range 20 East, M.D.B.&M., described as follows:

COMMENCING at the intersection of the North line of Section 29, Township 15 North, Range 20 East, M.D.B.&M., and the Westerly right of way line of Nevada State Highway Route 3; thence South $7^{\circ} 46' 34''$ West a distance of 300.00 feet, along said right of way line; thence North $89^{\circ} 41' 00''$ West a distance of 300.00 feet, along a line parallel to the North line of said Section 29 to the point of beginning; thence South $7^{\circ} 46' 34''$ West a distance of 158.34 feet, along a line parallel to the Westerly right of way of said Highway; thence North $89^{\circ} 41' 00''$ West a distance of 132.53 feet along a line parallel to the North line of said Section 29; thence North $0^{\circ} 03' 24''$ West a distance of 157.00 feet along the Westerly line of said Section 29; thence South $89^{\circ} 41' 00''$ East a distance of 154.11 feet, along a line parallel to the North line of said Section 29 to the true point of beginning.

LAS VEGAS MAIN OFFICE SITE

Situate in the Las Vegas Valley Water District, County of Clark, State of Nevada, described as follows:

The North Half ($N\frac{1}{2}$) of the Southwest Quarter ($SW\frac{1}{4}$) of the Northeast Quarter ($NE\frac{1}{4}$) of Section 13, Township 21 South, Range 60 East, M.D.M., more particularly described as follows:

COMMENCING at the Southwest corner of the Southwest Quarter ($SW\frac{1}{4}$) of the Northeast Quarter ($NE\frac{1}{4}$) of said Section 13, thence North $0^{\circ} 07' 56''$ West along the West line of said Southwest Quarter ($SW\frac{1}{4}$) of the Northeast Quarter ($NE\frac{1}{4}$) thereof, 671.67 feet to the POINT OF BEGINNING; thence continuing North $0^{\circ} 07' 56''$ West 671.66 feet to the Northwest corner of said Southwest Quarter ($SW\frac{1}{4}$) of the Northeast Quarter ($NE\frac{1}{4}$) thereof, thence North $86^{\circ} 31' 48''$ East along the North line of said Southwest Quarter ($SW\frac{1}{4}$) of the Northeast Quarter ($NE\frac{1}{4}$) thereof, 1,240.13 feet to the Northeast corner of said Southwest Quarter ($SW\frac{1}{4}$) of the Northeast Quarter ($NE\frac{1}{4}$) thereof; thence South $0^{\circ} 15' 09''$ West along the East line of the Southwest Quarter ($SW\frac{1}{4}$) of the Northeast Quarter ($NE\frac{1}{4}$) thereof, 674.13 feet; thence South $86^{\circ} 37' 53''$ West, 1,235.47 feet to the POINT OF BEGINNING, excluding therefrom the following two parcels of property:

Parcel A:

Commencing at the Northeast Quarter-Quarter corner (NE 1/16) of said Section 13; thence S. 0°00'58" W. along the center line of Edmond Street (60.00 feet wide) 673.98 feet; thence S. 86°24'36" W. 617.90 feet; thence N. 0°09'19" W. 672.82 feet to the center line of Spring Mountain Road (80.00 feet wide); thence N. 86°18'54" E. along said center line 619.98 feet to the POINT OF BEGINNING, said parcel containing 9.550 acres, more or less.

Parcel B:

Commencing at the Northeast Quarter-Quarter corner (NE 1/16) of said Section 13; thence S. 0°00'58" W. along the Quarter-Quarter line 673.98 feet; thence S. 86°24'36" W. 617.90 feet to the TRUE POINT OF BEGINNING; thence continuing S. 86°24'36" W. 341.79 feet; thence N. 0°16'19" E. 310.02 feet; thence S. 89°50'11" E. 338.87 feet; thence S. 0°09'19" E. 287.65 feet to the TRUE POINT OF BEGINNING; said parcel containing 2.332 acres more or less.

BOULDER CITY OFFICE SITE

Tract 148, a parcel of land located in the East Half (E $\frac{1}{2}$) of Section 8, Township 23 South, Range 64 East, M.D.B.&M., Boulder City, Clark County, Nevada, more particularly described as follows:

BEGINNING at the Southeast corner of Tract 56, recorded as Instrument No. 046653 in the official Records Book No. 059, on file in the Office of the County Recorder, Clark County, Nevada, said Southeast corner also being on the centerline of Buchanan Boulevard, having a 120.00 foot right of way; thence along said centerline due South 242.00 feet to a point; thence leaving aforementioned Buchanan Boulevard centerline due West 360.00 feet to a point, said point being on the centerline of Walnut Drive, having a 60.00 foot right of way; thence along said Walnut Drive right of way due North a distance of 242.00 feet to a point; thence leaving the aforementioned Walnut Drive centerline, due East a distance of 360.00 feet to the TRUE POINT OF BEGINNING.

CASA GRANDE OFFICE SITE

That portion of Section 29, T-6-S, R-6-E, G & S R B & M, Pinal County, Arizona, more particularly described as follows:

Beginning at the centerline intersection of 2nd St. and Sacaton St. Thence N34°38'28"E a distance of 174.00 feet to a point. Thence S54°29'57"E a distance of 40.00 feet to the true point of beginning.

Thence N34°38'28"E a distance of 420.68 feet to a point.

Thence N88°13'00"W a distance of 168.50 feet to a point.

Thence along the arc of a circular curve to the right having a radius of 17.00 feet through 90°00'00" of central angle and 26.70 feet of arc length to a point.

Thence S01°47'00"E a distance of 14.77 feet to a point.

Thence along the arc of a circular curve to the left having a radius of 118.16 feet through 56°30'04" of central angle and 116.52 feet of arc length to a point.

Thence S54°43'04"E a distance of 171.00 feet to a point.

Thence S35°07'00"W a distance of 249.40 feet to a point.

Thence N54°30'37"W a distance of 52.01 feet to a point.

Thence S35°07'00"W a distance of 195.90 feet to a point.

Thence N54°29'57"W a distance of 386.50 feet to the true point of beginning.

BULLHEAD CITY OFFICE SITE

That portion of the East half of the Northeast quarter of the Northeast quarter of the Northeast quarter, Section 19, Township 20 North, Range 22 West of the Gila and Salt River Base and Meridian, Mohave County, Arizona, being more particularly described as follows:

BEGINNING at the Northeast corner of said Section 19; thence South along the East line of said Section 19, a distance of 530.90 feet to the True Point of Beginning; thence continuing South along the said East line of said Section 19 a distance of 132.00 feet; thence N 89°-55' W along the South line of the East-half of the Northeast quarter of the Northeast quarter of the Northeast quarter of Section 19 a distance of 330.36 feet to the East line of Lot 116 in Colorado Riviera, according to the plat thereof recorded November 25, 1959 as Fee #91746 in the Office of the Recorder, Mohave

County, Arizona; thence N 0°-00'-38" W along the East line of the said Lot 116 a distance of 132.00 feet; thence S 89°-55' E a distance of 330.39 feet to the Point of Beginning.

Except one-half of all oil and minerals as reserved in Deed recorded in Book 96 of Deeds, page 450.

DAYTON PROPERTY

Being a parcel of land situated in the E $\frac{1}{2}$, E $\frac{1}{2}$, Section 23, T. 17N, R. 22E, M.D.B.&M., Lyon County Nevada, more particularly described as follows:

Commencing at the section corner common to Sections 13, 14, 23 & 24, said township and range, said corner being the true point of beginning:

Thence N 89°47'56" W. along the section line common to Sections 14 & 23, a distance of 1,317.19 feet to the NW corner of the E $\frac{1}{2}$, E $\frac{1}{2}$, of said Section 23:

Thence S 00°21'30" W, along the West line of the E $\frac{1}{2}$, E $\frac{1}{2}$, said Section 23, a distance of 2,473.27 feet to the northwesterly right-of-way of U.S. Highway 50:

Thence N 69°14'00" E, along said northwesterly right-of-way line of U.S. Highway 50, a distance of 1,159.05 feet to a point of curvature:

Thence northeasterly along a curve to the left, along said right-of-way line an arc distance of 263.45 feet, to the intersection with the East line of Section 23, said curve subtends a central angle of 01°00'47" and has a radius of 14,900.00 feet:

Thence N 00°05'58" E, along the East line of Section 23, a distance of 1,962.06 feet, returning to the true point of beginning.

Containing 67.344 acres more or less.

**LPG PLANT SITE ADJACENT TO DEMOSS
PETRIE POWER PLANT**

A parcel of land lying within the Southwest quarter of Section 35, Township 13 South, Range 13 East, G. & S. R. B & M., Pima County, Arizona described as follows:

Beginning at a standard survey monument which is the quarter corner common to Sections 34 and 35,

Thence South $89^{\circ} 08' 07''$ East along the North line of said Southwest quarter of Section 35, a distance of 617.11 feet to a $\frac{5}{8}$ inch iron pin which is the point of intersection of a curve in Flowing Wells Road as established in Book 8 at Page 39 of Road Maps;

Thence South $10^{\circ} 02' 38''$ East along the semi-tangent and the centerline of said Flowing Wells Road a distance of 1481.59 feet to a nail in the pavement, which is the beginning of a curve in Flowing Wells Road;

Thence North $79^{\circ} 57' 22''$ East a distance of 50 feet to a point on the East right of way line of said Flowing Wells Road;

Thence Southeasterly along said right of way, on a curve concave to the East having an initial tangent of South $10^{\circ} 02' 38''$ East, a central angle of $07^{\circ} 19' 11''$ and a radius of 666.20 feet a distance of 85.11 feet to a $\frac{5}{8}$ inch iron pin in concrete which is the Southwest corner of that property conveyed to Krueger in Docket 2059 at Page 258 and also the True Point of Beginning;

Thence North $66^{\circ} 35' 18''$ East along the South boundary of said Krueger Parcel a distance of 428.00 feet to a $\frac{5}{8}$ inch iron pin with aluminum cap in concrete which point is on the West boundary line of that parcel conveyed to the United States of America in Docket 186 at Page 486;

Thence South $21^{\circ} 26' 25''$ East along said West boundary a distance of 657.55 feet to a brass cap in concrete (buried 2 feet monument);

Thence South $89^{\circ} 07' 46''$ East along the South boundary of said parcel a distance of 101.56 feet to a $\frac{5}{8}$ inch iron pin in concrete;

Thence South $30^{\circ} 38' 02''$ East along the West right of way line of Flowing Wells Road as shown on Road Maps Book 8, Page 52 (being a portion not abandoned) a distance of 251.25 feet to a $\frac{5}{8}$ inch iron pin in concrete which is on the North right of way of Flowing Wells Road as established in Road Maps in Book 8 at Page 39;

Thence North $89^{\circ} 06' 00''$ West along said North right of way line a distance of 317.42 feet to a $\frac{5}{8}$ inch iron pin in concrete;

Thence along a curve to the right having a central angel of 55° 13' 43" and a radius of 268.31 feet a distance of 258.63 feet to a 5/8 inch iron pin in concrete;

Thence North 33° 52' 17" West a distance of 437.80 feet to a 5/8 inch iron pin in concrete;

Thence along a curve to the right having a central angle of 16° 30' 28" and a radius of 666.20 feet, a distance of 191.94 feet to the True Point of Beginning.

Except any portion thereof lying above and Northerly of the following described line:

Commencing at the Northeast corner of above described Parcel;

Thence South 21° 26' 25" East along a Northeasterly boundary line thereof a distance of 480 feet to a point, being the True Point of Beginning of said line;

Thence South 68° 33' 35" West a distance of 40 feet to a point;

Thence South 21° 26' 25" East parallel and 40 feet West of the said Easterly boundary line of said parcel a distance of 20 feet to a point;

Thence South 68° 33' 35" West approximately 320 feet to a point on the Westerly line of said above described Parcel, said point being the terminus of said line, constituting 2.93 acres, more or less.

HOUGHTON ROAD PROPANE-AIR PLANT SITE

The West 400 feet of the East 475 feet of the North 360 feet of the Southeast quarter of the Southeast quarter of Section 35, Township 14 South of Range 15 East, Gila and Salt River Base and Meridian, Pima County, Arizona, constituting 3.30 acres, more or less.

HOUGHTON ROAD LPG STORAGE SITE

The South 500 feet of the East 500 feet of the North half of the Northwest quarter of Section 24, Township 15 South, Range 15 East, Gila and Salt River Base and Meridian, Pima County, Arizona; and

The South 90 feet of the North half of the Northwest quarter of said Section 24, Township 15 South, Range 15 East, Pima County, Arizona, EXCEPT the East 500 feet thereof; and EXCEPT the West 75 feet, being the right-of-way of Houghton Road as established under Proceedings No. 913 and recorded in Book 7 of Road Maps at page 76 thereof,

TOGETHER WITH an easement for the existing underground gas facilities over and across the East 20 feet of the West 95 feet of the said North half of the Northwest quarter of said Section 24; EXCEPT the South 90 feet thereof, constituting 10.02 acres, more or less.

