

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

Southwest Gas Corporation

(Exact Name of Registrant as Specified in Its Charter)

California
(State or Other Jurisdiction of
Incorporation or Organization)

88-0085720
(I.R.S. Employer
Identification No.)

**5241 Spring Mountain Road
P.O. Box 98510
Las Vegas, Nevada 89193-8510**
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Roy R. Centrella
Senior Vice President, Chief Financial Officer
Southwest Gas Corporation
5241 Spring Mountain Road
P.O. Box 98510
Las Vegas, Nevada 89193-8510
(702) 876-7237
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Brandon C. Parris, Esq.
Morrison & Foerster LLP
425 Market Street
San Francisco, California 94105
(415) 268-7500

Alejandro E. Camacho, Esq.
Clifford Chance US LLP
31 West 52nd Street
New York, New York 10019
(212) 878-8000

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (check one):

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered/ Proposed maximum offering price(1)	Amount of registration fee(1)
Senior Notes due 2022	\$250,000,000	\$28,650

(1) The registration fee is calculated in accordance with Rule 457(o) of the Securities Act of 1933, as amended.

[Table of Contents](#)

The information in this preliminary prospectus is not complete and may be changed. An automatic shelf registration statement relating to these securities has been filed with the Securities and Exchange Commission. This preliminary prospectus is not an offer to sell these securities or a solicitation to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to completion, dated March 20, 2012

PRELIMINARY PROSPECTUS

\$250,000,000



% Senior Notes due 2022

This is an offering by Southwest Gas Corporation of \$250,000,000 of its % Senior Notes due 2022 (the "Notes"). The Notes will mature on , 2022, and interest will be paid semi-annually in arrears on and of each year or, if such day is not a business day, on the next succeeding business day, beginning on , 2012. Interest will accrue from March , 2012. Southwest Gas Corporation may redeem the Notes in whole or in part at any time, or from time to time, at the redemption prices described on page 18. For a more detailed description of the Notes, see "Description of the Notes" beginning on page 17.

The Notes will be unsecured and unsubordinated general obligations of Southwest Gas Corporation and will rank equal in right of payment with all existing and future unsecured and unsubordinated senior debt of Southwest Gas Corporation and senior in right of payment to all existing and future subordinated debt of Southwest Gas Corporation. The Notes will be effectively subordinated to any secured debt that Southwest Gas Corporation may incur, to the extent of the assets securing such debt, and to all existing and future liabilities of Southwest Gas Corporation's subsidiaries, including trade payables.

Investing in the Notes involves risks. See "Risk Factors" beginning on page 9 of this prospectus and Item 1A "Risk Factors" beginning on page 7 of our Annual Report on Form 10-K for the year ended December 31, 2011 for a discussion of certain risks that you should consider in connection with an investment in the Notes.

	<u>Per Note</u>	<u>Total</u>
Public Offering Price(1)	%	\$
Underwriting Discount	%	\$
Proceeds to Southwest Gas Corporation (before expenses)	%	\$

(1) Plus accrued interest, if any, from March , 2012.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The Notes are not, and are not expected to be, listed on any national securities exchange or included in any automated quotation system. Currently, there is no public market for the Notes.

Delivery of the Notes will be made in book-entry form only through the facilities of The Depository Trust Company and its participants against payment in New York, New York, on or about March , 2012.

Joint Book-Running Managers

BNY Mellon Capital Markets, LLC

BofA Merrill Lynch

J.P. Morgan

Co-Managers

Wells Fargo Securities

Blaylock Robert Van, LLC

Ramirez & Co., Inc.

The date of this prospectus is March , 2012.

TABLE OF CONTENTS

ABOUT THIS PROSPECTUS	1
CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION	2
AVAILABLE INFORMATION	3
INCORPORATION BY REFERENCE	3
SUMMARY	4
RISK FACTORS	9
USE OF PROCEEDS	12
RATIO OF EARNINGS TO FIXED CHARGES	12
CAPITALIZATION	13
DESCRIPTION OF OTHER INDEBTEDNESS	14
DESCRIPTION OF THE NOTES	17
CERTAIN MATERIAL UNITED STATES FEDERAL TAX CONSIDERATIONS	28
UNDERWRITING	31
EXPERTS	34
VALIDITY OF THE NOTES	34

You should rely only on the information contained or incorporated by reference in this prospectus or in any free writing prospectus that we may provide you in connection with the sale of the Notes offered hereby. We have not, and the underwriters have not, authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell the Notes in any jurisdiction where such offer or sale is not permitted. You should not assume that the information appearing in this prospectus or the documents incorporated herein by reference is accurate as of any date other than their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates. Any information contained on or accessible through our Internet site is not incorporated herein and does not constitute part of this prospectus.

ABOUT THIS PROSPECTUS

Before investing in the Notes, please read and consider all information contained in this prospectus and the documents incorporated by reference in this prospectus together with the additional information described under the section entitled “Available Information.” You should also read and consider the information set forth in the section entitled “Risk Factors” in each of this prospectus and the documents incorporated by reference in this prospectus before you make an investment decision.

We are not making any representation to any purchaser of the Notes regarding the legality of an investment in the Notes by such purchaser. You should not consider any information in this prospectus to be legal, business or tax advice. You should consult your own attorney, business advisor and tax advisor for legal, business and tax advice regarding an investment in the Notes.

Unless the context requires otherwise, when we use the terms “Southwest,” the “Company,” “we,” “our” or “us,” we are referring only to Southwest Gas Corporation, as issuer of the Notes, and not to any of our subsidiaries.

The Notes are being offered only for sale in jurisdictions where it is lawful to make such offers. The distribution of this prospectus and the offering of the Notes in other jurisdictions may also be restricted by law. Persons who receive this prospectus should inform themselves about and observe any such restrictions. This prospectus does not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not authorized or qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. See “Underwriting” beginning on page 31 of this prospectus.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus and the documents we incorporate by reference herein and therein contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such statements include, without limitation, statements regarding our expectations, hopes or intentions regarding the future. These forward looking statements can often be identified by their use of words such as “will,” “predict,” “continue,” “forecast,” “expect,” “believe,” “anticipate,” “outlook,” “could,” “target,” “project,” “intend,” “plan,” “seek,” “estimate,” “should,” “may” and “assume,” as well as variations of such words and similar expressions referring to the future.

Forward-looking statements involve certain risks and uncertainties, many of which are beyond our control. There are a number of important factors that could cause actual results to differ materially from those discussed in forward-looking statements, including, but not limited to, customer growth rates, conditions in the housing market, the ability to recover costs through our deferred energy and purchased gas adjustment mechanisms, the effects of regulation/deregulation, the timing and amount of rate relief, changes in rate design, changes in gas procurement practices, changes in capital requirements and funding, the impact of conditions in the capital markets on financing costs, changes in construction expenditures and financing, renewal of franchises, easements and rights-of-way, changes in operations and maintenance expenses, effects of pension expense forecasts, accounting changes, future liability claims, changes in pipeline capacity for the transportation of gas and related costs, acquisitions and management’s plans related thereto, competition, and our ability to raise capital in external financings. If any of those risks and uncertainties materializes, actual results could differ materially from those discussed in any such forward-looking statement. Additional factors that could cause actual results to differ are discussed under the heading “Risk Factors” and in other sections of this prospectus and our current and periodic reports, and other filings, filed from time to time with the Securities and Exchange Commission (the “SEC”) that are incorporated by reference into this prospectus. See “Available Information” and “Incorporation by Reference” below and for information about how to obtain copies of those documents. All forward-looking statements in this prospectus and the documents incorporated by reference herein are made only as of the date of the document in which they are contained, based on information available to us as of the date of that document, and we caution you not to place undue reliance on forward-looking statements in light of the risks and uncertainties associated with them. We assume no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

You should consider these risks and those set forth in, or incorporated into, the “Risk Factors” section of this prospectus prior to investing in the Notes.

AVAILABLE INFORMATION

We are required to file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any documents filed by us at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our filings with the SEC are also available to the public through the SEC's Internet site at <http://www.sec.gov> and through the New York Stock Exchange, 20 Broad Street, New York, New York 10005, on which our common stock is listed.

We have filed with the SEC an automatic registration statement on Form S-3 relating to the securities covered by this prospectus. This prospectus is a part of the registration statement and does not contain all the information in the registration statement. Whenever a reference is made in this prospectus to a contract or other document of the Company, the reference is only a summary and you should refer to the exhibits that are a part of the registration statement for a copy of the contract or other document. You may review a copy of the registration statement at the SEC's public reference room in Washington, D.C., as well as through the SEC's Internet site.

INCORPORATION BY REFERENCE

The SEC allows us to "incorporate by reference" into this prospectus the information in other documents that we file with it, which means that we can disclose important information to you by referring you to those documents. The information that we incorporate by reference is considered to be a part of this prospectus.

Any reports that we file with the SEC on or after the date of this prospectus and before the date that the offering of the Notes is terminated will automatically update and, where applicable, supersede any information contained in this prospectus or incorporated by reference into this prospectus. This means that you must look at all of the SEC filings that we incorporate by reference to determine if any of the statements in this prospectus or in any documents previously incorporated by reference into this prospectus have been modified or superseded. We specifically incorporate by reference into this prospectus the following documents filed with the SEC (other than, in each case, documents or information deemed furnished and not filed in accordance with SEC rules, including pursuant to Item 2.02 or Item 7.01 of Form 8-K, and no such information shall be deemed specifically incorporated by reference hereby):

- Annual Report on Form 10-K for the year ended December 31, 2011;
- The portions of our Definitive Proxy Statement on Schedule 14A (filed on March 21, 2011) that were incorporated by reference into our Annual Report on Form 10-K for the fiscal year ended December 31, 2010;
- Current Reports on Form 8-K filed on August 4, 2011, February 27, 2012 and March 16, 2012, respectively; and
- Any future filings that we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of this prospectus until the termination of the offering of the Notes.

You may obtain a copy of any or all of the documents referred to above which may have been or may be incorporated by reference into this prospectus (excluding certain exhibits unless they are specifically incorporated by reference in any such documents) at no cost to you by writing or telephoning us at the following:

Southwest Gas Corporation
5241 Spring Mountain Road
P.O. Box 98510
Las Vegas, Nevada 89193-8510
Attention: Corporate Secretary
Telephone: (702) 876-7237

SUMMARY

This summary highlights information contained in this prospectus and the documents incorporated into this prospectus by reference. Because it is a summary, it does not contain all of the information that you should consider before investing in the Notes. You should read this entire prospectus and the documents incorporated by reference carefully, including the sections entitled “Risk Factors” and “Description of the Notes” and the financial statements and related notes thereto included or incorporated by reference in this prospectus in their entirety before making an investment decision.

Southwest Gas Corporation

Southwest was incorporated in March 1931 under the laws of the state of California and is composed of two business segments: natural gas operations and construction services.