IRVINGTON ROAD — SOUTH ALVERNON ROAD METERING STATION SITE

All that part of the Southwest quarter of Section 34, Township 14 South of Range 14 East, Gila and Salt River Base and Meridian, Pima County, Arizona, described as follows:

COMMENCING at the corner common to Sections 33 and 34 and 3 and 4, Townships 14 and 15, South, Range 14 East, Gila and Salt River Base and Meridian, Pima County, Arizona;

Thence South $89^{\circ} 41'$ East, 404 feet to the point of intersection of the southerly prolongation of the East line of Pima County Highway No. 295 and the South line of Section 34, Township 14 South of Range 14 East;

Thence North $1^{\circ} 0'$ West along the East line of said right-of-way for a distance of 683.6 feet to the point of intersection of the South line of the Western Gas Company Easement described in Book 51 of Miscellaneous Records, page 21, records of Pima County, Arizona, and the East right-of-way line of said Pima County Highway No. 295, which is the TRUE POINT OF BEGINNING;

Thence North 1° West, along the said East right-of-way line of said road, 218 feet;

Thence South $74^{\circ} 13'$ East, on a line parallel with the South line of said Western Gas Company Easement, 208.71 feet;

Thence South 1° East, parallel with the East line of said Pima County Highway No. 295, 218 feet to a Point on the South line of said Western Gas Co. Easement;

Thence North $74^{\circ} 13'$ West, along a South line of said Western Gas Co. Easement, 208.71 feet to the TRUE POINT OF BEGINNING, constituting 1.04 acres, more or less.

TUCSON — NOGALES HIGHWAY FEE RIGHT-OF-WAY

That portion of the Southwest quarter of the Northwest quarter of Section 6, Township 16 South of Range 14 East, Gila and Salt River Base and Meridian, Pima County, Arizona described as follows:

BEGINNING at the point of intersection of the South line of the Northwest quarter of said Section 6 with the easterly right-of-way line of the Tucson Nogales Railroad;

Thence northerly along said easterly right-of-way line to a point distant 750 feet North from the South line of said Northwest quarter;

Thence easterly parallel with the South line of said Northwest quarter, a distance of 10 feet to a point;

Thence southerly along a line parallel with and distant 10 feet easterly from said easterly right-of-way line to a point on the South line of said Northwest quarter;

Thence westerly along said South line, a distance of 10 feet to the PLACE OF BEGINNING, constituting 0.17 acres, more or less.

ST. MARY'S HOSPITAL GAS LINE FEE PROPERTY

A part of Fractional Lot No. 1, Section 10, Township 14 South, Range 13 East, Gila and Salt River Base and Meridian, Pima County, Arizona, as conveyed to Homesites, Inc., a corporation, by deed of record in Book 289 at page 68; being a strip of land 33 feet in width, the South boundary line of which is described as follows:

BEGINNING at the Southwest corner of said Fractional Lot No. 1 which is also the Northwest corner of that tract of land conveyed by the United States to Sisters of St. Joseph in Arizona by deed of record in said county in Docket 256 at page 325, and is identical with the center of said Section 10, said point being marked with a brass tablet in concrete post marked "AP2"; running thence easterly along the common boundary line between said Fractional Lot No. 1 and the said tract conveyed by the United States 594 feet, more or less, to a point marked with a brass tablet in concrete post marked "AP1"; thence easterly along the common boundary line between said Fractional Lot No. 1 and Parcel No. 1 as described in that certain Trust Indenture, dated February 1, 1950, between Sisters of St. Joseph in Arizona and the First National Bank of West Bend, recorded in said County in Docket 241 at Page 420, 453 feet, more or less to a point; thence northeasterly to an intersection of the projected west boundary line of

Parcel No. 2 as described in said Trust Indenture, with a line parallel to and 33 feet southerly from the South boundary line of said Parcel No. 2; thence easterly along said parallel line to the East line of said Fractional Lot No. 1;

EXCEPT any portion thereof lying within Parcel 1 of that certain Trust Indenture, recorded in Docket 241, page 420, records of Pima County, Arizona, constituting 0.69 acres, more or less.

RENO LPG PLANT SITE

All that certain real property being a portion of the Southwest one-quarter of the Northwest one-quarter (SW $\frac{1}{4}$ NW $\frac{1}{4}$) of Section 36, T-20-N, R-19-E, M.D.B.&M., Washoe County, Nevada, more particularly described as follows:

Commencing at the West one-quarter corner of said Section 36;

Thence North 89° 38' 32" East, 650.27 feet;

Thence North 00° 03' 50" East, 498.07 feet to the True Point of Beginning;

Thence continuing North 00° 03' 50" East, 308.35 feet;

Thence North 66° 00' 21" East, 444.57 feet;

Thence North 61° 57' 35" East, 179.45 feet;

Thence South 00° 00' 06" West, 224.80 feet;

Thence South 89° 59' 32" East, 80.25 feet;

Thence South 00° 00' 28" West, 184.61 feet;

Thence South 89° 37' 58" West, 345.81 feet;

Thence South 00° 06' 58" West, 162.19 feet;

Thence North 89° 56' 10" West, 298.97 feet to the True Point of Beginning.

Containing 5.00 acres, more or less.

VICTORVILLE BUSINESS OFFICE SITE

Parcel 1 of Parcel Map 4792 recorded on February 21, 1979 in Book 45, page 43 of Parcel Maps, County of San Bernardino, California.

INCLINE VILLAGE

Lot Forty-three (43), Cedarcrest Subdivision, Tract Map #1671NA, Document No. 483335, as amended, by Document No. 525292, Official Records of Washoe County, Nevada (also known as 916 Harold Drive).

BIG BEAR BUSINESS OFFICE SITE

Parcel #1: Parcel One (1) of Parcel Map No. 7396, Big Bear Lake, Book 72, Page 63, Official Records of San Bernardino County, California.

Parcel #2: Lots 43, 44, 45, 46 and 47, Tract 1746, Book 25, Page 48, Official Records of San Bernardino County, California.

TUCSON

Lot Twenty-nine (29), Rio Cancion Estates, in Book 25, Page 80, Official Records of Pima County, Arizona (also known as 3825 North Calle Perdiz).

GREEN VALLEY

Lot Forty-five (45), Green Valley Vista Subdivision, in Book 18, Page 16, Official Records of Pima County, Arizona (also known as 5 West Indio).

YUMA POWER PLANT METER STATION

The gas meter station, certain sixteen-inch (16") and ten-inch (10") gas pipelines and associated equipment ("Facilities") located upon the premises of Arizona Public Service Company's ("APS") Yuma Power Plant near the City of Yuma, Yuma County, Arizona, such Facilities as are more particularly described as follows:

510 feet, more or less, of 16" gas pipeline;

60 feet, more or less, of 10" gas pipeline;

Gas meter station and associated valving, piping and equipment.

140 feet, more or less, of 8 foot cyclone fencing, with grounding, all as now located and existing within the boundaries of the Yuma Power Plant.

ARIZONA PUBLIC SERVICE COMPANY ACQUISITION PROPERTIES

The Gas Distribution Systems of the Company and all additions, branches, extensions, improvements and developments of or appertaining or

connected thereto, including all of the Company's right, title and interest in and to such properties situated in the counties of Cochise, Gila, Graham, La Paz, Maricopa, Pima, Pinal and Yuma, State of Arizona, including gas holders, regulators, gas mains and pipes, service pipes, fittings, gates, valves, connections, meters, devices and appurtenances used or useful in connection therewith, and all of the Company's other property, real, personal or mixed forming a part of or used, useful and/or enjoyed in connection with or in any wise appertaining to said distribution systems, together with all of the Company's rights-of-way, easements, privileges, immunities, permits, municipal or other franchises, licenses, consents and rights for or relating to the construction, maintenance or operation thereof, through, over, under or upon any public streets or highways or other lands, public or private, as such systems may have been more particularly described in that Mortgage and Deed of Trust of Arizona Public Service Company, an Arizona corporation, to Security Pacific National Bank (formerly Security-First National Bank of Los Angeles), Trustee, dated as of July 1, 1946 (the "Mortgage"), and the thirty supplemental indentures thereto (the "Supplemental Indentures"), and having not previously been released therefrom, such Mortgage and Supplemental Indentures having been recorded as follows:

In Cochise County, Arizona, on February 3, 1953, as a Realty Mortgage in Docket 80, pages 28-151, inclusive, and in Book 19 of Chattel Mortgages, page 292, in the office of the County Recorder of Cochise County, Arizona, which said instrument was supplemented and amended by a First Supplemental Indenture dated as of December 1, 1947, and recorded on February 3, 1953, as a Realty Mortgage in Docket 80, pages 152-168, inclusive, and in Book 19 of Chattel Mortgages, page 292 in the office of the County Recorder of Cochise County, Arizona, and by a Second Supplemental Indenture dated as of April 1, 1949, and recorded on February 3, 1953, as a Realty Mortgage in Docket 80, pages 169-184, inclusive, and in Book 19 of Chattel Mortgages, page 292, in the office of the County Recorder of Cochise County, Arizona, and by a Third Supplemental Indenture dated as of February 1, 1950, and recorded on February 3, 1953, as a Realty Mortgage in Docket 80, pages 185-202, inclusive, and in Book 19 of Chattel Mortgages, page 292, in the office of the County Recorder of Cochise County, Arizona, and by a Fourth Supplemental Indenture dated as of December 1, 1950, and recorded on February 3, 1953, as a Realty Mortgage in Docket 80, pages 203-221, inclusive, and in Book 19 of Chattel Mortgages, page 292, in the office of the County Recorder of Cochise County, Arizona, and by a Fifth Supplemental Indenture dated as of February 1, 1953, and recorded on February 27, 1953, as a Realty

Mortgage in Docket 81, pages 268-306, inclusive, and in Book 20 of Chattel Mortgages, page 5, in the office of the County Recorder of Cochise County, Arizona, and by a Sixth Supplemental Indenture dated as of November 1, 1953, and recorded on November 12, 1953, as a Realty Mortgage in Docket 93, pages 382-401, inclusive, and in Book 20 of Chattel Mortgages, page 107, in the office of the County Recorder of Cochise County, Arizona, and by a Seventh Supplemental Indenture dated as of March 1, 1954, and recorded on April 5, 1954, as a Realty Mortgage in Docket 100, pages 94-110, inclusive, and in Book 20 of Chattel Mortgages, page 172, in the office of the County Recorder of Cochise County, Arizona, and by an Eighth Supplemental Indenture dated as of October 1, 1957, and recorded on October 14, 1957, as a Realty Mortgage in Docket 176, pages 520-540, inclusive, and in Book 23 of Chattel Mortgages, page 186, in the office of the County Recorder of Cochise County, Arizona, and by the Ninth Supplemental Indenture dated as of March 1, 1959, and recorded on March 30, 1959, as a Realty Mortgage in Docket 212, pages 332-351, inclusive, and in Book 25 of Chattel Mortgages, page 117, in the office of the County Recorder of Cochise County, Arizona, and by a Tenth Supplemental Indenture dated as of November 1, 1961, and recorded on November 20, 1961, as a Realty Mortgage in Docket 288, page 358, and in Book 28 of Chattel Mortgages, page 215, in the office of the County Recorder of Cochise County, Arizona, and by an Eleventh Supplemental Indenture dated as of June 1, 1962, and recorded on June 6, 1962, as a Realty Mortgage in Docket 303, pages 180-205, inclusive, and in Book 29 of Chattel Mortgages, page 133, in the office of the County Recorder of Cochise County, Arizona, and by a Twelfth Supplemental Indenture dated as of December 1, 1962, and recorded on December 21, 1962, as a Realty Mortgage in Docket 316, pages 501-525, inclusive, and in Book 30 of Chattel Mortgages, page 44, in the office of the County Recorder of Cochise County, Arizona, and by a Thirteenth Supplemental Indenture dated as of September 1, 1963, and recorded on September 13, 1963, as a Realty Mortgage in Docket 336, pages 187-216, inclusive, and in Book 31 of Chattel Mortgages, page 45, in the office of the County Recorder of Cochise County, Arizona, and by a Fourteenth Supplemental Indenture dated as of September 1, 1967, and recorded on September 13, 1967, as a Realty Mortgage in Docket 500, pages 8-47, inclusive, and recorded on December 26, 1967, in Book 516 of Chattel Mortgages, pages 247-286, inclusive, in the office of the County Recorder of Cochise County, Arizona, and by a Fifteenth Supplemental Indenture dated as of April 1, 1970, and recorded on April 10, 1970, as a Realty Mortgage in Docket 633 of Official Records, pages 122-148, inclusive, and recorded as a

Chattel Mortgage in Security Agreements in Docket 633, pages 150-176, inclusive, in the office of the County Recorder of Cochise County, Arizona, and by a Sixteenth Supplemental Indenture dated as of March 15, 1972, and recorded on March 16, 1972, as a Realty Mortgage in Docket 761 of Official Records, pages 83-111, inclusive, and recorded as a Chattel Mortgage in Docket 761 of Official Records, pages 53-82, inclusive, as a Financing Statement in the office of the County Recorder of Cochise County, Arizona, and by a Seventeenth Supplemental Indenture dated as of April 1, 1974, and recorded on April 12, 1974, as a Realty Mortgage in Docket 923 of Official Records, pages 579-608, inclusive, and recorded in Real Estate Mortgage Book 5 and in Docket 924 of Official Records, pages 1-31, inclusive, as a Financing Statement in the office of the County Recorder of Cochise County, Arizona, and by an Eighteenth Supplemental Indenture dated as of February 15, 1975, and recorded on March 6, 1975, as a real property mortgage in Docket 994 of Official Records, pages 94-115, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 994, pages 116-138, inclusive, in the office of the County Recorder of Cochise County, Arizona, and by a Nineteenth Supplemental Indenture dated as of June 1, 1975, and recorded on June 16, 1975, as a real property mortgage in Docket 1014, of Official Records, pages 17-29, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1014, pages 30-43, inclusive, in the office of the County Recorder of Cochise County, Arizona, and by a Twentieth Supplemental Indenture dated as of November 15, 1975, and recorded on December 1, 1975, as a supplemental real property mortgage in Docket 1046 of Official Records, pages 584-600, inclusive, in the office of the County Recorder of Cochise County, Arizona, and by a Twenty-first Supplemental Indenture dated as of April 15, 1977, and recorded on May 10, 1977, as a supplemental real property mortgage in Docket 1154 of Official Records, pages 163-191, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1154, of Official Records, pages 192-220, inclusive, in the office of the County Recorder of Cochise County, Arizona, and by a Twenty-second Supplemental Indenture dated as of January 15, 1978, and recorded on January 20, 1978, as a supplemental real property mortgage in Docket 1210 of Official Records, pages 138-153, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1210, of Official Records pages 154-170, inclusive, in the office of the County Recorder of Cochise

County, Arizona, and by a Twenty-third Supplemental Indenture dated as of March 1, 1979, and recorded on March 16, 1979, as a supplemental real property mortgage in Docket 1315 of Official Records, pages 177-195, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1315, of Official Records, pages 196-214, inclusive, in the office of the County Recorder of Cochise County, Arizona, and by a Twenty-fourth Supplemental Indenture dated as of October 15, 1979, and recorded on October 26, 1979, as a supplemental real property mortgage in Docket 1374 of Official Records, pages 599-612, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1374 of Official Records, pages 586-598, inclusive, in the office of the County Recorder of Cochise County, Arizona, and by a Twenty-fifth Supplemental Indenture dated as of May 15, 1980, and recorded on May 19, 1980, as a supplemental real property mortgage in Docket 1422 of Official Records, pages 532-549, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1422 of Official Records, pages 550-568, inclusive, in the office of the County Recorder of Cochise County of Arizona, and by a Twenty-Sixth Supplemental Indenture dated as of February 2, 1982, and recorded on February 23, 1982, in Docket 1572 of Official Records, pages 586-607, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1572 of Official Records, pages 608-630, inclusive, in the Office of the County Recorder of Cochise County, Arizona, and by a Twenty-seventh Supplemental Indenture dated as of April 15, 1982, and recorded on April 30, 1982, in Docket 1587 of Official Records, pages 594-608, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1587 of Official Records, pages 609-624, inclusive, in the Office of the County Recorder of Cochise County, Arizona, and by a Twenty-eighth Supplemental Indenture dated as of July 1, 1983, and recorded on July 14, 1983 in Docket 1687 of Official Records, pages 520-534, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1687 of Official Records, pages 535-550, inclusive, in the Office of the County Recorder of Cochise County, Arizona, and by the Twenty-ninth Supplemental Indenture dated as of October 15, 1983 and recorded on October 25, 1983 in Docket 1713 of Official Records, pages 28-40, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the

State of Arizona, in Docket 1713 of Official Records, pages 41-54, inclusive, in the Office of the County Recorder of Cochise County, Arizona, and by a Thirtieth Supplemental Indenture dated as of June 15, 1984 and recorded on June 26, 1984 in Docket No. 1775 of Official Records Pages 163-175 inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket No. 1775 of Official Records, Pages 176-189, inclusive, in the Office of the County Recorder of Cochise County, Arizona.

In Gila County, Arizona, on January 17, 1953, as a Realty Mortgage in Book 32, page 84, and in Book 17 of Chattel Mortgages, in the office of the County Recorder of Gila County, Arizona, which said instrument was supplemented and amended by a First Supplemental Indenture dated as of December 1, 1947, and recorded on January 17, 1953, as a Realty Mortgage in Book 32, page 153, and in Book 17 of Chattel Mortgages, in the office of the County Recorder of Gila County, Arizona, and by a Second Supplemental Indenture dated as of April 1, 1949, and recorded on January 17, 1953, as a Realty Mortgage in Book 32, page 162, and in Book 17 of Chattel Mortgages, in the office of the County Recorder of Gila County, Arizona, and by a Third Supplemental Indenture dated as of February 1, 1950, and recorded on January 17, 1953, as a Realty Mortgage in Book 32 page 170, and in Book 17 of Chattel Mortgages, in the office of the County Recorder of Gila County, Arizona, and by a Fourth Supplemental Indenture dated as of December 1, 1950, and recorded on January 17, 1953, as a Realty Mortgage in Book 32, page 181, and in Book 17 of Chattel Mortgages, in the office of the County Recorder of Gila County, Arizona, and by a Fifth Supplemental Indenture dated as of February 1, 1953, and recorded on February 26, 1953, as a Realty Mortgage in Book 32, page 191, and in Book 17 of Chattel Mortgages, in the office of the County Recorder of Gila County, Arizona, and by a Sixth Supplemental Indenture dated as of November 1, 1953, and recorded on November 10, 1953, as a Realty Mortgage in Book 33, page 229, and in Book 17 of Chattel Mortgages, page 133 in the office of the County Recorder of Gila County, Arizona, and by a Seventh Supplemental Indenture dated as of March 1, 1954, and recorded on April 5, 1954, as a Realty Mortgage in Docket 4, pages 512-524, inclusive, and indexed in Book 17 of Chattel Mortgages, page 175, in the office of the County Recorder of Gila County, Arizona, and by an Eighth Supplemental Indenture dated as of October 1, 1957, and recorded on October 14, 1957, as a Realty Mortgage in Docket 80, pages 538-574, inclusive, and in Book 20 of Chattel Mortgages, page 56, in the office of the County Recorder of Gila County, Arizona, and by

the Ninth Supplemental Indenture dated as of March 1, 1959, and recorded on March 30, 1959, as a Realty Mortgage in Docket 98, page 444, and in Book 20 of Chattel Mortgages, page 264, in the office of the County Recorder of Gila County, Arizona, and by a Tenth Supplemental Indenture dated as of November 1, 1961, and recorded on November 20, 1961, as a Realty Mortgage in Docket 131, page 595, and in Book 22 of Chattel Mortgages, page 30, in the office of the County Recorder of Gila County, Arizona, and by an Eleventh Supplemental Indenture dated as of June 1, 1962, and recorded on June 6, 1962, as a Realty Mortgage in Docket 138, page 9 and in Book 22 of Chattel Mortgages in the office of the County Recorder of Gila County, Arizona, and by a Twelfth Supplemental Indenture dated as of December 1, 1962, and recorded on December 21, 1962, as a Realty Mortgage in Docket 145, page 235, and in Book 22 of Chattel Mortgages, page 185, in the office of the County Recorder of Gila County, Arizona, and by a Thirteenth Supplemental Indenture dated as of September 1, 1963, and recorded on September 13, 1963, as a Realty Mortgage in Docket 154, page 389, and in Book 23 of Chattel Mortgage, page 3, in the office of the County Recorder of Gila County, Arizona, and by a Fourteenth Supplemental Indenture dated as of September 1, 1967, and recorded on September 12, 1967, as a Realty Mortgage in Docket 220, page 43 and indexed as a Chattel Mortgage on December 11, 1967, in Docket 220, page 43, in the office of the County Recorder of Gila County, Arizona, and by a Fifteenth Supplemental Indenture dated as of April 1, 1970, and recorded on April 10, 1970, as a Realty Mortgage in Docket 282 of Official Records, pages 274-301, inclusive, and indexed as a Chattel Mortgage in Docket 282 of Official Records, pages 302-329, inclusive, in the office of the County Recorder of Gila County, Arizona, and by a Sixteenth Supplemental Indenture dated as of March 15, 1972, and recorded on March 16, 1972, as a Realty Mortgage in Docket 316 of Official Records, pages 858-888, inclusive, and recorded and indexed as a Chattel Mortgage and Financing Statement in Docket 316, page 858, in the office of the County Recorder of Gila County, Arizona, and by a Seventeenth Supplemental Indenture dated as of April 1, 1974, and recorded on April 11, 1974, as a Realty Mortgage in Docket 357 of Official Records, pages 475-505, inclusive, and recorded and indexed as a Financing Statement in Docket 357, page 506, in the office of the County Recorder of Gila County, Arizona, and by an Eighteenth Supplemental Indenture dated as of February 15, 1975, and recorded on March 5, 1975, as a supplemental Real Property Mortgage in Docket 375 of Official Records, pages 25-46, inclusive, and recorded as a supplemental Chattel Mortgage in Docket 375, pages 47-68, inclusive, and as

a Financing Statement pursuant to the Uniform Commercial Code as adopted in the State of Arizona in Docket 375, pages 69-90, inclusive, in the office of the County Recorder of Gila County, Arizona, and by a Nineteenth Supplemental Indenture dated as of June 1, 1975, and recorded on June 16, 1975, as a supplemental Real Property Mortgage in Docket 380 of Official Records, pages 628-640, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 380, of Official Records, pages 641-654, inclusive, in the office of the County Recorder of Gila County, Arizona, and by a Twentieth Supplemental Indenture dated as of November 15, 1975, and recorded on November 28, 1975, as a supplemental real property mortgage in Docket 390 of Official Records, pages 555-570, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 390 of Official Records, pages 571-586, inclusive, in the office of the County Recorder of Gila County, Arizona, and by a Twenty-first Supplemental Indenture dated as of April 15, 1977, and recorded on May 10, 1977, as a supplemental real property mortgage in Docket 426, of Official Records, pages 15-42, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code as adopted in the State of Arizona, in Docket 426, pages 43-71, inclusive, in the office of the County Recorder of Gila County, Arizona, and by a Twenty-second Supplemental Indenture dated as of January 15, 1978, and recorded on January 19, 1978, as a supplemental real property mortgage in Docket 441 of Official Records, pages 720-735, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 441, of Official Records, pages 720-735, inclusive, in the office of the County Recorder of Gila County, Arizona, and by a Twenty-third Supplemental Indenture dated as of March 1, 1979, and recorded on March 20, 1979, as a supplemental real property mortgage in Docket 469, of Official Records, pages 529-548, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 469 of Official Records, pages 549-567, inclusive, in the office of the County Recorder of Gila County, Arizona, and by a Twenty-fourth Supplemental Indenture dated as of October 15, 1979, and recorded on October 26, 1979, as a supplemental real property mortgage in Docket 486 of Official Records, pages 672-685, inclusive, and indexed as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 486 of Official Records, pages 686-700, inclusive, in the office of the County Recorder of Gila County, Arizona, and by a Twenty-fifth

Supplemental Indenture dated as of May 15, 1980, and recorded on May 21, 1980, as a supplemental real property mortgage in Docket 500 of Official Records, pages 883-900, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 500 of Official Records, pages 865-882, inclusive, in the office of the County Recorder of Gila County, Arizona, and by a Twenty-Sixth Supplemental Indenture dated as of February 2, 1982, and recorded on February 22, 1982, in Docket 558 of Official Records, pages 843-864, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 558 of Official Records, pages 865-887, inclusive, in the Office of the County Recorder of Gila County, Arizona, and by a Twenty-seventh Supplemental Indenture dated as of April 15, 1982, and recorded on April 29, 1982, in Docket 562 of Official Records, pages 715-730, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 562 of Official Records, pages 731-746, inclusive, in the Office of the County Recorder of Gila County, Arizona, and by a Twenty-eighth Supplemental Indenture dated as of July 1, 1983, and recorded on July 15, 1983 in Docket 590 of Official Records, pages 544-559, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 590 of Official Records, pages 560-575, inclusive, in the Office of the County Recorder of Gila County, Arizona, and by a Twenty-ninth Supplemental Indenture dated as of October 15, 1983 and recorded on October 24, 1983 in Docket 598 of Official Records, pages 958-971, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 598 of Official Records, pages 972-985, inclusive, in the Office of the County Recorder of Gila County, Arizona, and by a Thirtieth Supplemental Indenture dated as of June 15, 1984 and recorded on June 25, 1984 in Docket 615 of Official Records, pages 621-633, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 615 of Official Records, pages 634-647, inclusive, in the Office of the County Recorder of Gila County, Arizona.