Southwest is engaged in the business of purchasing, distributing, and transporting natural gas for customers in portions of Arizona, Nevada, and California. Southwest is the largest distributor of natural gas in Arizona, selling and transporting natural gas in most of central and southern Arizona, including the Phoenix and Tucson metropolitan areas. Southwest is also the largest distributor of natural gas in Nevada, serving the Las Vegas metropolitan area and northern Nevada. In addition, Southwest distributes and transports natural gas in portions of California, including the Lake Tahoe area and the high desert and mountain areas in San Bernardino County.

NPL Construction Co. (“NPL”), a wholly owned subsidiary of Southwest, is a full-service underground piping contractor that primarily provides utility companies with trenching and installation, replacement, and maintenance services for energy distribution systems.

Southwest is subject to regulation by the Arizona Corporation Commission (“ACC”), the Public Utilities Commission of Nevada (“PUCN”), and the California Public Utilities Commission (“CPUC”). These commissions regulate public utility rates, practices, facilities, and service territories in their respective states. The CPUC also regulates the issuance of all securities by Southwest, with the exception of short-term borrowings. Certain accounting practices, transmission facilities, and rates are subject to regulation by the Federal Energy Regulatory Commission (“FERC”). NPL is not regulated by the state utilities commissions in any of its operating areas.

Our administrative offices are located at 5241 Spring Mountain Road, P.O. Box 98510, Las Vegas, Nevada 89193-8510, telephone number (702) 876-7237.

Recent Developments

Amendment to Credit Facility

On March 15, 2012, we replaced our \$300 million credit facility, which was scheduled to expire in May 2012, with a \$300 million facility that expires in March 2017 by entering into a Revolving Credit Agreement (the “Credit Facility”) with The Bank of New York Mellon, as administrative agent, and certain financial institutions as agents, arrangers, bookrunners, and lenders.

The interest rate per annum applicable to revolving loans under the Credit Facility is based upon, at our option, the London Interbank Offered Rate (“LIBOR”) or the “alternate base rate,” plus in each case an applicable margin that is determined based on our senior unsecured long-term debt rating. The applicable margin

ranges from 0.875% to 1.750% for loans bearing interest with reference to LIBOR and from 0.00% to 0.750% for loans bearing interest with reference to the alternative base rate. We are also required to pay a commitment fee on the unfunded portion of the commitments based on our senior unsecured long-term debt rating. The commitment fee ranges from 0.100% to 0.250% per annum.

Our obligations under the Credit Facility are not secured and are not guaranteed.

The Credit Facility requires that we maintain a Funded Debt (as defined in the Credit Facility) to Total Capitalization (as defined in the Credit Facility) ratio of not more than 0.70 to 1.00 as of the end of any quarter of any fiscal year. In addition, the Credit Facility imposes limitations on liens, consolidations and mergers, disposition of assets, investments, acquisitions, dividends and certain other payments.

See “Description of Other Indebtedness—Credit Facility.”

Second Quarter 2012 Cash Dividend

On February 27, 2012, we filed a Current Report on Form 8-K announcing an increase in our quarterly common stock dividend from \$0.265 per share to \$0.295 per share. The dividend is payable June 1, 2012 to holders of record as of May 16, 2012.

The Offering

Issuer	Southwest Gas Corporation.
Notes Offered	% Senior Notes due 2022.
Aggregate Principal Amount	\$250,000,000.
Maturity Date	, 2022.
Interest Rate	% per annum.
Interest Payment Dates	Interest will be payable semi-annually in arrears on and of each year, beginning on , 2012.
Day Count Convention	30/360.
Denominations	\$2,000 and integral multiples of \$1,000 in excess thereof.
Ranking	<p>The Notes will be our unsecured and unsubordinated general obligations and will rank equal in right of payment with all of our existing and future unsecured and unsubordinated senior debt and senior in right of payment to all of our existing and future subordinated debt.</p> <p>The Notes will be effectively subordinated to any of our secured debt, to the extent of the assets securing such debt, and to all existing and future liabilities of our subsidiaries, including trade payables.</p>
Optional Redemption	<p>At any time prior to , 20 (three months prior to the maturity of the Notes), we may redeem the Notes, in whole or in part, at a price equal to the greater of (1) 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest on those Notes up to but excluding the redemption date, or (2) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes being redeemed (not including any portion of such payments of interest accrued as of the redemption date), discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the adjusted treasury rate plus basis points, plus accrued and unpaid interest up to but excluding the redemption date.</p> <p>At any time on or after , 20 (three months prior to the maturity of the Notes), we may redeem the Notes in whole or in part at 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest on those Notes up to but excluding the redemption date. See “Description of the Notes—Redemption at Our Option.”</p>
Certain Covenants	The Indenture will contain covenants that include, but are not limited to, restrictions on our ability to issue indebtedness for borrowed money secured by a lien and enter into certain sale and lease-back transactions. See “Description of the Notes—Covenants.”

Events of Default	Events of default generally will include failure to pay principal or any premium, failure to pay interest, failure to observe or perform any other covenant or warranty in the Notes or the Indenture, certain events of bankruptcy, insolvency or reorganization, and certain events of default under our other debt instruments. See “Description of the Notes—Events of Default.”
Use of Proceeds	We estimate the net proceeds to us from the sale of the Notes to be approximately \$ million, after deducting the underwriting discounts and other estimated expenses payable by us. We intend to use approximately \$200 million of the net proceeds from this offering in connection with our repayment of the \$200 million outstanding principal amount of our 7.625% Senior Unsecured Notes when they mature on May 15, 2012. The balance of the net proceeds may be used for general corporate purposes. See “Use of Proceeds.”
Clearance and Settlement	The Notes will be cleared through The Depository Trust Company (“DTC”) and its participants.
Listing	The Notes are not, and are not expected to be, listed on any national securities exchange or included in any automated quotation system. Currently there is no public market for the Notes.
Further Issuances	We may create and issue further notes ranking equally and ratably with the Notes offered by this prospectus in all respects, so that such further notes will be consolidated and form a single series with the Notes offered by this prospectus and will have the same terms as to status and redemption; provided that such further notes are fungible for U.S. federal income tax purposes with such previously issued Notes.
Trustee	The Bank of New York Mellon Trust Company, N.A.
Risk Factors	You should consider carefully the information set forth in the section entitled “Risk Factors” beginning on page 9 of this prospectus and those risk factors incorporated by reference in this prospectus from our Annual Report on Form 10-K for the fiscal year ended December 31, 2011, those risks discussed from time to time in our subsequently filed reports, and other information as provided under “Available Information.”
Governing Law	The Notes will be governed by the laws of the State of New York.

Summary Historical Consolidated Financial and Other Data

The following table sets forth certain summary financial data of the Company as of and for each of the fiscal years ended December 31, 2011, 2010, 2009, 2008 and 2007. The data for the Company as of and for each of the fiscal years ended December 31, 2011, 2010, 2009, 2008 and 2007 were derived from the Company's audited consolidated financial statements. You should read the selected financial data in conjunction with the Company's audited consolidated financial statements as of December 31, 2011 and 2010 and for each of the fiscal years ended December 31, 2011, 2010 and 2009 and the notes thereto, and the related "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2011, which is also incorporated herein by reference.

	Fiscal year ended December 31,				
	2011	2010	2009	2008	2007
(in thousands, except per share data)					
Operating Data					
Operating revenues					
Gas operating revenues	\$1,403,366	\$1,511,907	\$1,614,843	\$1,791,395	\$1,814,766
Construction revenues	483,822	318,464	278,981	353,348	337,322
Total operating revenues	1,887,188	1,830,371	1,893,824	2,144,743	2,152,088
Operating expenses	1,637,108	1,598,254	1,685,433	1,936,881	1,929,788
Operating income	250,080	232,117	208,391	207,862	222,300
Net income attributable to Southwest Gas Corporation	112,287	103,877	87,482	60,973	83,246
Basic earnings per share of common stock	2.45	2.29	1.95	1.40	1.97
Diluted earnings per share	2.43	2.27	1.94	1.39	1.95
Balance Sheet					
Total assets	4,276,007	3,984,193	3,906,292	3,820,384	3,670,188
Total current liabilities	847,568	596,961	474,230	509,895	527,932
Total equity	1,225,031	1,166,996	1,102,086	1,037,841	983,673
Subordinated debentures due to Southwest Gas Capital II, our wholly-owned subsidiary	—	—	100,000	100,000	100,000
Long-term debt, less current maturities	930,858	1,124,681	1,169,357	1,185,474	1,266,067

RISK FACTORS

Investing in the Notes involves risks. You should carefully consider the specific risk factors set forth below, as well as the risk factors described in “Item 1A—Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2011, which is incorporated by reference in this prospectus, as well as those risks discussed from time to time in our subsequently filed reports, before deciding to invest in the Notes. You should also consider the other information contained or incorporated by reference in this prospectus before deciding to invest in the Notes. This prospectus contains or incorporates statements that constitute forward-looking statements regarding, among other matters, our intent, belief or current expectations about our business. These forward-looking statements are subject to risks, uncertainties and assumptions.

Risks Relating to the Notes

Your right to receive payments on the Notes is unsecured and will be effectively subordinated to the existing and future debt and other liabilities of our subsidiaries.

The Notes are unsecured and therefore will be effectively subordinated to any secured debt we may incur to the extent of the assets securing such debt. In the event of a liquidation, dissolution, reorganization, bankruptcy or similar proceeding involving us, the assets which serve as collateral for any secured debt will be available to satisfy the obligations under the secured debt before any payments are made on the Notes.

In addition, the Notes will be effectively subordinated to the liabilities of our subsidiaries. Our subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts due on the Notes, whether by dividends, distributions, loans or other payments. In the event of a liquidation, dissolution, reorganization, bankruptcy or any similar proceeding, the assets of our subsidiaries will be available to pay obligations on the Notes only after creditors of our subsidiaries have been paid first. In such a case, as a result of the application of the subsidiaries’ assets to satisfy claims of creditors, including trade creditors, and preferred equity holders, the value of the stock of the subsidiaries would be diminished and perhaps rendered worthless. Accordingly, there may not be sufficient funds remaining to pay amounts due on all or any of the Notes. The Indenture (as defined under “Description of the Notes”) will not prohibit us or our subsidiaries from incurring additional unsecured indebtedness or issuing preferred equity in the future. In addition, certain debt and security agreements entered into by our subsidiaries may contain various restrictions, including restrictions on payments by our subsidiaries to us.

The Indenture and other instruments that govern our outstanding indebtedness contain restrictions and limitations that could significantly affect our ability to operate our business, as well as significantly affect our liquidity, and adversely affect you, as holders of the Notes.