In Graham County, Arizona on December 3, 1963, as a Realty Mortgage in Book 92, pages 87-207, inclusive, and in Book 15 of Chattel Mortgages, page 223/6, File 511/63, in the office of the County Recorder of Graham County, Arizona, which said instrument was supplemented and amended by a First Supplemental Indenture dated as of December 1, 1947, and recorded

on December 3, 1963, as a Realty Mortgage in Book 92, pages 208-222, inclusive, and in Book 15 of Chattel Mortgages, page 224/1, File 512/63, in the office of the County Recorder of Graham County, Arizona, and by a Second Supplemental Indenture dated as of April 1, 1949, and recorded on December 3, 1963, as a Realty Mortgage in Book 92, pages 223/237, inclusive, and in Book 15 of Chattel Mortgages, pages 224/2, File 513/63, in the office of the County Recorder of Graham County, Arizona, and by a Third Supplemental Indenture dated as of February 1, 1950, and recorded on December 3, 1963, as a Realty Mortgage in Book 92, 238-254, inclusive, and in Book 15 of Chattel Mortgages, pages 224/3, File 514/63, in the office of the County Recorder of Graham County, Arizona, and by a Fourth Supplemental Indenture dated as of December 1, 1950, and recorded on December 3, 1963, as a Realty Mortgage in Book 92, pages 255-270, inclusive, and in Book 15 of Chattel Mortgages, page 224/4, File 515/63, in the office of the County Recorder of Graham County, Arizona; and by a Fifth Supplemental Indenture dated as of February 1, 1953, and recorded on December 3, 1963, as a Realty Mortgage in Book 92, pages 271-307, inclusive, and in Book 15 of Chattel Mortgages, page 224/5, File 516/63, in the office of the County Recorder of Graham County, Arizona, and by a Sixth Supplemental Indenture dated as of November 1, 1953, and recorded on December 3, 1963, as a Realty Mortgage in Book 92, pages 308-324, inclusive, and in Book 15 of Chattel Mortgages, page 224/6, File 517/63, in the office of the County Recorder of Graham County, Arizona, and by a Seventh Supplemental Indenture dated as of March 1, 1954, and recorded on December 3, 1963, as a Realty Mortgage in Book 92, pages 325-339, inclusive, and in Book 15 of Chattel Mortgages, page 225/1, File 518/63, in the office of the County Recorder of Graham County, Arizona, and by an Eighth Supplemental Indenture dated as of October 1, 1957, and recorded on December 3, 1963, as a Realty Mortgage in Book 92, pages 340-360, inclusive, and in Book 15 of Chattel Mortgages, page 225/2, File 519/63, in the office of the County Recorder of Graham County, Arizona, and by the Ninth Supplemental Indenture dated as of March 1, 1959, and recorded on December 3, 1963, as a Realty Mortgage in Book 92, pages 361-379, inclusive, and in Book 15 of Chattel Mortgages, page 225/3, File 520/63, in the office of the County Recorder of Graham County, Arizona, and by a Tenth Supplemental Indenture dated as of November 1, 1961, and recorded on December 3, 1963, as a Realty Mortgage in Book 92, pages 380-400, inclusive, and in Book 15 of Chattel Mortgages, page 225/4, File 521/63, in the office of the County Recorder of Graham County, Arizona, and by an Eleventh Supplemental

Indenture dated as of June 1, 1962, and recorded on December 3, 1963, as a Realty Mortgage in Book 92, pages 401-414, inclusive, and in Book 15 of Chattel Mortgages, page 225/5, File 522/63, in the office of the County Recorder of Graham County, Arizona, and by a Twelfth Supplemental Indenture dated as of December 1, 1962, and recorded on December 3, 1963, as a Realty Mortgage in Book 92, pages 415-428, inclusive, and in Book 15 of Chattel Mortgages, page 225/6, File 523/63, in the office of the County Recorder of Graham County, Arizona, and by a Thirteenth Supplemental Indenture dated as of September 1, 1963, and recorded on December 3, 1963, as a Realty Mortgage in Book 92 pages 429-444, inclusive, and in Book 15 of Chattel Mortgages, page 226/1, File 524/63, in the office of the County Recorder of Graham County, Arizona, and by a Fourteenth Supplemental Indenture dated as of September 1, 1967, and recorded on September 14, 1967, as a Realty Mortgage in Docket 122, pages 152-191, inclusive, and on December 11, 1967, recorded and indexed as a Chattel Mortgage in Docket 122, pages 152-191, inclusive, in the office of the County Recorder of Graham County, Arizona, and by a Fifteenth Supplemental Indenture dated as of April 1, 1970, and recorded on April 10, 1970, as a Realty Mortgage in Docket 151 of Official Records, pages 369-395, inclusive, and recorded as a Financial Statement in Docket 151 of Official Records, pages 396-422, inclusive, in the office of the County Recorder of Graham County, Arizona, and by a Sixteenth Supplemental Indenture dated as of March 15, 1972, and recorded on March 16, 1972, as a Realty Mortgage in Docket 176 of Official Records, pages 373-401, inclusive, and filed in Chattel Mortgages as a Financial Statement in Docket 176 of Official Records, pages 402-431, in the office of the County Recorder of Graham County, Arizona, and by a Seventeenth Supplemental Indenture dated as of April 1, 1974, and recorded on April 12, 1974, as a Realty Mortgage, in Docket 219 of Official Records, pages 441-470, inclusive, and recorded in Chattel Mortgages as a Financing Statement in Docket 219 of Official Records, pages 471-501, inclusive, in the office of the County Recorder of Graham County, Arizona, and by an Eighteenth Supplemental Indenture dated as of February 15, 1975, and recorded on February 28, 1975, as a supplemental real property mortgage, in Docket 232, of Official Records, pages 238-259, and marked on original and indexed as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 232 of Official Records, pages 260-281, inclusive, in the office of the County Recorder of Graham County, Arizona, and by a Nineteenth Supplemental Indenture dated as of June 1, 1975, and recorded on June 16, 1975, as a supplemental real property

mortgage in Docket 236, of Official Records, pages 322-334, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 236, of Official Records, pages 335-347, inclusive, in the office of the County Recorder of Graham County, Arizona, and by a Twentieth Supplemental Indenture dated as of November 15, 1975, and recorded on November 28, 1975, as a supplemental real property mortgage in Docket 245, of Official Records, pages 68-83, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 245, pages 84-100, inclusive, in the office of the County Recorder of Graham County, Arizona, and by a Twenty-first Supplemental Indenture dated as of April 15, 1977, and recorded on May 10, 1977, as a supplemental real property mortgage in Docket 271, of Official Records, pages 511-538, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code as adopted in the State of Arizona, in Docket 271, pages 539-567, inclusive, in the office of the County Recorder of Graham County, Arizona, and by a Twenty-second Supplemental Indenture dated as of January 15, 1978 and recorded on January 19, 1978, as a supplemental real property mortgage in Docket 283 of Official Records, pages 125-140, inclusive, and recorded as a Financing Statement pursuant to the the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 283, pages 141A-156, inclusive, in the office of the County Recorder of Graham County, Arizona, and by a Twenty-third Supplemental Indenture dated as of March 1, 1979, and recorded on March 16, 1979, as a supplemental real property mortgage in Docket 304 of Official Records, pages 554-571, inclusive, and recorded as a Financing Statement, pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 304, of Official Records, pages 572-590, inclusive, in the office of the County Recorder of Graham County, Arizona, and by a Twenty-fourth Supplemental Indenture dated as of October 15, 1979, and recorded on October 26, 1979, as a supplemental real property mortgage in Docket 317 of Official Records, pages 34-47, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 317 of Official Records, pages 48-62, inclusive, in the office of the County Recorder of Graham County, Arizona, and by a Twenty-fifth Supplemental Indenture dated as of May 15, 1980, and recorded on May 19, 1980, as a supplemental real property mortgage in Docket 326 of Official Records, pages 354-370, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 326 of Official Records,

pages 371-388, inclusive, in the office of the County Recorder as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 326 of Official Records, pages 371-388, inclusive, in the office of the County Recorder of Graham County of Arizona, and by a Twenty-Sixth Supplemental Indenture dated as of February 2, 1982, and recorded on February 22, 1982, in Docket 346 of Official Records, pages 736-757, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 346 of Official Records, pages 758-780, inclusive, in the Office of the County Recorder of Graham County, Arizona, and by a Twenty-seventh Supplemental Indenture dated as of April 15, 1982, and recorded on April 29, 1982, in Docket 348 of Official Records, pages 436-448 inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 348 of Official Records, pages 449-464, inclusive, in the Office of the County Recorder of Graham County, Arizona, and by a Twenty-eighth Supplemental Indenture dated as of July 1, 1983, and recorded on July 15, 1983 in Book 358 of Official Records, pages 1-15, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Book 358 of Official Records, pages 16-31, inclusive, in the Office of the County Recorder of Graham County, Arizona, and by a Twenty-ninth Supplemental Indenture dated as of October 15, 1983, and recorded on October 24, 1983 in Docket 360 of Official Records, pages 238-250, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 360 of Official Records, pages 251-263, inclusive, in the Office of the County Recorder of Graham County, Arizona, and by a Thirtieth Supplemental Indenture dated as of June 15, 1984 and recorded on June 25, 1984 in Docket 366 of Official Records, pages 975-987, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 366 of Official Records, pages 988-1000, inclusive, in the Office of the County Recorder of Graham County, Arizona.

In La Paz County, Arizona, recorded in Yuma County on August 1, 1947, as a Realty Mortgage in Book 58, page 173, and in Book 21 of Chattel Mortgages, page 265, in the office of the County Recorder of Yuma County, Arizona, which said instrument was supplemented and amended by a First Supplemental Indenture dated as of December 1, 1947, and recorded on December 19, 1947, as a Realty Mortgage in Book 58 page 465, and in Book 21 of Chattel Mortgages, page 287, in the office of the County Recorder of

Yuma County, Arizona, and by a Second Supplemental Indenture dated as of April 1, 1949, and recorded on April 23, 1949, as a Realty Mortgage in Docket 6, page 95, and in Book 22 of Chattel Mortgages, page 87, in the office of the County Recorder of Yuma County, Arizona, and by a Third Supplemental Indenture dated as of February 1, 1950, and recorded on February 17, 1950, as a Realty Mortgage in Docket 18, pages 150-167, inclusive, and in Book 22 of Chattel Mortgages, page 167, in the office of the County Recorder of Yuma County, Arizona, and by a Fourth Supplemental Indenture dated as of December 1, 1950, and recorded on December 12, 1950, as a Realty Mortgage in Docket 31, pages 378-396, inclusive, and in Book 22 of Chattel Mortgages, page 256, in the office of the County Recorder of Yuma County, Arizona, and by a Fifth Supplemental Indenture dated as of February 1, 1953, and recorded on February 26, 1953, as a Realty Mortgage in Docket 74, pages 217-255, File 2493, inclusive, and indexed as a Chattel Mortgage in Book 24, File 2494, in the office of the County Recorder of Yuma County, Arizona, and by a Sixth Supplemental Indenture dated as of November 1, 1953, and recorded on November 10, 1953, as a Realty Mortgage in Docket 93, pages 158-176, inclusive, and indexed as a Chattel Mortgage in Book 24, page 171, in the office of the County Recorder of Yuma County, Arizona, and by a Seventh Supplemental Indenture dated as of March 1, 1954, and recorded on April 5, 1954, as a Realty Mortgage in Docket 103, pages 86-102, inclusive, and indexed in Book 24 of Chattel Mortgages, page 264, in the office of the County Recorder of Yuma County, Arizona, and by a Eighth Supplemental Indenture dated as of October 1, 1957, and recorded on October 14, 1957, as a Realty Mortgage in Docket 209, pages 100-136, inclusive, and indexed in Book 28 of Chattel Mortgages, page 260, in the office of the County Recorder of Yuma County, Arizona, and by the Ninth Supplemental Indenture dated as of March 1, 1959, and recorded on March 30, 1959, as a Realty Mortgage in Docket 249, pages 213-247, inclusive, and in Book 30 of Chattel Mortgages, Instrument 4381, in the office of the County Recorder of Yuma County, Arizona, and by a Tenth Supplemental Indenture dated as of November 1, 1961, and recorded on November 20, 1961, as a Realty Mortgage in Docket 318, page 5, and in Book 34 of Chattel Mortgages, page 47, in the office of the County Recorder of Yuma County, Arizona, and by an Eleventh Supplemental Indenture dated as of June 1, 1962, and recorded on June 6, 1962, as a Realty Mortgage in Docket 330, page 762, and in Book 34 of Chattel Mortgages, page 287, in the office of the County Recorder of Yuma County, Arizona, and by a Twelfth Supplemental Indenture dated as of December 1, 1962, and recorded on December 24, 1962, as a Realty Mortgage

in Docket 342, pages 517-541, inclusive, and in Book 35 of Chattel Mortgages, page 185, in the office of the County Recorder of Yuma County, Arizona, and by a Thirteenth Supplemental Indenture dated as of September 1, 1963, and recorded on September 13, 1963, as a Realty Mortgage in Docket 361, pages 1-30, inclusive, and filed as a Chattel Mortgage and Financing Statement and recorded in Book 36 of Chattel Mortgages, page 151, in the office of the County Recorder of Yuma County, Arizona, and by a Fourteenth Supplemental Indenture dated as of September 1, 1967, and recorded on September 13, 1967, as a Realty Mortgage in Docket 490, pages 519-558 and filed as a Chattel Mortgage and Financing Statement and recorded on Docket 490, pages 519-558, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Fifteenth Supplemental Indenture dated as of April 1, 1970, and recorded on April 10, 1970, as a Realty Mortgage in Docket 604, pages 463-489, inclusive, and filed as a Chattel Mortgage and Financing Statement in Docket 604, pages 490-516, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Sixteenth Supplemental Indenture dated as of March 15, 1972, and recorded on March 16, 1972, as a Realty Mortgage in Docket 692 of Official Records, pages 658-686, inclusive, and filed as a Chattel Mortgage and Financing Statement, and recorded in Docket 692, pages 687-715, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Seventeenth Supplemental Indenture dated as of April 1, 1974, and recorded on April 11, 1974, as a Realty Mortgage, in Docket 803 of Official Records, pages 35-65, inclusive, and indexed as a Chattel Mortgage and Financing Statement, and recorded in Docket 803, pages 66-96, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by an Eighteenth Supplemental Indenture dated as of February 15, 1975, and recorded on February 28, 1975, as a supplemental real property mortgage, in Docket 846 of Official Records, pages 836-857, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona in Docket 846, pages 858-879, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Nineteenth Supplemental Indenture dated as of June 1, 1975, and recorded on June 16, 1975, as a supplemental real property mortgage in Docket 863 (Fee No. 12923) of Official Records, pages 327-339, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 863 (Fee No. 12924) of Official Records, pages 340-353, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Twentieth Supplemental Indenture dated as of November 15, 1975, and recorded on November 28,

1975, as a supplemental real property mortgage in Docket 885 of Official Records, pages 985-1000, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 886 of Official Records, pages 1-16, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Twenty-first Supplemental Indenture dated as of April 15, 1977, and recorded on May 10, 1977, as a supplemental real property mortgage in Docket 971, of Official Records, pages 210-237, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code as adopted in the State of Arizona, in Docket 971, of Official Records, pages 238-266, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Twenty-second Supplemental Indenture dated as of January 15, 1978, and recorded on January 19, 1978, as a supplemental real property mortgage in Docket 1016 of Official Records, pages 711-726, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1016, of Official Records, pages 727-742, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Twenty-third Supplemental Indenture dated as of March 1, 1979, and recorded on March 16, 1979, as a supplemental real property mortgage in Docket 1088, of Official Records, pages 385-404, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1088, of Official Records, pages 385-404, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Twenty-fourth Supplemental Indenture dated as of October 15, 1979, and recorded on October 26, 1979, as a supplemental real property mortgage in Docket 1127 of Official Records, pages 773-786, inclusive, and indexed as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1127 of Official Records, File #25918, in the office of the County Recorder of Yuma County, Arizona, and by a Twenty-fifth Supplemental Indenture dated as of May 15, 1980, and recorded on May 19, 1980, as a supplemental real property mortgage in Docket 1164 of Official Records, pages 398-415, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1164 of Official Records, pages 416-434, inclusive, in the office of the County Recorder of Yuma County of Arizona, and by a Twenty-sixth Supplemental Indenture dated as of February 2, 1982, and recorded on February 22, 1982, in Docket 1268 of Official Records, pages 737-759, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1268 of Official Records, pages 760-783,

inclusive, in the Office of the County Recorder of Yuma County, Arizona, and by a Twenty-seventh Supplemental Indenture dated as of April 15, 1982, and recorded on April 29, 1982, in Docket 1279 of Official Records, pages 632-646, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1279 of Official Records, pages 647-662 inclusive, in the Office of the County Recorder of Yuma County, Arizona, and,

WHEREAS, on December 31, 1982, Yuma County was divided into two separate counties forming the new County of La Paz, Arizona. Hereinafter, all such recordations as described above will be recorded in the Office of the County Recorder of La Paz County, Arizona. Subsequently, a Twenty-eighth Supplemental Indenture dated as of July 1, 1983 was recorded on July 15, 1983 in Official Records No. 83-003422, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Official Records No. 83-003423, in the Office of the County Recorder of La Paz County, Arizona, and by the Twenty-ninth Supplemental Indenture dated as of October 15, 1983 and recorded on October 24, 1983 in Office Records No. 83-005521 and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Official Records No. 83-005522 in the Office of the County Recorder of La Paz County, Arizona and by a Thirtieth Supplemental Indenture dated as of June 15, 1984 and recorded on June 22, 1984 in Official Records No. 84-003539, Pages 1-13, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Official Records No. 84-003540, Pages 1-13, inclusive, in the Office of the County Recorder of La Paz County, Arizona.

In Maricopa County, Arizona, on August 6, 1949, as a Realty Mortgage in Book 408, pages 163-282, inclusive, and in Book 92 of Chattel Mortgages, page 204, in the office of the County Recorder of Maricopa County, Arizona, which said instrument was supplemented and amended by a First Supplemental Indenture dated as of December 1, 1947, and recorded on December 18, 1947, as a Realty Mortgage in Docket 106 of Mortgages, pages 12-26, inclusive, and in Book 96 of Chattel Mortgages, page 256, in the office of the County Recorder of Maricopa County, Arizona, and by a Second Supplemental Indenture dated as of April 1, 1949, and recorded on April 21, 1949, as a Realty Mortgage in Docket 375 of Mortgages, pages 75-88, inclusive, and in Book 100 of Chattel Mortgages, page 281, in the office of the County Recorder of Maricopa County, Arizona, and by a Third Supplemental Indenture dated as of February 1, 1950, and recorded on February 16, 1950, as a

Realty Mortgage in Docket 505 of Mortgages, pages 361-377, inclusive, and in Book 103 of Chattel Mortgages, page 81, in the office of the County Recorder of Maricopa County, Arizona, and by a Fourth Supplemental Indenture dated as of December 1, 1950, and recorded on December 8, 1950, as a Realty Mortgage in Docket 659 of Mortgages, pages 37-52, inclusive, and in Book 105 of Chattel Mortgages, page 293, in the office of the County Recorder of Maricopa County, Arizona, and by a Fifth Supplemental Indenture dated as of February 1, 1953, and recorded on February 26, 1953, as a Realty Mortgage in Docket 1083, pages 439-475, inclusive, and in Book 114 of Chattel Mortgages, page 85, in the office of the County Recorder of Maricopa County, Arizona, and by a Sixth Supplemental Indenture dated as of November 1, 1953, and recorded on November 9, 1953, as a Realty Mortgage in Docket 1230, pages 534-550, inclusive, and in Book 117 of Chattel Mortgages, page 175, in the office of the County Recorder of Maricopa County, Arizona, and by a Seventh Supplemental Indenture dated as of March 1, 1954, and recorded on April 3, 1954, as a Realty Mortgage in Docket 1320, pages 488-502, inclusive, and in Book 119 of Chattel Mortgages, page 213, in the office of the County Recorder of Maricopa County, Arizona, and by an Eighth Supplemental Indenture dated as of October 1, 1957, and recorded on October 11, 1957, as a Realty Mortgage in Docket 2298, of Official Records, pages 273-293, inclusive, and in Book 151 of Chattel Mortgages, page 574, in the office of the County Recorder of Maricopa County Arizona, and by the Ninth Supplemental Indenture dated as of March 1, 1959, and recorded on March 30, 1959, as a Realty Mortgage in Docket 2805, of Official Records, pages 565-584, inclusive, and in Book 157 of Chattel Mortgages, page 425, in the office of the County Recorder of Maricopa County, Arizona, and by a Tenth Supplemental Indenture dated as of November 1, 1961, and recorded on November 17, 1961, as a Realty Mortgage in Docket 3926, of Official Records, pages 142-160, inclusive, and in Book 171 of Chattel Mortgages, page 61, in the office of the County Recorder of Maricopa County, Arizona, and by an Eleventh Supplemental Indenture dated as of June 1, 1962, and recorded on June 5, 1962, as a Realty Mortgage in Docket 4168, of Official Records, pages 417-431, inclusive, Fee No. 98578, and in Book 174 of Chattel Mortgages, page 286, in the office of the County Recorder of Maricopa County, Arizona, and by a Twelfth Supplemental Indenture dated as of December 1, 1962, and recorded on December 20, 1962, as a Realty Mortgage in Docket 4400, of Official Records, on pages 576-589, inclusive, Fee No. 218973, and in Book 176 of Chattel Mortgages, page 323, in the office of the

County Recorder of Maricopa County, Arizona, and by a Thirteenth Supplemental Indenture dated as of September 1, 1963, and recorded on September 12, 1963, as a Realty Mortgage in Docket 4727, of Official Records, pages 536-565, inclusive, and in Book 181 of Chattel Mortgages, page 76, in the office of the County Recorder of Maricopa County, Arizona, and by a Fourteenth Supplemental Indenture dated as of September 1, 1967, and recorded on September 12, 1967, as a Realty Mortgage in Docket 6740 of Official Records, pages 242-281, inclusive, and duly recorded and indexed on December 11, 1967, as a Chattel Mortgage in Docket 6740 of Official Records, pages 242-281, in the office of the County Recorder of Maricopa County, Arizona, and by a Fifteenth Supplemental Indenture dated as of April 1, 1970, and recorded on April 9, 1970, as a Realty Mortgage in Docket 8080 of Official Records, pages 861-887, inclusive, and recorded and indexed in Secured Transactions as a Chattel Mortgage in Docket 8080 of Official Records, pages 861-887, inclusive, in the office of the County Recorder of Maricopa County, Arizona, and by a Sixteenth Supplemental Indenture dated as of March 15, 1972, and recorded on March 15, 1972, in Docket 9303 of Official Records, pages 128-156, inclusive as a mortgage of real property, and a copy filed as a supplement to a mortgage of personal property and duly recorded in Book 03 of Mortgages, and a copy filed and indexed on April 5, 1972, as a Financing Statement in Docket 9349, pages 490-519, inclusive, in the office of the County Recorder of Maricopa County, Arizona, and by a Seventeenth Supplemental Indenture dated as of April 1, 1974, and recorded on April 10, 1974, in Docket No. 10598 of Official Records, pages 1025-1055, inclusive, as a mortgage of real property and a copy filed as a supplement to a mortgage of personal property and has been duly filed and indexed in Mortgages No. 86414, and a copy filed and indexed on April 10, 1975, as a Financing Statement in Docket No. 10598, pages 1056-1086, inclusive in the office of the County Recorder of Maricopa County, Arizona, and by an Eighteenth Supplemental Indenture dated as of February 15, 1975, and recorded on February 27, 1975, as a supplemental real property mortgage, in Docket 11050, of Official Records, pages 956-975, inclusive, and as a supplemental Chattel Mortgage and Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 11050 of Official Records, pages 956-975, inclusive, in the office of the County Recorder of Maricopa County, Arizona, and by a Nineteenth Supplemental Indenture dated as of June 1, 1975, and recorded on June 12, 1975, as a supplemental real property mortgage in Docket 11200, of Official Records, pages 56 through 68, inclusive, and recorded as a Financing Statement pursuant to