The Indenture will contain a number of significant covenants that could adversely affect our ability to operate our business, as well as significantly affect our liquidity, and therefore could adversely affect our results of operations. These covenants restrict, among other things, our ability to:

- issue indebtedness for borrowed money secured by a lien, and
- enter into certain sale and lease-back transactions.

These covenants are subject to important exceptions and qualifications as described under “Description of the Notes—Covenants.” In addition, the applicable indentures governing our outstanding medium term notes and certain of our outstanding senior notes contain similar restrictive covenants, and the note purchase agreement related to our outstanding 6.10% Senior Notes due 2041 and our \$300 million revolving credit facility due March 2017 each contain a number of covenants and obligations. The breach of any covenant or obligation under the Indenture, the applicable indentures or note purchase agreement governing or related to our outstanding medium term and senior notes or the Credit Facility that is not otherwise waived or cured could result in a default and

[Table of Contents](#)

could trigger acceleration of those obligations, which in turn could trigger cross defaults under other agreements governing our long-term indebtedness. Any default under the Indenture, the applicable indentures or note purchase agreement governing or related to our outstanding medium term and senior notes or the Credit Facility could adversely affect our growth, financial condition, results of operations and ability to make payments on our debt, and could force us to seek protection under the bankruptcy laws. For a description of our outstanding medium term and senior notes, the related indentures and note purchase agreement and our Credit Facility, see “Description of Other Indebtedness” and “Summary – Recent Developments – Amendment to Credit Facility.”

An active trading market may not develop for the Notes and you may be unable to sell your Notes.

The Notes will be new securities for which there currently is no trading market. Although we have been informed by the underwriters that they presently intend to make a market in the Notes after this offering is completed, they have no obligation to do so and may discontinue market-making at any time without notice. In addition, market-making activities will be subject to limits imposed by the Securities Act and the Exchange Act. The liquidity of the trading market for the Notes, if one develops, and the market price quoted for the Notes, may be adversely affected by:

- changes in the overall market for debt securities;
- changes in our financial condition, performance or prospects;
- the prospects for companies in our industry generally;
- the number of holders of the Notes;
- the interest of securities dealers in making a market for the Notes; and
- prevailing interest rates.

As a result, you cannot be sure that an active trading market will develop for the Notes. We do not intend to list the Notes on any national securities exchange or automated quotation system. If an active public trading market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected.

The market valuation of the Notes may be exposed to substantial volatility.

A real or perceived economic downturn or higher interest rates could cause a decline in the Notes, and to corporate bonds generally, and thereby negatively impact the market for corporate bonds, and more specifically, the Notes. Because the Notes may be thinly traded, it may be more difficult to sell and accurately value the Notes. In addition, as has recently been evident in the recent turmoil in the global financial markets, the present economic slowdown and the uncertainty over its breadth, depth and duration, the entire bond market can experience sudden and sharp price swings, which could be exacerbated by large or sustained sales by major investors in the Notes, a high-profile default by another issuer, or simply a change in the market’s psychology regarding the Notes. Moreover, if one of the major rating agencies lowers its credit rating of the Notes, the price of the Notes will likely decline.

To service our indebtedness, we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control.

Our ability to make payments on and to refinance our indebtedness, including the Notes, and to fund planned capital expenditures and expansion efforts will depend upon our ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. We may need or decide to refinance all or a portion of our indebtedness before maturity, and cannot provide assurances that we will be able to refinance any of our indebtedness, including the Notes, on commercially reasonable terms, or at all. We may have to adopt one or more alternatives,

[Table of Contents](#)

such as reducing or delaying planned expenses and capital expenditures, selling assets, restructuring debt, obtaining additional equity or debt financing, or entering into joint ventures.

We may choose to redeem the Notes prior to maturity.

We may redeem all or a portion of the Notes at any time. See “Description of the Notes—Redemption at Our Option.” If prevailing interest rates are lower at the time of redemption, holders of the Notes may not be able to reinvest the redemption proceeds in a comparable security at an interest rate as high as the interest rate of the Notes being redeemed.

The Indenture will not limit the amount of unsecured indebtedness that we or our subsidiaries may incur or our ability to enter into a change of control transaction or require us to comply with any financial covenants.

Neither we nor any of our subsidiaries will be restricted from incurring additional unsecured debt or other liabilities, including additional senior debt, under the Indenture. As of December 31, 2011, we had approximately \$1.3 billion of indebtedness outstanding and \$191 million of borrowings available under our former \$300 million credit facility. If we incur additional debt or liabilities, our ability to pay our obligations on the Notes could be adversely affected. In addition, we will not be restricted from paying dividends on or issuing or repurchasing our securities under the Indenture. Furthermore, the Indenture will not contain any provisions restricting our or any of our subsidiaries’ ability to sell assets (other than certain restrictions on our ability to consolidate, merge or sell all or substantially all of our assets and our ability to sell the stock of certain subsidiaries), to enter into transactions with affiliates, or to create restrictions on the payment of dividends or other amounts to us from our subsidiaries. Additionally, the Indenture will not require us to offer to purchase the Notes in connection with a change of control or require that we or our subsidiaries adhere to any financial tests or ratios or specified levels of net worth. There will be no financial covenants in the Indenture. You will not be protected under the Indenture in the event of a highly leveraged transaction, reorganization, change of control, restructuring, merger or similar transaction that may adversely affect you, except to the limited extent described in this prospectus under “Description of the Notes.”

USE OF PROCEEDS

The net proceeds from the sale of the Notes will be approximately \$ million, after deducting the underwriting discounts and other estimated expenses payable by us. We intend to use approximately \$200 million of the net proceeds from this offering in connection with our repayment of the \$200 million outstanding principal amount of our 7.625% Senior Unsecured Notes when they mature on May 15, 2012. The balance of the net proceeds from this offering may be used for general corporate purposes, including, but not limited to, property acquisitions, capital expenditures and investments related to our facilities, refunding maturing debt, funding payment or redemption requirements of our debt, retiring, refinancing or exchanging our debt, and reimbursing our treasury funds, in each case as permitted by Decision 10-10-022 of the California Public Utilities Commission, issued on October 28, 2010, and Section 817 of the California Public Utilities Code. Pending the specific use of the net proceeds as described above, or any other specific application, the net proceeds of the sale of the Notes may initially be temporarily invested in short-term marketable securities or temporarily used to reduce any amounts outstanding under our Credit Facility. For more information regarding our Credit Facility, see “Description of Other Indebtedness—Credit Facility.”

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our consolidated ratio of earnings to fixed charges for the years ended December 31, 2011, 2010, 2009, 2008 and 2007. For the purpose of computing the ratios of earnings to fixed charges, earnings are defined as the sum of pretax income from continuing operations plus fixed charges. Fixed charges consist of all interest expense, including capitalized interest, one-third of rent expense (which approximates the interest component of such expense), preferred securities distributions, and amortized debt costs.

	Fiscal year ended December 31,				
	2011	2010	2009	2008	2007
Ratio of earnings to fixed charges	3.21x	2.87x	2.46x	2.01x	2.25x

CAPITALIZATION

The following table sets forth our cash and investments and our capitalization as of December 31, 2011 on an actual and as adjusted basis to reflect the issuance of the Notes being offered hereby assuming net proceeds of approximately \$ million, after deducting underwriting discounts and other expenses payable by us, and the application of the net proceeds in the manner described under “Use of Proceeds.” This presentation should be read in conjunction with our audited consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2011, which is incorporated herein by reference.

	As of December 31, 2011	
	Actual	As Adjusted
Cash and cash equivalents	\$ 21,937	\$
Subsidiaries’ debt (included in capitalization and liabilities)	21,368	21,368
Notes offered hereby (included in capitalization and liabilities)	—	250,000
Total current liabilities	847,568	647,568
Total equity	1,225,031	1,225,031
Total capitalization	2,155,889	2,405,889
Total capitalization and liabilities	4,276,007	4,526,007

DESCRIPTION OF OTHER INDEBTEDNESS

The following is a summary of our indebtedness that is outstanding. To the extent such summary contains descriptions of our specific debt instruments, such descriptions do not purport to be complete and are qualified in their entirety by reference to those and related documents, copies of which have been filed with the SEC and which we will provide you upon request.

Industrial Development Revenue Bonds (“IDRBs”)

As of December 31, 2011, we had an aggregate principal amount of approximately \$521.1 million in IDRBs outstanding. The different series of IDRBs will mature at various dates, the first maturity date occurring in 2028 and the last occurring in 2039. Our contracts relating to the issuance of these bonds do not contain material financial covenants or restrictions.

On December 1, 1993, we entered into a Project Agreement with the City of Big Bear Lake, California in connection with the issuance of \$50 million of tax-exempt Series A IDRBs, due December 2028. The Series A IDRBs bear interest at the rate determined by the remarketing agent to be the lowest rate which would enable the remarketing agent to sell the Series A IDRBs on the effective date of such rate at a price (without regarding accrued interest) equal to 100% of the principal amount thereof.

On October 1, 1999, we entered into a Financing Agreement with Clark County, Nevada in connection with the issuance of \$35 million in Clark County, Nevada IDRBs due 2038. The issuance included \$12.4 million of tax-exempt 1999 Series A IDRBs bearing interest at 6.10% and \$22.6 million of taxable bonds with a variable interest rate. The IDRBs are supported by a letter of credit issued by UBS. The \$22.6 million of taxable bonds with a variable interest rate were subsequently converted into \$14.3 million of 5.95% 1999 Series C IDRBs due 2038 and \$8.3 million of 5.55% 1999 Series D IDRBs due 2038. In January 2012, we redeemed all of the \$12.4 million 6.10% 1999 Series A IDRBs at par.

On March 1, 2003, we entered into a Financing Agreement with Clark County, Nevada in connection with the issuance of \$165 million Clark County, Nevada IDRBs due 2038. Of this total, \$50 million 2003 Series A and \$50 million 2003 Series B were variable-rate IDRBs. Payment of the principal was secured by a letter of credit. The remainder was issued as fixed rate IDRBs: \$30 million in 5.45% 2003 Series C fixed-rate IDRBs, \$20 million in 3.35% 2003 Series D fixed-rate IDRBs, and \$15 million in 5.80% Series E fixed-rate IDRBs. The IDRBs were secured by a letter of credit. In September 2004, we remarketed the \$20 million in 3.35% 2003 Series D IDRBs due 2038 at a rate of 5.25%. On July 1, 2005, we amended our Financing Agreement dated March 1, 2003 with Clark County, Nevada associated with \$50 million in 2003 Series B IDRBs to secure payment in the remarketing of the IDRBs through an insurance policy with Ambac Assurance Corporation. In December 2008, we announced a tender offer to purchase for cash up to \$75 million of the Clark County, Nevada 4.75% 2006 Series A, 5.00% 2004 Series B, and 5.25% 2003 Series D IDRBs (the “Tender Offer”). As a result of the Tender Offer, we currently carry \$20 million of the 5.25% 2003 Series D IDRBs. The 2003 Series B IDRBs are no longer outstanding.