the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 11200, pages 69 through 82, inclusive, in the office of the County Recorder of Maricopa County, Arizona, and by a Twentieth Supplemental Indenture dated as of November 15, 1975, and recorded on November 26, 1975, as a supplemental real property mortgage in Docket 11433 of Official Records, pages 1317 through 1332, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 11433, pages 1333-1349, inclusive, in the office of the County Recorder of Maricopa County, Arizona, and by a Twenty-first Supplemental Indenture dated as of April 15, 1977, and recorded on April 29, 1977, as a supplemental real property mortgage in Docket 12195 of Official Records, pages 1102-1129, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code as adopted in the State of Arizona, in Docket 12195, pages 1130-1158, inclusive, in the office of the County Recorder of Maricopa County, Arizona, and by a Twenty-second Supplemental Indenture dated as of January 15, 1978, and recorded on January 19, 1978, as a supplemental real property mortgage in Docket 12665 of Official Records, pages 596-611, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona in Docket 12665, of Official Records, pages 612-627, inclusive, in the office of the County Recorder of Maricopa County, Arizona, and by a Twenty-third Supplemental Indenture dated as of March 1, 1979, and recorded on March 14, 1979, as a supplemental real property mortgage in Docket 13500 of Official Records, pages 355-372, inclusive, and recorded as a Financing Statement, pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 13500 of Official Records, pages 336-354, inclusive, in the office of the County Recorder of Maricopa County, Arizona, and by a Twenty-fourth Supplemental Indenture dated as of October 15, 1979, and recorded on October 24, 1979, as a supplemental real property mortgage in Docket 13983 of Official Records, pages 213-226, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 13983 of Official Records, pages 227-241, inclusive, in the office of the County Recorder of Maricopa County, Arizona, and by a Twenty-fifth Supplemental Indenture dated as of May 15, 1980, and recorded on May 21, 1980, as a supplemental real property mortgage in Docket 14433 of Official Records, pages 267-283, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 14433 of Official Records, pages 267-283, inclusive, in the office of the County Recorder of Maricopa County, Arizona,

and by a Twenty-sixth Supplemental Indenture dated as of February 2, 1982, and recorded on February 19, 1982, in Docket 15840 of Official Records, pages 544-565, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 15840 of Official Records, pages 566-588, inclusive, in the Office of the County Recorder of Maricopa County, Arizona, and by a Twenty-seventh Supplemental Indenture dated as of April 15, 1982, and recorded on April 26, 1982, in Docket 15981 of Official Records, pages 513-528, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 15981 of Official Records, pages 513-528, inclusive, in the Office of the County Recorder of Maricopa County, Arizona, and by a Twenty-eighth Supplemental Indenture dated as of July 1, 1983, and recorded on July 13, 1983 in Official Records No. 83-273052 and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Official Records No. 83-273053 in the Office of the County Recorder of Maricopa County, Arizona, and by a Twenty-ninth Supplemental Indenture dated as of October 15, 1983 and recorded on October 24, 1983 in Official Records No. 83-426863 and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Official Records No. 83-426864 in the Office of the County Recorder of Maricopa County, Arizona, and by a Thirtieth Supplemental Indenture dated as of June 15, 1984 and recorded on June 22, 1984 in Official Records No. 84-271775 and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona in Official Records No. 84-271776 in the Office of the County Recorder of Maricopa County, Arizona.

In Pima County, Arizona, on January 24, 1953, as a Realty Mortgage in Docket 558, pages 351-474, inclusive, and in Book 14 of Chattel Mortgages, File 4255, in the office of the County Recorder of Pima County, Arizona, which said instrument was supplemented and amended by a First Supplemental Indenture dated as of December 1, 1947, and recorded on January 24, 1953, as a Realty Mortgage in Docket 558, pages 475-493, inclusive, File 4251, and recorded as a Chattel Mortgage in Book 14, File 4256, in the office of the County Recorder of Pima County, Arizona, and by a Second Supplemental Indenture dated as of April 1, 1949, and recorded on January 24, 1953, as a Realty Mortgage in Docket 558, pages 494-513, and in Book 14 of Chattel Mortgages, File 4257, in the office of the County Recorder of Pima County, Arizona, and by a Third Supplemental Indenture dated as of February 1, 1950, and recorded on January 24, 1953, as a Realty Mortgage in

Docket 558, pages 514-534, inclusive, and in Book 14 of Chattel Mortgages, File 4258, in the office of the County Recorder of Pima County, Arizona, and by a Fourth Supplemental Indenture dated as of December 1, 1950, and recorded on January 24, 1953, as a Realty Mortgage in Docket 558, pages 535-555, inclusive, and in Book 14 of Chattel Mortgages, File 4259, in the office of the County Recorder of Pima County, Arizona, and by a Fifth Supplemental Indenture dated as of February 1, 1953, and recorded on February 26, 1953, as a Realty Mortgage in Docket 570, pages 288-324, inclusive, and in Book 14 of Chattel Mortgages, Instrument 9876, in the office of the County Recorder of Pima County, Arizona, and by a Sixth Supplemental Indenture dated as of November 1, 1953, and recorded on November 10, 1953, as a Realty Mortgage in Docket 655, pages 399-418, inclusive, and in Book 14 of Chattel Mortgages, Instrument 51116, in the office of the County Recorder of Pima County, Arizona, and by a Seventh Supplemental Indenture dated as of March 1, 1954, and recorded on April 5, 1954, as a Realty Mortgage in Docket 702, pages 250-266, inclusive, and in Book 14 of Chattel Mortgages, Instrument 14765, in the office of the County Recorder of Pima County, Arizona, and by an Eighth Supplemental Indenture dated as of October 1, 1957, and recorded on October 14, 1957, as a Realty Mortgage in Docket 1186, pages 211-231, inclusive, and in Book 18 of Chattel Mortgages, Instrument 62205, in the office of the County Recorder of Pima County, Arizona, and by the Ninth Supplemental Indenture dated as of March 1, 1959, and recorded on March 30, 1959, as a Realty Mortgage in Docket 1405, pages 301-321, inclusive, and in Book 20 of Chattel Mortgages, Instrument 23225, in the office of the County Recorder of Pima County, Arizona, and by a Tenth Supplemental Indenture dated as of November 1, 1961, and recorded on November 20, 1961, as a Realty Mortgage in Docket 1858, pages 468-487, inclusive, and in Book 23 of Chattel Mortgages, Instrument 75557, in the office of the County Recorder of Pima County, Arizona, and by an Eleventh Supplemental Indenture dated as of June 1, 1962, and recorded on June 6, 1962, as a Realty Mortgage in Docket 1946, pages 433-448, inclusive, and in Instrument 38867 of Chattel Mortgages, in the office of the County Recorder of Pima County, Arizona, and by a Twelfth Supplemental Indenture dated as of December 1, 1962, and recorded on December 21, 1962, as a Realty Mortgage in Docket 2033, pages 25-40, inclusive, and in Book 24 of Chattel Mortgages, Instrument 89100, in the office of the County Recorder of Pima County, Arizona, and by a Thirteenth Supplemental Indenture dated as of September 1, 1963, and recorded on September 13, 1963, as a Realty Mortgage in Docket 2154, pages 58-87, inclusive, and in

Book 25 of Chattel Mortgages, Instrument 66799, in the office of the County Recorder of Pima County, Arizona, and by a Fourteenth Supplemental Indenture dated as of September 1, 1967, and recorded on September 13, 1967, as a Realty Mortgage in Docket 3077, pages 198-237, inclusive, and on December 14, 1967, recorded and indexed as a Chattel Mortgage in Docket 3141, pages 490-529, inclusive, in the office of the County Recorder of Pima County, Arizona, and by a Fifteenth Supplemental Indenture dated as of April 1, 1970, and recorded on April 10, 1970, as a Realty Mortgage in Docket 3721 of Official Records, pages 384-410, inclusive, and recorded as a Financial Statement in Docket 3721 of Official Records, pages 411-437, inclusive, in the office of the County Recorder of Pima County, Arizona, and by a Sixteenth Supplemental Indenture dated as of March 15, 1972, and recorded on March 16, 1972, as a Realty Mortgage in Docket 4209 of Official Records, pages 750-778, inclusive, and filed in Chattel Mortgages as a Financing Statement in Docket 4209 of Official Records, pages 779-808, in the office of the County Recorder of Pima County, Arizona, and by a Seventeenth Supplemental Indenture dated as of April 1, 1974, and recorded on April 11, 1974, as a Realty Mortgage, in Docket 4743 of Official Records, pages 208-237, inclusive, and recorded in Chattel Mortgages as a Financing Statement in Docket 4743 of Official Records, pages 238-268, inclusive, in the office of the County Recorder of Pima County, Arizona, and by an Eighteenth Supplemental Indenture dated as of February 15, 1975, and recorded on February 28, 1975, as a supplemental real property mortgage, in Docket 4964, of Official Records, pages 340-361, and marked on the original and indexed as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 4964 of Official Records, pages 362-383, inclusive, in the office of the County Recorder of Pima County, Arizona, and by a Nineteenth Supplemental Indenture dated as of June 1, 1975, and recorded on June 17, 1975, as a supplemental real property mortgage in Docket 5040, of Official Records, pages 668-680, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 5040, of Official Records, pages 681-694, inclusive, in the office of the County Recorder of Pima County, Arizona, and by a Twentieth Supplemental Indenture dated as of November 15, 1975, and recorded on November 28, 1975, as a supplemental real property mortgage in Docket 5153, of Official Records, pages 466-481, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 5153, pages 482-498, inclusive, in the office of the County Recorder of Pima County,

Arizona, and by a Twenty-first Supplemental Indenture dated as of April 15, 1977, and recorded on May 11, 1977, as a supplemental real property mortgage in Docket 5523, of Official Records, pages 738-765, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code as adopted in the State of Arizona, in Docket 5523, pages 766-794, inclusive, in the office of the County Recorder of Pima County, Arizona, and by a Twenty-second Supplemental Indenture dated as of January 15, 1978, and recorded on January 19, 1978, as a supplemental real property mortgage in Docket 5696 of Official Records, pages 521-536, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 5696, pages 537-553, inclusive, in the office of the County Recorder of Pima County, Arizona, and by a Twenty-third Supplemental Indenture dated as of March 1, 1979, and recorded on March 16, 1979, as a supplemental real property mortgage in Docket 5985 of Official Records, pages 924-941, inclusive, and recorded as a Financing Statement, pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 5985, of Official Records, pages 942-960, inclusive, in the office of the County Recorder of Pima County, Arizona, and by a Twenty-fourth Supplemental Indenture dated as of October 15, 1979, and recorded on October 29, 1979, as a supplemental real property mortgage in Docket 6143 of Official Records, pages 751-764, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 6143 of Official Records, pages 765-779, inclusive, in the office of the County Recorder of Pima County, Arizona, and by a Twenty-fifth Supplemental Indenture dated as of May 15, 1980, and recorded on May 19, 1980, as a supplemental real property mortgage in Docket 6282 of Official Records, pages 507-523, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 6282 of Official Records, pages 524-541, inclusive, in the office of the County Recorder of Pima County, Arizona and by a Twenty-Sixth Supplemental Indenture dated as of February 2, 1982, and recorded on February 22, 1982, in Docket 6722 of Official Records, pages 513-535, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 6722 of Official Records, pages 536-558, inclusive, in the Office of the County Recorder of Pima County, Arizona, and by a Twenty-seventh Supplemental Indenture dated as of April 15, 1982, and recorded on May 17, 1982, in Docket 6782 of Official Records, pages 718-731, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted

in the State of Arizona, in Docket 6782 of Official Records, pages 732-747, inclusive, in the Office of the County Recorder of Pima County, Arizona, and by a Twenty-eighth Supplemental Indenture dated as of July 1, 1983, and recorded on July 14, 1983 in Docket 7073 of Official Records, pages 1095-1109, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 7073 of Official Records, pages 1110-1125, inclusive, in the Office of the County Recorder of Pima County, Arizona, and by a Twenty-ninth Supplemental Indenture dated as of October 15, 1983, and recorded on October 24, 1983 in Docket 7143 of Official Records, pages 795-807, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 7143 of Official Records, pages 808-819, inclusive, in the Office of the County Recorder of Pima County, Arizona, and by a Thirtieth Supplemental Indenture dated as of June 15, 1984 and recorded on July 9, 1984 in Docket 7320 of Official Records, Pages 932-944, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 7320 of Official Records, pages 945-958, inclusive, in the Office of the County Recorder of Pima County, Arizona.

In Pinal County, Arizona on October 25, 1952, as a Realty Mortgage in Docket 68, page 31, and in Book 12 of Chattel Mortgages, page 591, in the office of the County Recorder of Pinal County, Arizona, which said instrument was supplemented and amended by a First Supplemental Indenture dated as of December 1, 1947, and recorded on October 25, 1952, as a Realty Mortgage in Docket 68, pages 246-263, inclusive, and in Book 12 of Chattel Mortgages, page 591 in the office of the County Recorder of Pinal County, Arizona, and by a Second Supplemental Indenture dated as of April 1, 1949, and recorded on October 25, 1952, as a Realty Mortgage in Docket 68, pages 264-281, inclusive, and in Book 12 of Chattel Mortgages, page 592, in the office of the County Recorder of Pinal County, Arizona, and by a Third Supplemental Indenture dated as of February 1, 1950, and recorded on October 25, 1952, as a Realty Mortgage in Docket 68, pages 282-300, inclusive, and in Book 12 of Chattel Mortgages, page 592, in the office of the County Recorder of Pinal County, Arizona, and by a Fourth Supplemental Indenture dated as of December 1, 1950, and recorded on October 25, 1952, as a Realty Mortgage in Docket 68, pages 301-318, inclusive, and in Book 12 of Chattel Mortgages, page 592, in the office of the County Recorder of Pinal County, Arizona, and by a Fifth Supplemental Indenture dated as of February 1, 1953, and recorded on February 27, 1953, as a Realty Mortgage

in Docket 74, pages 274-311, inclusive, and in Book 13 of Chattel Mortgages, page 77, in the office of the County Recorder of Pinal County, Arizona, and by a Sixth Supplemental Indenture dated as of November 1, 1953, and recorded on November 12, 1953, as a Realty Mortgage in Docket 91, pages 515-532, inclusive, and in Book 13 of Chattel Mortgages, page 294, in the office of the County Recorder of Pinal County, Arizona, and by a Seventh Supplemental Indenture dated as of March 1, 1954, and recorded on April 5, 1954, as a Realty Mortgage in Docket 100, pages 297-313, inclusive, and in Book 13 of Chattel Mortgages, page 541, in the office of the County Recorder of Pinal County, Arizona, and by an Eighth Supplemental Indenture dated as of October 1, 1957, and recorded on October 14, 1957, as a Realty Mortgage in Docket 189, pages 99-119, inclusive, and in Book 16 of Chattel Mortgages, page 441, in the office of the County Recorder of Pinal County, Arizona, and by the Ninth Supplemental Indenture dated as of March 1, 1959, and recorded on March 30, 1959, as a Realty Mortgage in Docket 228, page 112, and in Book 18 of Chattel Mortgages, page 157, in the office of the County Recorder of Pinal County, Arizona, and by a Tenth Supplemental Indenture dated as of November 1, 1961, and recorded on November 20, 1961, as a Realty Mortgage in Docket 308, page 539, and in Book 21 of Chattel Mortgages, page 8, in the office of the County Recorder of Pinal County, Arizona, and by an Eleventh Supplemental Indenture dated as of June 1, 1962, and recorded on June 6, 1962, as a Realty Mortgage in Docket 326, page 171, and in Book 21 of Chattel Mortgages, page 419, in the office of the County Recorder of Pinal County, Arizona, and by a Twelfth Supplemental Indenture dated as of December 1, 1962, and recorded on December 21, 1962, as a Realty Mortgage in Docket 339, page 287, and in Book 22 of Chattel Mortgages, page 47, in the office of the County Recorder of Pinal County, Arizona, and by a Thirteenth Supplemental Indenture dated as of September 1, 1963, and recorded on September 13, 1963, as a Realty Mortgage in Docket 362, page 13, and in Book 22 of Chattel Mortgages, page 553, in the office of the County Recorder of Pinal County, Arizona, and by a Fourteenth Supplemental Indenture dated as of September 1, 1967, and recorded on September 13, 1967, as a Realty Mortgage in Docket 517, page 111, and re-recorded and indexed on December 26, 1967, as a Chattel Mortgage in Docket 525, page 811, in the office of the County Recorder of Pinal County, Arizona, and by a Fifteenth Supplemental Indenture dated as of April 1, 1970, and recorded on April 10, 1970, as a Realty Mortgage in Docket 596 of Official Records, page 63, and recorded and indexed as a Chattel Mortgage in Financing Statements in Docket 596, of Official Records, page 78, in the office of the County

Recorder of Pinal County, Arizona, and by a Sixteenth Supplemental Indenture dated as of March 15, 1972, and recorded on March 16, 1972, as a Realty Mortgage in Docket 660 of Official Records, pages 625-640, inclusive, and recorded as a Chattel Mortgage in Docket 660 of Official Records, pages 608-624, inclusive, and indexed in Financing Statements Book 2 in the office of the County Recorder of Pinal County, Arizona, and by a Seventeenth Supplemental Indenture dated as of April 1, 1974, and recorded on April 11, 1974, as a Realty Mortgage in Docket 743 of Official Records, pages 29-44, inclusive, and recorded as a Chattel Mortgage and indexed as a Financing Statement in Docket 743 of Official Records, pages 12-28, inclusive, in the office of the County Recorder of Pinal County, Arizona, and by an Eighteenth Supplemental Indenture dated as of February 15, 1975, and recorded on February 28, 1975, as a supplemental real property mortgage in Docket 776 of Official Records, pages 285-296, inclusive, and recorded as a Chattel Mortgage and Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 776 of Official Records, pages 297-309, inclusive, in the office of the County Recorder of Pinal County, Arizona, and by a Nineteenth Supplemental Indenture dated as of June 1, 1975, and recorded on June 16, as a supplemental real property mortgage in Docket 787, of Official Records, pages 684-696, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 787 of Official Records, pages 697-710, inclusive, in the office of the County Recorder of Pinal County, Arizona, and by a Twentieth Supplemental Indenture dated as of November 15, 1975, and recorded on November 28, 1975, as a supplemental real property mortgage in Docket 804 of Official Records, pages 47-55, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code as adopted in the State of Arizona, Docket 804 of Official Records, pages 56-65, inclusive, in the office of the County Recorder of Pinal County, Arizona, and by a Twenty-first Supplemental Indenture dated as of April 15, 1977, and recorded on May 10, 1977, as a supplemental real property mortgage in Docket 866 of Official Records, pages 675-701, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 866, pages 647-674, inclusive, in the office of the County Recorder of Pinal County, Arizona, and by a Twenty-second Supplemental Indenture dated as of January 15, 1978, and recorded on January 19, 1978, as a supplemental real property mortgage in Docket 897 of Official Records, pages 490-505, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the

State of Arizona, in Docket 897, pages 506-522, inclusive, in the office of the County Recorder of Pinal County, Arizona, and by a Twenty-third Supplemental Indenture dated as of March 1, 1979, and recorded on March 16, 1979, as a supplemental real property mortgage in Docket 952 of Official Records, pages 606-623, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 952, of Official Records, pages 624-642, inclusive, in the office of the County Recorder of Pinal County, Arizona, and by a Twenty-fourth Supplemental Indenture dated as of October 15, 1979, and recorded on October 26, 1979, as a supplemental real property mortgage in Docket 982 of Official Records, pages 826-839, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 982 of Official Records, pages 840-854, inclusive, in the office of the County Recorder of Pinal County, Arizona, and by a Twenty-fifth Supplemental Indenture dated as of May 15, 1980, and recorded on May 20, 1980, as a supplemental real property mortgage in Docket 1012 of Official Records, pages 284-304, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1012 of Official Records, pages 284-304, inclusive, in the office of the County Recorder of Pinal County, Arizona, and by a Twenty-Sixth Supplemental Indenture dated as of February 2, 1982, and recorded on February 23, 1982, in Docket 1103 of Official Records, pages 799-820, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1103 of Official Records pages 821-843, inclusive, in the Office of the County Recorder of Pinal County, Arizona, and by a Twenty-seventh Supplemental Indenture dated as of April 15, 1982, and recorded on April 30, 1982, in Docket 1114 of Official Records, pages 244-258, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1114 of Official Records, pages 259-274, inclusive, in the Office of the County Recorder of Pinal County, Arizona, and by a Twenty-eighth Supplemental Indenture dated as of July 1, 1983, and recorded on July 14, 1983 in Docket 1175 of Official Records, pages 309-323, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1175 of Official Records, pages 324-339, inclusive, in the Office of the County Recorder of Pinal County, Arizona, and by a Twenty-ninth Supplemental Indenture dated as of October 15, 1983, and recorded on October 24, 1983 in Docket 1189 of Official Records, pages 529-541, inclusive, and recorded as a Financing Statement pursuant to the

Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1189 of Official Records, pages 542-555, inclusive, in the Office of the County Recorder of Pinal County, Arizona, and by a Thirtieth Supplemental Indenture dated as of June 15, 1984 and recorded on June 22, 1984 in Docket 1231 of Official Records, pages 514-526, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1231 of Official Records, pages 500-513, inclusive, in the Office of the County Recorder of Pinal County, Arizona.

In Yavapai County, Arizona, on August 7, 1946, as a Realty Mortgage in Book 79 of Mortgages, pages 1-54, inclusive, and in Book 12 of Chattel Mortgages, page 223, in the office of the County Recorder of Yavapai County, Arizona, which said instrument was supplemented and amended by a First Supplemental Indenture dated as of December 1, 1947, and recorded on December 23, 1947, as a Realty Mortgage in Book 80 of Mortgages, pages 195-201, inclusive, and in Book 12 of Chattel Mortgages, page 295 in the office of the County Recorder of Yavapai County, Arizona, and by a Second Supplemental Indenture dated as of April 1, 1949, and recorded on April 23, 1949, as a Realty Mortgage in Book 81 of Mortgages, pages 425-431, inclusive, and in Book 13 of Chattel Mortgages, page 66, in the office of the County Recorder of Yavapai County, Arizona, and by a Third Supplemental Indenture dated as of February 1, 1950, and recorded on February 17, 1950, as a Realty Mortgage in Book 82 of Mortgages, pages 350-357, inclusive, and in Book 13 of Chattel Mortgages, page 116, in the office of the County Recorder of Yavapai County, Arizona, and by a Fourth Supplemental Indenture dated as of December 1, 1950, and recorded on December 11, 1950, as a Realty Mortgage in Book 83 of Mortgages, pages 585-592, inclusive, and in Book 13 of Chattel Mortgages, page 164, in the office of the County Recorder of Yavapai County, Arizona, and by a Fifth Supplemental Indenture dated as of February 1, 1953, and recorded on February 26, 1953, as a Realty Mortgage in Book 12 of Official Records, pages 251-287, inclusive, and in Book 14 of Chattel Mortgages, page 21, in the office of the County Recorder of Yavapai County, Arizona, and by a Sixth Supplemental Indenture dated as of November 1, 1953, and recorded on November 10, 1953, as a Realty Mortgage in Book 23 of Official Records, pages 347-363, inclusive, and in Book 14 of Chattel Mortgages, page 66, in the office of the County Recorder of Yavapai County, Arizona, and by a Seventh Supplemental Indenture dated as of March 1, 1954, and recorded on April 5, 1954, as a Realty Mortgage in Book 28 of Official Records, pages 544-559, inclusive, and in Book 14 of Chattel Mortgages, page 97, in the office of the County

Recorder of Yavapai County, Arizona, and by an Eighth Supplemental Indenture dated as of October 1, 1957, and recorded on October 14, 1957, as a Realty Mortgage in Book 108, pages 500-530, inclusive, and in Book 15 of Chattel Mortgages, page 187, in the office of the County Recorder of Yavapai County, Arizona, and by the Ninth Supplemental Indenture dated as of March 1, 1959, and recorded on March 30, 1959, as a Realty Mortgage in Book 149, pages 310-328, inclusive, and in Book 16 of Chattel Mortgages, page 43, in the office of the County Recorder of Yavapai County, Arizona, and by a Tenth Supplemental Indenture dated as of November 1, 1961, and recorded on November 20, 1961, as a Realty Mortgage in Book 239, pages 476-495, inclusive, and in Book 17 of Chattel Mortgages, page 82, in the office of the County Recorder of Yavapai County, Arizona, and by an Eleventh Supplemental Indenture dated as of June 1, 1962, and recorded on June 6, 1962, as a Realty Mortgage in Book 257, pages 521-536, and in Book 17 of Chattel Mortgages, page 153, file 5787, in the office of the County Recorder of Yavapai County, Arizona, and by a Twelfth Supplemental Indenture dated as of December 1, 1962, and recorded on December 21, 1962, as a Realty Mortgage in Docket 277, pages 258-273, inclusive, and in Book 17 of Chattel Mortgages, page 216, in the office of the County Recorder of Yavapai County, Arizona, and by a Thirteenth Supplemental Indenture dated as of September 1, 1963, and recorded on September 13, 1963, as a Realty Mortgage in Docket 300, pages 588-605, and in Book 18 of Chattel Mortgages, page 8, in the office of the County Recorder of Yavapai County, Arizona, and by a Fourteenth Supplemental Indenture dated as of September 1, 1967, and recorded on September 13, 1967, as a Realty Mortgage in Docket 460, pages 377-399, inclusive, and indexed as a Chattel Mortgage on December 11, 1967, in Docket 460, pages 377-399, inclusive, in the office of the County Recorder of Yavapai County, Arizona, and by a Fifteenth Supplemental Indenture dated as of April 1, 1970, and recorded on April 10, 1970, as a Realty Mortgage in Docket 594 of Official Records, pages 644-671, inclusive, and indexed in Chattel Mortgages Docket 594, pages 644-671, inclusive, as a Financing Statement, in the office of the County Recorder of Yavapai County, Arizona, and by a Sixteenth Supplemental Indenture dated as of March 15, 1972, and recorded on March 16, 1972, as a Realty Mortgage in Docket 730 of Official Records, pages 510-538, inclusive, and indexed as a Chattel Mortgage in Docket 730 of Official Records, pages 539-568, inclusive, as a Financing Statement in the office of the County Recorder of Yavapai County, Arizona, and by a Seventeenth Supplemental Indenture dated as of April 1, 1974, and recorded on April 11, 1974, as a Realty Mortgage, in Book 905 of Official