On July 1, 2004, we entered into a Financing Agreement with Clark County, Nevada in connection with the issuance of \$65 million in 5.25% tax-exempt Clark County, Nevada IDRBs Series 2004A, due 2034. The IDRBs are supported by an insurance policy issued by Ambac Assurance Corporation.

On October 1, 2004, we entered into a Financing Agreement with Clark County, Nevada in connection with the issuance of \$75 million in Clark County, Nevada 5% Series 2004B Industrial Development Refunding Revenue Bonds (“IDRRBs”), due 2033. The Series 2004B IDRRBs were issued at a discount of 0.625%. The proceeds of the IDRRBs were used to refinance \$75 million in 6.5% 1993 Series A IDRBs, due 2033. As a result of the Tender Offer, we currently carry \$31.2 million of the 5.00% 2004 Series B IDRRBs. The IDRRBs are supported by an insurance policy issued by Financial Guaranty Insurance Company.

[Table of Contents](#)

On October 1, 2005, we entered into a Financing Agreement with Clark County, Nevada in connection with the issuance of \$100 million in Clark County, Nevada, 4.85% 2005 Series A IDRBs. The IDRBs were issued at a discount of 0.75% and are due October 2035. They are supported by an insurance policy issued by Ambac Assurance Corporation.

On September 1, 2006, we entered into a Financing Agreement with Clark County, Nevada in connection with the issuance of \$56 million in Clark County, Nevada 4.75% 2006 Series A IDRBs. The IDRBs were issued at a discount of 0.625% and are due September 1, 2036. As a result of the Tender Offer, we currently carry \$24.9 million of the 4.75% 2006 Series A IDRBs.

On September 1, 2008, we entered into a Financing Agreement with Clark County, Nevada in connection with the issuance of \$50 million in Clark County, Nevada variable-rate 2008 Series A IDRBs, due 2038, supported by a letter of credit with JPMorgan Chase Bank. The IDRBs bear interest at the rate determined by the remarketing agent to be the lowest rate which would enable the remarketing agent to sell the bonds on the effective date of such rate at a price (without regarding accrued interest) equal to 100% of the principal amount thereof.

On December 1, 2009, we entered into a Financing Agreement with Clark County, Nevada in connection with the issuance of \$50 million in Clark County, Nevada variable-rate 2009 Series A IDRBs, supported by a letter of credit with JPMorgan Chase Bank. The Series 2009A IDRBs were issued at par and are due December 1, 2039. The IDRBs bear interest at the rate determined by the remarketing agent to be the lowest rate which would enable the remarketing agent to sell the IDRBs on the effective date of such rate at a price (without regarding accrued interest) equal to 100% of the principal amount thereof.

1996 Indenture

We entered into an indenture on July 15, 1996, which was subsequently supplemented and amended in connection with the issuance of notes, as described below (the "1996 Indenture"). The 1996 Indenture does not contain material financial covenants or restrictions, other than restrictions on our ability to issue indebtedness for borrowed money secured by a lien, and to enter into certain sale and lease-back transactions.

Medium Term Notes

As of December 31, 2011, we have a total of \$82.5 million (out of \$150 million that have been registered with the SEC for sale) in outstanding principal amount of medium-term notes: \$25 million in 7.59% series medium-term notes due 2017, \$25 million in 7.78% series medium-term notes due 2022, \$25 million in 7.92% series medium-term notes due 2027, and \$7.5 million in 6.76% series medium-term notes due 2027. These medium-term notes are governed by the 1996 Indenture and the Second Supplemental Indenture thereto dated as of December 30, 1996.

Notes due in 2012

As of December 31, 2011, we have \$200 million in outstanding principal amount of 7.625% Senior Unsecured Notes due 2012. These notes were issued in May 2002 and are governed by the 1996 Indenture and the Fourth Supplemental Indenture thereto dated as of May 6, 2002. We intend to use approximately \$200 million of the net proceeds from this offering to repay the \$200 million outstanding principal amount of our 7.625% Senior Unsecured Notes due 2012 when they mature on May 15, 2012. See "Use of Proceeds."

Notes due in 2026

As of December 31, 2011, we have \$75 million in outstanding principal amount of 8% Notes due 2026. These notes were issued in August 1996 and are governed by the 1996 Indenture and the First Supplemental Indenture thereto dated as of August 1, 1996.

[Table of Contents](#)

2010 Indenture

We entered into an indenture on December 7, 2010, which was subsequently supplemented and amended in connection with the issuance of the notes, as described below (the “2010 Indenture”). The 2010 Indenture does not contain material financial covenants or restrictions, other than restrictions on our ability to issue indebtedness for borrowed money secured by a lien, and to enter into certain sale and lease-back transactions.

Notes due in 2020

As of December 31, 2011, we have \$125 million in outstanding principal amount of 4.45% Senior Notes due 2020. These notes were issued in December 2010 and are governed by the 2010 Indenture and the First Supplemental Indenture thereto dated as of December 10, 2010.

Note Purchase Agreement

We entered into a note purchase agreement on November 18, 2010 (the “Purchase Agreement”) with Metropolitan Life Insurance Company, John Hancock Life Insurance Company (U.S.A.), certain of their respective affiliates and Union Fidelity Life Insurance Company (collectively, the “Purchasers”). Pursuant to the Purchase Agreement, on February 15, 2011, we sold to the Purchasers an aggregate principal amount of \$125 million of our 6.10% Senior Notes due 2041. Our obligations under these notes are unsecured and unsubordinated.

The Purchase Agreement contains customary representations and warranties. The Purchase Agreement contains customary affirmative and negative covenants that are applicable for so long as these notes are outstanding, including, subject to certain exceptions and qualifications, among other things, (i) a maximum leverage ratio; (ii) a minimum net worth; and (iii) limitations on our ability to incur secured indebtedness or liens.

These notes are subject to customary events of default, including without limitation, (i) failure to make payments on principal or premium, if any, upon maturity; (ii) failure to pay interest within five business days after the same becomes due and payable; (iii) breaches of certain covenants and agreements; (iv) cross default to payment defaults, including by reason of acceleration, on certain other indebtedness in excess of \$10 million; (v) certain events of bankruptcy and insolvency; and (vi) failure to pay judgments in excess of \$10 million within a specified period.

Credit Facility

On March 15, 2012, we entered into a revolving credit agreement with The Bank of New York Mellon, as administrative agent, and certain financial institutions as agents, arrangers, bookrunners, and lenders. The Credit Facility matures on March 13, 2017.

The interest rate per annum applicable to revolving loans under the Credit Facility is based upon, at our option, the LIBOR or the “alternate base rate,” plus in each case an applicable margin that is determined based on our senior unsecured long-term debt rating. The applicable margin ranges from 0.875% to 1.750% for loans bearing interest with reference to LIBOR and from 0.00% to 0.750% for loans bearing interest with reference to the alternative base rate. We are also required to pay a commitment fee on the unfunded portion of the commitments based on our senior unsecured long-term debt rating. The commitment fee ranges from 0.100% to 0.250% per annum.

Our obligations under the Credit Facility are not secured and are not guaranteed.

The Credit Facility requires that we maintain a Funded Debt (as defined in the Credit Facility) to Total Capitalization (as defined in the Credit Facility) ratio of not more than 0.70 to 1.00 as of the end of any quarter of any fiscal year. In addition, the Credit Facility imposes limitations on liens, consolidations and mergers, disposition of assets, investments, acquisitions, dividends and certain other payments.

DESCRIPTION OF THE NOTES

We will issue the Notes under an Indenture, dated as of March , 2012 (the “Indenture”) between us and The Bank of New York Mellon Trust Company, N.A., as Trustee (the “Trustee”). The following description sets forth the general terms and provisions of the Notes and is subject to the detailed provisions of the Indenture; whenever particular provisions of the Indenture are referred to, such statement is qualified in its entirety by the provisions of the Indenture. The form of the Indenture is filed as an exhibit to the registration statement of which this prospectus is a part. We will file the Indenture by means of a Current Report on Form 8-K. The Indenture contains the full legal text of the matters described in this section.

For purposes of this description, references to “the Company,” “we,” “our” and “us” refer only to Southwest Gas Corporation and do not include any of its current or future subsidiaries. Capitalized terms that are used and not otherwise defined herein shall have the meanings assigned to them in the Indenture.

General

The Notes will be initially limited in principal amount to \$250,000,000. The Notes will bear interest from March , 2012, or from the most recent interest payment date to which interest has been paid at the rates of interest set forth on the cover page of this prospectus. Interest will be payable semi-annually on and of each year, beginning on , 2012, to the persons in whose name the Notes are registered at the close of business on the or next preceding such interest payment date. For so long as the Notes are registered in the name of DTC, or its nominee, the principal and interest due on the Notes will be payable by us or our agent to DTC for payment to DTC’s participants for subsequent disbursement to the beneficial owners. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months. The Notes will mature on the date shown on the cover page of this prospectus. We may in the future, without the consent of the holders of the Notes, issue and sell additional Notes (“Additional Notes”) on the same terms and conditions as the Notes being offered hereby (other than the issue date and issue price), provided that, if the Additional Notes are not fungible with the Notes for U.S. federal income tax purposes, the Additional Notes will have a separate CUSIP number, if applicable. These Additional Notes will be deemed to be part of the same series as the Notes offered hereby and will vote together with all other Notes of this series for purposes of amendments, waivers and all other matters.

Unsecured Obligations

The Notes will be our unsecured general obligations and will rank on a parity with all our other unsecured, unsubordinated senior indebtedness from time to time outstanding and senior in right of payment to all of our existing and future subordinated indebtedness. There are no limitations under the Indenture on the amount of unsecured indebtedness that we may incur or capital stock that we may issue.

Payment of Notes

Interest. We will pay interest on the Notes on each interest payment date by check mailed and/or wire transfer to the Person in whose name the Notes are registered as of the close of business on the regular record date relating to the interest payment date.

However, if we default in paying interest on the Notes, we will pay defaulted interest in either of the two following ways:

- We will first propose to the Trustee a payment date for the defaulted interest. Next, the Trustee will choose a special record date for determining which registered holders are entitled to the payment. The special record date will be between 10 and 15 days before the payment date we propose. Finally, we will pay the defaulted interest on the payment date to the registered holder of the Note as of the close of business on the special record date.
- Alternatively, we can propose to the Trustee any other lawful manner of payment that is consistent with the requirements of any securities exchange on which the Notes are listed for trading. If the Trustee thinks the proposal is practicable, payment will be made as proposed.

[Table of Contents](#)

Principal. We will pay principal of and any premium and interest on the Notes at stated maturity, upon redemption or otherwise, upon presentation of the Notes at the office of the Trustee, as our paying agent.

In our discretion, we may change the place of payment on the Notes, and may remove any paying agent and may appoint one or more additional paying agents.

Redemption at Our Option

At any time prior to _____, 20____ (three months prior to the maturity date of the Notes), we may, at our option, redeem the Notes in whole or in part at a redemption price equal to the greater of:

- 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest on those Notes up to but excluding the redemption date (subject to the rights of holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date), or
- as determined by the Quotation Agent, the sum of the present values of the remaining scheduled payments of principal and interest on the Notes to be redeemed (not including any portion of payments of interest accrued as of the redemption date) discounted to the redemption date on a semi-annual basis at the Adjusted Treasury Rate plus _____ basis points, plus accrued and unpaid interest on those Notes up to but excluding the redemption date (subject to the rights of holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date).

The redemption price will be calculated assuming a 360-day year consisting of twelve 30-day months.

At any time on or after _____, 20____ (three months prior to the maturity date), we may redeem the Notes in whole or in part at 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest on those Notes up to but excluding the redemption date (subject to the rights of holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date).

We will mail notice of any redemption at least 30 days but not more than 45 days before the redemption date to each registered holder of the Notes to be redeemed.

Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Notes or portions of the Notes called for redemption.

“Adjusted Treasury Rate” means, with respect to any redemption date, the rate per year equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the redemption date.

“Business Day” means any day that is not a day on which banking institutions in New York City are authorized or required by law or regulation to close.

“Comparable Treasury Issue” means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the Notes to be redeemed that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of those Notes.

“Comparable Treasury Price” means, with respect to any redemption date:

- the average of the Reference Treasury Dealer Quotations for that redemption date, after excluding the highest and lowest of the Reference Treasury Dealer Quotations; or
- if the Trustee obtains fewer than four Reference Treasury Dealer Quotations, the average of all Reference Treasury Dealer Quotations so received.

“Quotation Agent” means the Reference Treasury Dealer appointed by us.

[Table of Contents](#)

“Reference Treasury Dealer” means (1) a designee of each of BNY Mellon Capital Markets, LLC, J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated that is a primary U.S. Government securities dealer in the United States of America (“Primary Treasury Dealer”), or any of their affiliates and their respective successors, unless any of them ceases to be a Primary Treasury Dealer, in which case we shall substitute another Primary Treasury Dealer; and (2) any other Primary Treasury Dealer selected by us.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by that Reference Treasury Dealer at 3:30 p.m., New York City time, on the third Business Day preceding that redemption date.

Events of Default

An “event of default” occurs with respect to the Notes if:

- we do not pay any interest on the Notes within 30 days of the due date;
- we do not pay principal or premium on the Notes on its due date;
- we remain in breach of any other covenant or warranty of the Indenture for 60 days after we receive a written notice of default stating we are in breach and requiring remedy of the breach; the notice must be sent by either the Trustee or registered holders of at least 25% of the principal amount of the Notes;
- we do not pay \$50,000,000 or more of the principal of any other debt, when due and payable, for thirty days after we have received written notice of the default stating we are in breach and requiring remedy of the breach; notice must be sent by either the Trustee or registered holders of at least 25% of the principal amount of the Notes; or
- we file for bankruptcy or other specified events in bankruptcy, insolvency, receivership or reorganization occur with respect to us.

Remedies

Acceleration. If an event of default occurs and is continuing with respect to the Notes, then either the Trustee or the registered holders of at least 25% in principal amount of the outstanding Notes may declare the principal amount of all of the Notes to be due and payable immediately. There is no automatic acceleration, even in the event of our bankruptcy, insolvency, receivership or reorganization.

Rescission of Acceleration. After the declaration of acceleration has been made and before the Trustee has obtained a judgment or decree for payment of the money due, the declaration and its consequences will be rescinded and annulled, if all events of default, other than the nonpayment of the principal which has become due solely by the declaration of acceleration, have been cured or waived as provided in the Indenture.

For more information as to waiver of defaults, see “—Waiver of Default and of Compliance” below.

Control By Registered Holders; Limitations. Subject to the Indenture, the registered holders of a majority in the principal amount of the outstanding Notes will have the right to:

- direct the time, method and place of conducting any proceeding for any remedy available to the Trustee; or
- exercise any trust or power conferred on the Trustee with respect to the Notes;

provided that:

- the registered holders’ directions will not conflict with any law or the Indenture; and
- the registered holders’ directions may not involve the Trustee in personal liability where the Trustee believes indemnity is not adequate.

[Table of Contents](#)

The Trustee may also take any other action it deems proper which is consistent with the registered holders' direction. The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by the Indenture at the request or direction of any of the holders pursuant to the Indenture, unless such holders shall have offered to the Trustee security or indemnity satisfactory to the Trustee against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

In addition, the Indenture provides that no registered holder of any Note will have any right to institute any proceeding, judicial or otherwise, with respect to the Indenture for the appointment of a receiver or for any other remedy thereunder unless:

- that registered holder has previously given the Trustee written notice of a continuing event of default;
- the registered holders of at least 25% in aggregate principal amount of the outstanding Notes have made written request to the Trustee to institute proceedings in respect of that event of default;
- the registered holders have offered the Trustee indemnity satisfactory to it against costs, expenses and liabilities incurred in complying with the request in such amount as shall be reasonably acceptable to the Trustee; and
- for 60 days after receipt of the notice, the Trustee has failed to institute a proceeding and no direction inconsistent with the request has been given to the Trustee during the 60-day period by the registered holders of a majority in aggregate principal amount of outstanding Notes.

Furthermore, no registered holder will be entitled to institute any action if and to the extent that the action would disturb or prejudice the rights of other registered holders.

However, each registered holder has an absolute and unconditional right to receive payment when due and to bring a suit to enforce that right.

Notice of Default

The Trustee is required to give the registered holders of the Notes notice of any default under the Indenture to the extent required by the Trust Indenture Act, unless the default has been cured or waived; except that in the case of an event of default of the character specified above in the third bullet point under “— Events of Default,” no notice shall be given to the registered holders until at least 30 days after the occurrence thereof. The Trust Indenture Act currently permits the Trustee to withhold notices of default (except for certain payment defaults) if the Trustee in good faith determines the withholding of the notice to be in the interests of the registered holders.

Waiver of Default and of Compliance

The registered holders of a majority in aggregate principal amount of the outstanding Notes may waive, on behalf of the registered holders of all Notes, any past default under the Indenture, except a default in the payment of principal, premium or interest, or with respect to compliance with certain provisions of the Indenture that cannot be amended without the consent of the registered holder of each outstanding Note.

Compliance with certain covenants in the Indenture or otherwise provided with respect to the Notes may be waived by the registered holders of a majority in aggregate principal amount of the Notes.

Consolidation, Merger and Conveyance of Assets as an Entirety

Subject to the provisions described in the next paragraph, we will preserve our corporate existence.

We have agreed not to consolidate with or merge into any other entity, or to convey, transfer or lease our properties and assets substantially as an entirety to any entity, or to permit any entity to consolidate with or merge into us, unless:

- the entity formed by the consolidation or into which we are merged, or the entity which acquires or which leases our property and assets substantially as an entirety, is a corporation, limited liability company, partnership or trust organized and existing under the laws of the United States of America or

Table of Contents

any state thereof or the District of Columbia, and expressly assumes, by supplemental indenture, the due and punctual payment of the principal, premium and interest on all the outstanding Notes and the performance or observance of all of our covenants under the Indenture;

- immediately after giving effect to the transactions and treating any indebtedness which becomes an obligation of the Company as a result of such transactions as having been incurred by the Company at the time of such transactions, no event of default, and no event which after notice or lapse of time or both would become an event of default, will have occurred and be continuing; and
- if, as a result of any such transaction, properties or assets of the Company would become subject to a mortgage, pledge, lien, security interest or other encumbrance which would not be permitted by the Indenture, the Company or such successor entity, as the case may be, shall take such steps as shall be necessary effectively to secure the Notes equally and ratably with (or prior to) all indebtedness secured thereby.

Covenants

Under the Indenture, we will:

- pay the principal, interest and any premium on the Notes when due;
- maintain a place of payment;
- deposit sufficient funds with any paying agent on or before the due date for any principal, interest or any premium due on the Notes;
- deliver an officers' certificate to the Trustee within 120 days after the end of each fiscal year stating whether or not we are in default in the performance or observance of any of the terms, provisions and conditions of the Indenture; and
- do all things necessary to preserve and keep our existence in full force and effect.

Maintenance of Properties. We will cause all properties used or useful in the conduct of our business to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in our judgment may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; provided, however, that nothing in this covenant shall prevent us from discontinuing the operation or maintenance of any of such properties if such discontinuance is, in our judgment, desirable in the conduct of our business and not disadvantageous in any material respect to the holders of the Notes.

Payment of Taxes and Other Claims. We will pay or discharge or cause to be paid or discharged, before the same shall become delinquent, (1) all taxes, assessments and governmental charges levied or imposed upon us or upon our income, profits or property and (2) all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien upon our property; provided, however, that we shall not be required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith by appropriate proceedings or if such failure to pay or discharge could not reasonably be expected to have a material adverse effect on our business, operations, affairs, financial condition, assets or properties and our subsidiaries taken as a whole or on our ability to pay the Notes in accordance with their terms.

Restrictions on Liens. We will not issue, assume or guarantee any Debt secured by any Lien upon our property or assets (whether such property or assets are now owned or hereafter acquired), without in any such case effectively securing, prior to or concurrently with the issuance, assumption or guarantee of any such Debt, the Notes (together with, if we shall so determine, any other indebtedness of ours or guarantee by us ranking equally with the Notes and then existing or thereafter created) equally and ratably with (or, at our option, prior to) such Debt. The foregoing restrictions do not apply to or prevent the creation of:

- Liens on any property acquired, constructed or improved by us after March , 2012 that are created or assumed contemporaneously with, or within 120 days after, such acquisition or completion of the construction or improvement, or within six months thereafter pursuant to a firm commitment for

[Table of Contents](#)

financing arranged with a lender or investor within such 120-day period, to secure or provide for the payment of all or any part of the purchase price of such property or the cost of such construction or improvement incurred after March , 2012, or, in addition to Liens referred to in the second and third bullets below, Liens on any property existing at the time of acquisition thereof, provided that the Liens do not apply to any property theretofore owned by us other than, in the case of any such construction or improvement, any theretofore unimproved property on which the property so constructed or the improvement is located;

- existing Liens on any property or indebtedness of a Person that is merged with or into or consolidated with us, provided that the Liens do not apply to any property theretofore owned by us;
- Liens in favor of the United States, any state, or any foreign country or any department, agency or instrumentality or political subdivision of any such jurisdiction to secure partial, progress, advance or other payment pursuant to any contract or statute or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or cost of constructing or improving the property subject to such Liens, including, without limitation, Liens to secure Debt of the pollution control or industrial revenue bond type;
- Liens on our current assets to secure loans which mature within 12 months from the creation thereof and which are made in the ordinary course of business;
- Liens on our property (including any natural gas, oil or other mineral property) to secure all or part of the cost of exploration or drilling for or development of oil or gas reserves or laying a pipeline or to secure Debt incurred to provide funds for any such purpose;
- any Lien existing on March , 2012;
- Liens on moneys or government obligations deposited with a trustee or agent for holders of Debt to defease such Debt; and
- Liens for the sole purpose of extending, renewing or replacing, in whole or in part, Liens securing Debt of the type referred to in the foregoing bullets or this bullet, provided, however, that the principal amount of Debt so secured at the time of such extension, renewal or replacement may not be increased, and that such extension, renewal or replacement is limited to all or part of the property or indebtedness which secured the Lien so extended, renewed or replaced (plus improvements on such property).