Records, pages 547-576, inclusive, and recorded and indexed as a Financing Statement in Book 905 of Official Records, pages 577-605, inclusive, in the office of the County Recorder of Yavapai County, Arizona, and by an Eighteenth Supplemental Indenture dated as of February 15, 1975, and recorded on February 28, 1975, as a supplemental real property mortgage in Book 954 of Official Records, pages 3-24, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona in Book 954 of Official Records, pages 25-47, inclusive, in the office of the County Recorder of Yavapai County, Arizona, and by a Nineteenth Supplemental Indenture dated as of June 1, 1975, and recorded on June 24, 1975, as a supplemental real property mortgage in Book 969, of Official Records, pages 235-247, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Book 696 of Official Records, pages 248-260, inclusive, in the office of the County Recorder of Yavapai County, Arizona, and by a Twentieth Supplemental Indenture dated as of November 15, 1975, and recorded on November 28, 1975, as a supplemental real property mortgage in Book 992, of Official Records, pages 322-337, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code as adopted in the State of Arizona, in Book 992, of Official Records, pages 338-354, inclusive, in the office of the County Recorder of Yavapai County, Arizona, and by a Twenty-first Supplemental Indenture dated as of April 15, 1977, and recorded on May 10, 1977, as a supplemental real property mortgage in Docket 1073, of Official Records, pages 763-790, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code as adopted in the State of Arizona in Docket 1073, pages 791-819, inclusive, in the office of the County Recorder of Yavapai County, Arizona, and by a Twenty-second Supplemental Indenture dated as of January 15, 1978, and recorded on January 19, 1978, as a supplemental real property mortgage in Docket 1120 of Official Records, pages 148-163, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1120, pages 164-180, inclusive, in the office of the County Recorder of Yavapai County, Arizona, and by a Twenty-third Supplemental Indenture dated as of March 1, 1979, and recorded on March 16, 1979, as a supplemental real property mortgage in Docket 1203, of Official Records, pages 232-249, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1203, of Official Records, pages 250-268, inclusive, in the office of the County

Recorder of Yavapai County, Arizona, and by a Twenty-fourth Supplemental Indenture dated as of October 15, 1979, and recorded on October 26, 1979, as a supplemental real property mortgage in Docket 1254 of Official Records, pages 477-490, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1254 of Official Records, pages 491-505, inclusive, in the office of the County Recorder of Yavapai County, Arizona, and by a Twenty-fifth Supplemental Indenture dated as of May 15, 1980, and recorded on May 20, 1980, as a supplemental real property mortgage in Docket 1299 of Official Records, pages 469-485, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1299 of Official Records, pages 486-503, inclusive, in the office of the County Recorder of Yavapai County, Arizona and by a Twenty-Sixth Supplemental Indenture dated as of February 2, 1982, and recorded on February 22, 1982, in Docket 1444 of Official Records, pages 514-535, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code as adopted in the State of Arizona, in Docket 1444 of Official Records, pages 536-558, inclusive, in the Office of the County Recorder of Yavapai County, Arizona, and by a Twenty-seventh Supplemental Indenture dated as of April 15, 1982, and recorded on April 30, 1982, in Docket 1458 of Official Records, pages 143-157, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1458 of Official Records, pages 158-173, inclusive, in the Office of the County Recorder of Yavapai County, Arizona, and by a Twenty-eighth Supplemental Indenture dated as of July 1, 1983, and recorded on July 14, 1983 in Docket 1552 of Official Records, pages 136-150, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1552 of Official Records, pages 151-166, inclusive, in the Office of the County Recorder of Yavapai County, Arizona, and by a Twenty-ninth Supplemental Indenture dated as of October 15, 1983, and recorded on October 24, 1983 in Docket 1579 of Official Records, pages 492-504, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1579 of Official Records, pages 505-518, inclusive, in the Office of the County Recorder of Yavapai County, Arizona, and by a Thirtieth Supplemental Indenture dated as of June 15, 1984 and recorded on July 9, 1984 in Docket 1644 of Official Records, pages 365-377, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1644 of

Official Records, pages 378-391, inclusive, in the Office of the County Recorder of Yavapai County, Arizona.

In Yuma County, Arizona, on August 1, 1947, as a Realty Mortgage in Book 58, page 173, and in Book 21 of Chattel Mortgages, page 265, in the office of the County Recorder of Yuma County, Arizona, which said instrument was supplemented and amended by a First Supplemental Indenture dated as of December 1, 1947, and recorded on December 19, 1947, as a Realty Mortgage in Book 58, page 465, and in Book 21 of Chattel Mortgages, page 287, in the office of the County Recorder of Yuma County, Arizona, and by a Second Supplemental Indenture dated as of April 1, 1949, and recorded on April 23, 1949, as a Realty Mortgage in Docket 6, page 95, and in Book 22 of Chattel Mortgages, page 87, in the office of the County Recorder of Yuma County, Arizona, and by a Third Supplemental Indenture dated as of February 1, 1950, and recorded on February 17, 1950, as a Realty Mortgage in Docket 18 pages 150-167, inclusive, and in Book 22 of Chattel Mortgages, page 167, in the office of the County Recorder of Yuma County, Arizona, and by a Fourth Supplemental Indenture dated as of December 1, 1950, and recorded on December 12, 1950, as a Realty Mortgage in Docket 31, pages 378-396, inclusive, and in Book 22 of Chattel Mortgages, page 256, in the office of the County Recorder of Yuma County, Arizona, and by a Fifth Supplemental Indenture dated as of February 1, 1953, and recorded on February 26, 1953, as a Realty Mortgage in Docket 74, pages 217-255, File 2493, inclusive, and indexed as a Chattel Mortgage in Book 24, File 2494, in the office of the County Recorder of Yuma County, Arizona, and by a Sixth Supplemental Indenture dated as of November 1, 1953, and recorded on November 10, 1953, as a Realty Mortgage in Docket 93, pages 158-176, inclusive, and indexed as a Chattel Mortgage in Book 24, page 171, in the office of the County Recorder of Yuma County, Arizona, and by a Seventh Supplemental Indenture dated as of March 1, 1954, and recorded on April 5, 1954, as a Realty Mortgage in Docket 103, pages 86-102, inclusive, and indexed in Book 24 of Chattel Mortgages, page 264, in the office of the County Recorder of Yuma County, Arizona, and by an Eighth Supplemental Indenture dated as of October 1, 1957, and recorded on October 14, 1957, as a Realty Mortgage in Docket 209, pages 100-136, inclusive, and indexed in Book 28 of Chattel Mortgages, page 260, in the office of the County Recorder of Yuma County, Arizona, and by the Ninth Supplemental Indenture dated as of March 1, 1959, and recorded on March 30, 1959, as a Realty Mortgage in Docket 249, pages 213-247, inclusive, and in Book 30 of Chattel Mortgages, Instrument 4381, in the office of the County Recorder of Yuma County,

Arizona, and by a Tenth Supplemental Indenture dated as of November 1, 1961, and recorded on November 20, 1961, as a Realty Mortgage in Docket 318, page 5, and in Book 34 of Chattel Mortgages, page 47, in the office of the County Recorder of Yuma County, Arizona, and by an Eleventh Supplemental Indenture dated as of June 1, 1962, and recorded on June 6, 1962, as a Realty Mortgage in Docket 330, page 762, and in Book 34 of Chattel Mortgages, page 287, in the office of the County Recorder of Yuma County, Arizona, and by a Twelfth Supplemental Indenture dated as of December 1, 1962, and recorded on December 24, 1962, as a Realty Mortgage in Docket 342, pages 517-541, inclusive, and in Book 35 of Chattel Mortgages, page 185, in the office of the County Recorder of Yuma County, Arizona, and by a Thirteenth Supplemental Indenture dated as of September 1, 1963, and recorded on September 13, 1963, as a Realty Mortgage in Docket 361, pages 1-30, inclusive, and filed as a Chattel Mortgage and Financing Statement and recorded in Book 36 of Chattel Mortgages, page 151, in the office of the County Recorder of Yuma County, Arizona, and by a Fourteenth Supplemental Indenture dated as of September 1, 1967, and recorded on September 13, 1967, as a Realty Mortgage in Docket 490, pages 519-558 and filed as a Chattel Mortgage and Financing Statement and recorded on Docket 490, pages 519-558, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Fifteenth Supplemental Indenture dated as of April 1, 1970, and recorded on April 10, 1970, as a Realty Mortgage in Docket 604, pages 463-489, inclusive, and filed as a Chattel Mortgage and Financing Statement in Docket 604, pages 490-516, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Sixteenth Supplemental Indenture dated as of March 15, 1972, and recorded on March 16, 1972, as a Realty Mortgage in Docket 692 of Official Records, pages 658-686, inclusive, and filed as a Chattel Mortgage and Financing Statement, and recorded in Docket 692, pages 687-715, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Seventeenth Supplemental Indenture dated as of April 1, 1974, and recorded on April 11, 1974, as a Realty Mortgage, in Docket 803 of Official Records, pages 35-65, inclusive, and indexed as a Chattel Mortgage and Financing Statement, and recorded in Docket 803, pages 66-96, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by an Eighteenth Supplemental Indenture dated as of February 15, 1975, and recorded on February 28, 1975, as a supplemental real property mortgage, in Docket 846 of Official Records, pages 836-857, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona in Docket 846,

pages 858-879, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Nineteenth Supplemental Indenture dated as of June 1, 1975, and recorded on June 16, 1975, as a supplemental real property mortgage in Docket 863 (Fee No. 12923) of Official Records, pages 327-339, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 863 (Fee No. 12924) of Official Records, pages 340-353, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Twentieth Supplemental Indenture dated as of November 15, 1975, and recorded on November 28, 1975, as a supplemental real property mortgage in Docket 885 of Official Records, pages 985-1000, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 886 of Official Records, pages 1-16, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Twenty-first Supplemental Indenture dated as of April 15, 1977, and recorded on May 10, 1977, as a supplemental real property mortgage in Docket 971, of Official Records, pages 210-237, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code as adopted in the State of Arizona, in Docket 971, of Official Records, pages 238-266, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Twenty-second Supplemental Indenture dated as of January 15, 1978, and recorded on January 19, 1978, as a supplemental real property mortgage in Docket 1016 of Official Records, pages 711-726, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1016, of Official Records, pages 727-742, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Twenty-third Supplemental Indenture dated as of March 1, 1979, and recorded on March 16, 1979, as a supplemental real property mortgage in Docket 1088, of Official Records, pages 385-404, inclusive, and as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1088, of Official Records, pages 385-404, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Twenty-fourth Supplemental Indenture dated as of October 15, 1979, and recorded on October 26, 1979, as a supplemental real property mortgage in Docket 1127 of Official Records, pages 773-786, inclusive, and indexed as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1127 of Official Records, File #25918, in the office of the County Recorder of Yuma County, Arizona, and by a Twenty-fifth Supplemental Indenture dated as of May 15, 1980, and recorded on May 19, 1980, as a supplemental

real property mortgage in Docket 1164 of Official Records, pages 398-415, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1164 of Official Records, pages 416-434, inclusive, in the office of the County Recorder of Yuma County, Arizona, and by a Twenty-Sixth Supplemental Indenture dated as of February 2, 1982, and recorded on February 22, 1982, in Docket 1268 of Official Records, pages 737-759, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1268 of Official Records, pages 760-783, inclusive, in the Office of the County Recorder of Yuma County, Arizona, and by a Twenty-seventh Supplemental Indenture dated as of April 15, 1982, and recorded on April 29, 1982, in Docket 1279 of Official Records, pages 632-646, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1279 of Official Records, pages 647-662, inclusive, in the Office of the County Recorder of Yuma County, Arizona, and by a Twenty-eighth Supplemental Indenture dated as of July 1, 1983, and recorded on July 15, 1983, in Docket 1342 of Official Records, pages 112-126, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1342 of Official Records, pages 96-111, inclusive, in the Office of the County Recorder of Yuma County, Arizona, and by a Twenty-ninth Supplemental Indenture dated as of October 15, 1983, and recorded on October 24, 1983 in Docket 1356 of Official Records, pages 678-690, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1356 of Official Records, pages 691-704, inclusive, in the Office of the County Recorder of Yuma County, Arizona, and by a Thirtieth Supplemental Indenture dated as of June 15, 1984 and recorded on June 25, 1984 in Docket 1390 of Official Records, pages 350-362, inclusive, and recorded as a Financing Statement pursuant to the Uniform Commercial Code, as adopted in the State of Arizona, in Docket 1390 of Official Records, pages 363-376, inclusive, in the Office of the County Recorder of Yuma County, Arizona.

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