Notwithstanding the foregoing, we may issue, assume or guarantee Debt secured by a Lien which would otherwise be subject to the foregoing restrictions up to an aggregate amount that, together with all our other Indebtedness (other than the Debt secured by Liens described in the foregoing bullets) that would otherwise be subject to the foregoing restrictions and the Value of all Sale and Lease-back Transactions existing at that time (other than any Sale and Lease-back Transaction that, if it had been a Lien, would have been permitted under the first bullet of the preceding paragraph and other than Sale and Lease-back Transactions as to which application of amounts have been made in accordance with the second bullet of the first paragraph under “—Restrictions on Sale and Lease-back Transactions”), does not at the time we issue, assume, or guarantee Debt secured by such Lien exceed 10% of Total Capitalization.

Restrictions on Sale and Lease-back Transactions. We will not enter into any Sale and Lease-back Transaction unless the proceeds from such sale are at least equal to the fair value of the property being sold and leased-back and either:

- we would be entitled under the first bullet of the first paragraph under “—Restrictions on Liens” or the second paragraph under “—Restrictions on Liens” to incur Debt secured by a Lien on such property without equally and ratably securing the Notes; or
- within 180 days of the effective date of the Sale and Lease-back Transaction, we apply, or covenant that we will apply, an amount not less than the fair value of such property to one or more of (1) the

Table of Contents

payment or other retirement of Funded Debt incurred or assumed by the Company which is senior to or on parity with the Notes (other than Funded Debt owned by the Company) or (2) the purchase of property of the Company at not more than its fair value (other than the property involved in such sale).

Certain Definitions. The terms set forth below are defined in the Indenture as follows:

“Capitalized Lease” means any lease of our property (whether real, personal or mixed) by us as lessee that would, in conformity with generally accepted accounting principles, be required to be accounted for as a capital lease on our balance sheet.

“Corporation” means a corporation, association, company, joint-stock company or business trust.

“Debt” means debt issued, assumed or guaranteed by us for money borrowed.

“Funded Debt” means all our Indebtedness that by its terms or by the terms of any instrument or agreement relating thereto matures more than one year from, or is directly or indirectly renewable or extendable at our option to a date more than one year from the date of creation thereof (including an option under a revolving credit or similar agreement obligating the lender or lenders to extend credit over a period of one year or more), but excluding any payments due under the terms thereof within 12 months of any date of determination (including any deposit or payment required to be made under any repayment provision, sinking fund, purchase fund or similar provision).

“Indebtedness” means, as applied to any Person, Capitalized Leases, bonds, notes, debentures and other securities representing obligations for borrowed money created or assumed by such Person. All indebtedness guaranteed as to payment of principal in any manner by such Person or in effect guaranteed by such Person through a contingent agreement to purchase such indebtedness, and all indebtedness that is both secured by a Lien upon property owned by such Person and upon which such Person customarily pays interest, even though such Person has not assumed or become liable for the payment of such indebtedness, shall for all purposes thereof be deemed to be “Indebtedness” of such Person.

“Lien” means any lien, mortgage, pledge, security interest, charge or other encumbrance of any kind.

“Person” means any individual, Corporation, limited liability company, partnership, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof.

“Sale and Lease-back Transaction” means any direct or indirect arrangement with any Person providing for the lease to us of our property (except for temporary leases for a term, including any renewal thereof, of not more than three years), which property has been or is to be sold or transferred by us to such Person or to any other Person by whom funds have been or are to be advanced on the security of such property.

“Total Capitalization” means, as at any time, the aggregate of (1) all amounts outstanding on such date classified as our shareholders’ equity on such date, (2) all amounts outstanding on such date classified as our preferred or preference stock on such date and (3) all amounts of our Funded Debt outstanding on such date determined on an unconsolidated basis.

“Value” means, with respect to a Sale and Lease-back Transaction, as at any time, the amount equal to the greater of (1) the net proceeds from the sale or transfer of the property leased pursuant to such Sale and Lease-back Transaction and (2) the fair value, in the opinion of our board of directors, of such property at the time of entering into such Sale and Lease-back Transaction, in either case divided first by the number of full years of the term of the lease and then multiplied by the number of full years of such term remaining at the time of determination, without regard to any renewal or extension options contained in the lease.

Modification of Indenture

Without Registered Holder Consent. Without the consent of any registered holders of the Notes, we and the Trustee may amend or modify the Indenture for any of the following purposes:

- to evidence the succession of another entity to the Company;
- to add one or more covenants of the Company or other provisions for the benefit of the registered holders of the Notes, or to surrender any right or power conferred upon the Company;
- to add any additional events of default for the Notes;
- to evidence and provide for the acceptance of appointment of a successor trustee;
- to cure any ambiguity or to correct or supplement any provision contained in the Indenture which may be defective or inconsistent with any other provision contained in the Indenture, make any other changes that do not adversely affect the interests of the holders of the Notes, or to make such other provisions in regard to matters or questions arising under the Indenture, provided that no action under this clause shall adversely affect the interests of the holders of the Notes;
- to conform the provisions of the Indenture or the Notes to any provision of the “Description of the Notes” section in this prospectus; or
- to provide for the issuance of Additional Notes.

If the Trust Indenture Act is amended after the date of the Indenture so as to require changes to the Indenture or the elimination of provisions which, at the date of the Indenture or at any time thereafter, were required by the Trust Indenture Act to be contained in the Indenture, the Indenture will be deemed to have been amended so as to conform to the amendment or to effect the changes or elimination, and we and the Trustee may, without the consent of any registered holders, enter into one or more supplemental indentures to effect or evidence the amendment.

With Registered Holder Consent. We and the Trustee may, with some exceptions, amend or modify the Indenture with the consent of the registered holders of at least a majority in aggregate principal amount of the Notes. However, no amendment or modification may, without the consent of the registered holder of each outstanding Note affected thereby:

- change the stated maturity of the principal or interest on any Note;
- reduce the principal amount, interest or premium payable on any Note;
- change the currency in which any Note is payable;
- impair the right to bring suit to enforce any payment on or after the maturity thereof;
- reduce the percentage of registered holders whose consent is required for any amendment, modification or waiver; or
- modify certain of the provisions in the Indenture relating to amendments.

Miscellaneous Provisions

The Indenture provides that certain Notes, including those for which payment or redemption money has been deposited or set aside in trust as described under “—Defeasance and Covenant Defeasance” below, will not be deemed to be “outstanding” in determining whether the registered holders of the requisite principal amount of the outstanding Notes have given or taken any demand, direction, consent or other action under the Indenture as of any date, or are present at a meeting of registered holders for quorum purposes.

[Table of Contents](#)

We will be entitled to set any day as a record date for the purpose of determining the registered holders of outstanding Notes entitled to give or take any demand, direction, consent or other action under the Indenture, in the manner and subject to the limitations provided in the Indenture. In certain circumstances, the Trustee also will be entitled to set a record date for action by registered holders. If a record date is set for any action to be taken by registered holders of the Notes, the action may be taken only by persons who are registered holders of the Notes on the record date.

Defeasance and Covenant Defeasance

The Indenture provides that we may, upon satisfying several conditions, cause ourselves to be:

- discharged from our obligations, with some exceptions, with respect to the Notes, which we refer to as “defeasance”; and
- released from our obligations under certain covenants with respect to the Notes, which we refer to as “covenant defeasance.”

One condition we must satisfy is the irrevocable deposit with the Trustee, in trust, of money and/or government obligations which, through the scheduled payment of principal and interest on those obligations, would provide sufficient funds to pay the principal of and any premium and interest on the Notes on the maturity dates of the payment or upon redemption.

The Indenture permits defeasance with respect to the Notes even if a prior covenant defeasance has occurred with respect to the Notes. Following a defeasance, payment of the Notes defeased may not be accelerated because of an event of default. Following a covenant defeasance, payment of the Notes may not be accelerated by reference to those covenants specified in the covenant defeasance. However, if such an acceleration were to occur, the realizable value at the acceleration date of the money and government obligations in the defeasance trust could be less than the principal and interest then due on the Notes, since the required deposit in the defeasance trust would be based upon scheduled cash flows rather than market value, which would vary depending upon interest rates and other factors.

Resignation and Removal of the Trustee; Deemed Resignation

The Trustee may resign at any time by giving written notice to us.

The Trustee may also be removed by act of the registered holders of a majority in principal amount of the then outstanding Notes.

No resignation or removal of the Trustee and no appointment of a successor trustee will become effective until the acceptance of appointment by a successor trustee in accordance with the requirements of the Indenture.

Under certain circumstances, we may appoint a successor trustee and if the successor accepts, the Trustee will be deemed to have resigned.

Form; Transfers; Exchanges

The Notes will be issued in registered, global form and in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. The Trustee acts as our agent for registering the Notes in the names of holders and transferring the Notes. We may appoint another agent or act as our own agent for this purpose. The entity performing the role of maintaining the list of registered holders is called the “security registrar.” It will also perform transfers. In our discretion, we may change the place for registration or transfer of the Notes and may remove and/or appoint one or more additional security registrars.

There will be no service charge for any such transfer or exchange of the Notes, but you may be required to pay a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or

[Table of Contents](#)

exchange. We may block any such transfer or exchange of (a) the Notes during a period of 15 days prior to giving any notice of redemption or (b) any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

Governing Law

The Indenture and the Notes will be governed by and construed in accordance with the laws of the State of New York (including Section 5-1401 of the General Obligations Law of the State of New York but otherwise without regard to principles of conflicts of laws).

Global Notes

DTC will act as securities depository for the Notes. The Notes will be issued only as fully-registered securities registered in the name of Cede & Co. (DTC's nominee). One or more fully-registered global notes, representing the total aggregate principal amount of the Notes, will be issued and will be deposited with DTC or its custodian and will bear a legend regarding the restrictions on exchanges and registration of transfer referred to below.

The laws of some jurisdictions may require that some purchasers of securities take physical delivery of securities in definitive form. These laws may impair the ability to transfer beneficial interests in the Notes so long as the Notes are represented by global notes.

DTC advises that it is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that its participants deposit with DTC. DTC also facilitates the settlement among participants of securities transactions, including transfers and pledges, in deposited securities through electronic computerized book-entry changes in participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is owned by a number of its direct participants and by the New York Stock Exchange, the NYSE Amex LLC and the Financial Industry Regulatory Authority, Inc. Access to DTC's system is also available to others, including securities brokers and dealers, banks and trust companies that clear transactions through or maintain a custodial relationship with a direct participant either directly or indirectly. The rules applicable to DTC and its participants are on file with the SEC.

We will issue the Notes in definitive certificated form if DTC notifies us that it is unwilling or unable to continue as depository or DTC ceases to be a clearing agency registered under the Exchange Act, and a successor depository is not appointed by us within 90 days. In addition, beneficial interests in a global note may be exchanged for definitive certificated notes upon request by or on behalf of DTC in accordance with customary procedures following the request of a beneficial owner seeking to exercise or enforce its rights under such Notes.

If we determine at any time that the Notes shall no longer be represented by global notes, we will inform DTC of such determination which will, in turn, notify participants of their right to withdraw their beneficial interest from the global notes, and if such participants elect to withdraw their beneficial interests, we will issue certificates in definitive form in exchange for such beneficial interests in the global notes. Any global note, or portion thereof, that is exchangeable pursuant to this paragraph will be exchangeable for note certificates, as the case may be, registered in the names directed by DTC. We expect that these instructions will be based upon directions received by DTC from its participants with respect to ownership of beneficial interests in the global notes.

[Table of Contents](#)

As long as DTC or its nominee is the registered owner of the global notes, DTC or its nominee, as the case may be, will be considered the sole owner and holder of the global notes and all Notes represented by these global notes for all purposes under the Notes and the Indenture. Except in the limited circumstances referred to above, owners of beneficial interests in global notes:

- will not be entitled to have the Notes represented by these global notes registered in their names, and
- will not be considered to be owners or holders of the global notes or any Notes represented by these global notes for any purpose under the Notes or the Indenture.

All payments on the Notes represented by the global notes and all transfers and deliveries of related notes will be made to DTC or its nominee, as the case may be, as the holder of the Notes.

Ownership of beneficial interests in the global notes will be limited to participants or persons that may hold beneficial interests through institutions that have accounts with DTC or its nominee. Ownership of beneficial interests in global notes will be shown only on, and the transfer of those ownership interests will be effected only through, records maintained by DTC or its nominee, with respect to participants' interests, or any participant, with respect to interests of persons held by the participant on their behalf. Payments, transfers, deliveries, exchanges and other matters relating to beneficial interests in global notes may be subject to various policies and procedures adopted by DTC from time to time. Neither we nor the Trustee will have any responsibility or liability for any aspect of DTC's or any participant's records relating to, or for payments made on account of, beneficial interests in global notes, or for maintaining, supervising or reviewing any of DTC's records or any participant's records relating to these beneficial ownership interests.

Although DTC has agreed to the foregoing procedures in order to facilitate transfers of interests in the global notes among participants, DTC is under no obligation to perform or continue to perform these procedures, and these procedures may be discontinued at any time. We will not have any responsibility for the performance by DTC or its direct participants or indirect participants under the rules and procedures governing DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that we believe to be reliable, but we take no responsibility for the accuracy thereof.

CERTAIN MATERIAL UNITED STATES FEDERAL TAX CONSIDERATIONS

To ensure compliance with Treasury Department Circular 230, investors are hereby notified that (a) any discussion of United States federal tax issues in this prospectus is not intended or written to be relied upon, and cannot be relied upon by you for the purpose of avoiding penalties that may be imposed on investors under the Internal Revenue Code of 1986, as amended, (b) such discussion is included in connection with the promotion or marketing (within the meaning of Circular 230) of the transactions or matters addressed herein, and (c) you should seek advice based on your particular circumstances from an independent tax advisor.

This section describes certain material U.S. federal income tax considerations relating to the purchase, ownership, and disposition of the Notes. Except where noted, this summary deals only with a Note held as a “capital asset” for tax purposes, by a beneficial owner who purchased a Note on original issuance at its “issue price” (the first price at which a substantial portion of the Notes is sold to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of initial purchasers, placement agents or wholesalers). This summary does not address all aspects of U.S. federal income taxation and does not deal with all tax consequences that may be relevant to holders in light of their personal circumstances or particular situations, such as:

- tax consequences to a holder who may be subject to special tax treatment, including a dealer in securities or currencies, bank, financial institution, tax-exempt organization, tax-exempt entity, insurance company, real estate investment trust, regulated investment company, grantor trust, trader in securities that elects to use a mark-to-market method of accounting for its securities, foreign or domestic partnership or other entity treated as a partnership for federal income tax purposes, or expatriate;
- tax consequences to non-U.S. holders (as defined below);
- tax consequences to persons holding Notes as a part of a hedging, integrated, conversion or constructive sale transaction or a straddle; and
- tax consequences to U.S. holders (as defined below) of Notes whose “functional currency” is not the U.S. dollar.

This section does not consider the specific facts and circumstances that may be relevant to a particular holder and does not address alternative minimum tax considerations, estate tax considerations, or the treatment of a holder under the laws of any state, local or foreign taxing jurisdiction. This section is based on the tax laws of the United States, including the Internal Revenue Code, as amended, existing and proposed U.S. Treasury Regulations (“Treasury Regulations”), and administrative and judicial interpretations, all as currently in effect. These laws are subject to change, possibly on a retroactive basis.

If a partnership (or other entity treated as a partnership) holds the Notes, the U.S. federal income tax treatment of a partner will generally depend upon the status of the partner and the tax treatment of the partnership. If you are a partner in a partnership (or other entity treated as a partnership) holding Notes, you should consult your own tax advisor with regard to the U.S. federal income tax treatment of holding the Notes.

If you are considering the purchase of Notes, you should consult your tax advisors concerning the U.S. federal income tax consequences to you in light of your own specific situation, as well as consequences of U.S. federal estate or gift tax laws, foreign, state and local laws, and tax treaties.

[Table of Contents](#)

As used herein, the term “U.S. holder” means a beneficial owner of Notes that is, for U.S. federal income tax purposes:

- an individual citizen or resident of the United States;
- a corporation, or an entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States or any state of the United States, including the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if a U.S. court can exercise primary supervision over the trust’s administration and one or more U.S. persons are authorized to control all substantial decisions of the trust (or if such trust has made a valid election under applicable Treasury Regulations to be treated as a United States person).

A “non-U.S. holder” is a beneficial owner of Notes that is not a U.S. holder.

Consequences to U.S. Holders

This subsection describes the tax consequences to a U.S. holder relating to the purchase, ownership, and disposition of the Notes.

Payment of Interest

Subject to the discussion of original issue discount (“OID”) below, the stated interest on the Notes generally will be taxable to you as ordinary income at the time that it is paid or accrued, in accordance with your method of accounting for U.S. federal income tax purposes.

OID

In general, if the issue price of a Note (the first price at which a substantial amount of the Notes are sold to investors) is less than its “stated redemption price at maturity” by more than a statutory de minimis amount, the Note will be considered to have been issued with OID. The “stated redemption price at maturity” includes all payments under a Note that do not qualify as “qualified stated interest.” Qualified stated interest includes only interest that is payable at least annually at a single fixed or specified floating rate. It is expected that the stated interest on the Notes will qualify as qualified stated interest and the stated redemption price at maturity will equal the principal amount of the Notes.

If OID on the Notes were to equal or exceed the de minimis amount and the Notes were treated as having been issued with OID, you would be required to include the OID in ordinary income for U.S. federal income tax purposes as it accrues on a constant yield basis in advance of the receipt of cash payments to which such income is attributable. If you are a U.S. Holder, you must include in income in each taxable year the sum of the daily portions of OID for each date on which you held the Note during the taxable year, regardless of whether you are a cash or accrual method taxpayer.

Sale, Exchange, Redemption or Other Taxable Disposition of Notes

A U.S. holder will generally recognize capital gain or loss upon the sale, exchange, redemption or other taxable disposition of a Note equal to the difference between the amount realized (less accrued interest, which will be taxable as ordinary interest income to the extent that the holder has not previously included the accrued interest in gross income) upon the sale, exchange, redemption or other taxable disposition and such U.S. holder’s adjusted tax basis in the Note. A U.S. holder’s adjusted tax basis in a Note will generally be the cost of the Note to such U.S. holder. Capital gain of a non-corporate U.S. holder is currently taxed at a reduced rate where the U.S. holder has a holding period greater than one year. Subject to limited exceptions, the deductibility of capital losses is subject to limitations under the Code.

Information Reporting and Backup Withholding

Information reporting requirements generally will apply to payments of interest on the Notes and to the proceeds of a sale, exchange, redemption, retirement or other disposition of a Note paid to a U.S. holder unless the U.S. holder is an exempt recipient (such as a corporation) and properly establishes its exemption.

Backup withholding generally will apply to those payments if the U.S. holder fails to provide, on a properly executed, under penalties of perjury, IRS Form W-9 or substantially similar form:

- its taxpayer identification number;
- a certification that (a) the U.S. holder is exempt from backup withholding, (b) the U.S. holder has not been notified by the IRS that it is subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the U.S. holder has been notified by the IRS that it is no longer subject to backup withholding; and
- the U.S. holder certifies that it is a U.S. person (including a U.S. resident alien).

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules generally will be allowed as a refund or a credit against your U.S. federal income tax liability provided the required information is timely furnished to the IRS.

Recently Enacted Federal Tax Legislation

Newly enacted federal legislation requires certain U.S. holders who are individuals, estates or trusts to pay an additional 3.8% tax on, among other things, interest on and capital gains from the sale or other taxable disposition of the Notes for taxable years beginning after December 31, 2012. U.S. holders should consult their tax advisors regarding the effect, if any, of this legislation on their ownership and disposition of the Notes.

UNDERWRITING

BNY Mellon Capital Markets, LLC, J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated are acting as representatives of each of the underwriters named below. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriters, and each underwriter has severally and not jointly agreed to purchase, the aggregate principal amount of the Notes set forth opposite its name below.

<u>Underwriters</u>	<u>Principal Amount of Notes</u>
BNY Mellon Capital Markets, LLC.	\$
J.P. Morgan Securities LLC.	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Well Fargo Securities LLC	
Blaylock Robert Van, LLC	
Samuel A. Ramirez & Company, Inc.	
Total	<u>\$250,000,000</u>

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the Notes sold under the underwriting agreement if any of the Notes are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We have agreed to indemnify the underwriters and their controlling persons against certain liabilities in connection with this offering, including liabilities under the Securities Act or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the Notes, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the Notes, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officers' certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Discounts

The representatives have advised us that the underwriters propose initially to offer the Notes to the public at the public offering price set forth on the cover page of this prospectus and to certain dealers at such price less a concession not in excess of % of the principal amount of the Notes. The underwriters may allow, and such dealers may reallow, a concession not in excess of % of the principal amount of the Notes. After the initial offering of the Notes, the offering price and other selling terms of the offering may be changed.

The expenses of the offering of the Notes payable by us, not including the underwriting discount, are estimated at \$.

New Issue of Notes

The Notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the Notes on any national securities exchange or for inclusion of the Notes on any automated dealer quotation system. We have been advised by the underwriters that they presently intend to make a market in the Notes after completion of the offering. However, they are under no obligation to do so and may discontinue any market-making activities at any time without any notice. We cannot assure the liquidity of the trading market for

[Table of Contents](#)

the Notes or that an active public market for the Notes will develop. If an active public trading market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected. If the Notes are traded, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, our operating performance and financial condition, general economic conditions and other factors.

Short Positions

In connection with the offering of the Notes, certain of the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the Notes. Specifically, the underwriters may overallocate in connection with the offering, creating a short position. In addition, the underwriters may bid for, and purchase, the Notes in the open market to cover short positions or to stabilize the price of the Notes. Any of these activities may stabilize or maintain the market price of the Notes above independent market levels, but no representation is made hereby of the magnitude of any effect that the transactions described above may have on the market price of the Notes. The underwriters will not be required to engage in these activities, and may engage in these activities, and may end any of these activities, at any time without notice. In connection with the offering of the Notes, the underwriters may purchase and sell the Notes in the open market. These transactions may include short sales and purchases on the open market to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater principal amount of Notes than they are required to purchase in the offering. The underwriters must close out any short position by purchasing Notes in the open market. A short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the Notes in the open market after pricing that could adversely affect investors who purchase Notes in the offering.

Similar to other purchase transactions, the underwriters' purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of the Notes or preventing or retarding a decline in the market price of the Notes. As a result, the price of the Notes may be higher than the price that might otherwise exist in the open market.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, neither we nor any of the underwriters make any representation that the underwriters will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Other Relationships

Certain of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business, including entering into derivative transactions, with us or our affiliates for which they have received and may continue to receive customary fees and commissions.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. If any of the underwriters or their affiliates has a lending relationship with us, certain of those underwriters or their affiliates routinely hedge, and certain other of those underwriters or their affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, these underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes offered hereby. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

[Table of Contents](#)

The Bank of New York Mellon, an affiliate of BNY Mellon Capital Markets, LLC, one of the representatives and underwriters of the offering of the Notes, is the administrative agent, a joint lead arranger, a joint bookrunner and a lender in connection with the Credit Facility. JPMorgan Chase Bank, N.A., an affiliate of J.P. Morgan Securities LLC, one of the representatives and underwriters of the offering of the Notes, is a syndication agent and lender in connection with the Credit Facility. Bank of America, N.A., an affiliate of Merrill Lynch, Pierce, Fenner & Smith Incorporated, one of the representatives and underwriters of the offering of the Notes, is a syndication agent and lender in connection with the Credit Facility. In addition, J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, two of the representative underwriters of the offering of the Notes, are joint lead arrangers and joint bookrunners in connection with the Credit Facility. Wells Fargo Bank, N.A., an affiliate of Wells Fargo Securities LLC, one of the underwriters of the offering of the Notes, is a lender in connection with the Credit Facility. As of March 31, 2012, we had approximately \$ 100 million of outstanding borrowings under the Credit Facility.

In addition, the Bank of New York Mellon Trust Company N.A., an affiliate of BNY Mellon Capital Markets, LLC, one of the representatives and underwriters of the offering of the Notes, is the Trustee under the Indenture for the Notes and is the trustee under the indentures for our 7.65% Senior Unsecured Notes due May 15, 2012, our 4.45% Senior Notes due December 1, 2020, our Series 2004A Clark County, Nevada Industrial Development Revenue Bonds due July 1, 2034, our Series 2004B Clark County, Nevada Industrial Development Refunding Revenue Bonds due December 1, 2033, our Series 2005A Clark County, Nevada Industrial Development Revenue Bonds due October 1, 2035, our Series 2006A Clark County, Nevada Industrial Revenue Bonds due September 1, 2036, our Series 2003A, Series 2003C, Series 2003D, and Series 2003E Clark County, Nevada Industrial Development Revenue Bonds due March 1, 2038, our Series 2008A Clark County, Nevada Industrial Development Revenue Bonds due March 1, 2038, and our Series 2009A Clark County, Nevada Industrial Development Revenue Bonds due December 1, 2039.

EXPERTS

Our consolidated financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated herein by reference to the Annual Report on Form 10-K for the year ending December 31, 2011 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

VALIDITY OF THE NOTES

The validity of the Notes will be passed upon for us by Morrison & Foerster LLP. Certain legal matters will be passed upon for the underwriters by Clifford Chance US LLP.

\$250,000,000



% Senior Notes due 2022

PRELIMINARY PROSPECTUS

Joint Book-Running Managers

BNY Mellon Capital Markets, LLC

BofA Merrill Lynch

J.P. Morgan

Co-Managers

Wells Fargo Securities

Blaylock Robert Van, LLC

Ramirez & Co., Inc.

The date of this prospectus is March , 2012.

PART II**Information Not Required in Prospectus****Item 14. Other Expenses of Issuance and Distribution**

The following is a statement of the estimated expenses (other than underwriting discounts and commissions) to be incurred by Southwest Gas Corporation in connection with the issuance and distribution of the securities registered under this registration statement.

SEC registration fee	\$ 28,650
Legal fees and expenses	150,000
Accounting fees and expenses	50,000
Printing fees	40,000
Miscellaneous	131,350
Total	<u>\$400,000</u>

Item 15. Indemnification of Directors and Officers

The Company's Articles of Incorporation contain a provision which eliminates the liability of directors for monetary damages to the fullest extent permissible under California law. The General Corporation Law of California (the "Law") (i) authorizes the elimination of liability of directors for monetary damages in an action brought by a shareholder in the right of the Company or by the Company for breach of a director's duties to the Company and its shareholders and (ii) authorizes the Company to indemnify directors and officers for monetary damages for all acts or omissions committed by them in their respective capacities; provided, however, that liability is not limited nor may indemnification be provided (a) for acts or omissions that involve intentional misconduct or knowing and culpable violation of law, (b) for acts or omissions that a director or officer believes to be contrary to the best interests of the Company or its shareholders or that involve the absence of good faith on the part of a director or officer seeking indemnification, (c) for any transaction from which a director or officer derives an improper personal benefit, (d) for acts or omissions that show a reckless disregard for the director's or officer's duty to the Company or its shareholders in circumstances in which such person was aware, or should have been aware, in the ordinary course of performing his or her duties, of a risk of serious injury to the Company or its shareholders, (e) for acts or omissions that constitute an unexcused pattern of inattention that amounts to an abdication of the director's or officer's duty to the Company or its shareholders, and (f) for liabilities arising under Section 310 (contracts in which a director has a material financial interest) and Section 316 (certain unlawful dividends, distributions, loans and guarantees) of the Law. In addition, the Company may not indemnify directors and officers in circumstances in which indemnification is expressly prohibited by Section 317 of the Law.

The bylaws of the Company provide that the Company has the power to indemnify directors and officers to the fullest extent permitted under California law and the Company's Articles of Incorporation. The Company has entered into indemnification agreements with its directors and officers which require that the Company indemnify such directors and officers in all cases to the fullest extent permitted by applicable provisions of the Law. The Company also maintains a directors' and officers' liability insurance policy insuring directors and officers of the Company for covered losses as defined in the policy.

[Table of Contents](#)

Item 16. Exhibits

Exhibit No.	Description
1.1*	Underwriting Agreement
3.1	Restated Articles of Incorporation (incorporated by reference to Exhibit 3(i) of the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007)
3.2	Amended Bylaws (incorporated herein by reference to Exhibit 3(ii) of the Registrant's Current Report on Form 8-K dated November 18, 2011)
4.1	Form of Indenture for Senior Notes Due 2022
5.1	Opinion of Morrison & Foerster LLP
12.1	Statement regarding computation of ratio of earnings to fixed charges (incorporated by reference to Exhibit 12.01 of the Registrant's Annual Report on Form 10-K for the year ended December 31, 2011)
23.1	Consent of Morrison & Foerster LLP (included in Exhibit 5.1)
23.2	Consent of PricewaterhouseCoopers LLP
24.1	Powers of Attorney
25.1	Form T-1 Statement of Eligibility under Trust Indenture Act of 1939 of Trustee under the Indenture

* To be filed as an amendment or as an exhibit to a document filed under the Exchange Act and incorporated by reference into the registration statement.

Item 17. Undertakings

The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (1)(i), (1)(ii) and (1)(iii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

[Table of Contents](#)

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) Each prospectus filed by the Registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5) or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which the prospectus relates, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof. *Provided, however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(5) That, for the purpose of determining liability of the Registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, the undersigned Registrant undertakes that in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned Registrant or used or referred to by the undersigned Registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

(6) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

[Table of Contents](#)

(7) That, insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Las Vegas, State of Nevada, on March 20, 2012.

SOUTHWEST GAS CORPORATION

By: /s/ Jeffrey W. Shaw
Name: Jeffrey W. Shaw
Title: Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the date indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Jeffrey W. Shaw</u> Jeffrey W. Shaw	Director, Chief Executive Officer (Principal Executive Officer)	March 20, 2012
<u>/s/ Roy R. Centrella</u> Roy R. Centrella	Senior Vice President, Chief Financial Officer (Principal Financial Officer)	March 20, 2012
<u>/s/ Gregory J. Peterson</u> Gregory J. Peterson	Vice President, Controller and Chief Accounting Officer (Principal Accounting Officer)	March 20, 2012
<u>/s/ Robert L. Boughner*</u> Robert L. Boughner	Director	March 20, 2012
<u>/s/ José A. Cárdenas*</u> José A. Cárdenas	Director	March 20, 2012
<u>/s/ Thomas E. Chestnut*</u> Thomas E. Chestnut	Director	March 20, 2012
<u>/s/ Stephen C. Comer*</u> Stephen C. Comer	Director	March 20, 2012
<u>/s/ LeRoy C. Hanneman, Jr.*</u> LeRoy C. Hanneman, Jr.	Director	March 20, 2012
<u>/s/ Michael O. Maffie*</u> Michael O. Maffie	Director	March 20, 2012
<u>/s/ Anne L. Mariucci*</u> Anne L. Mariucci	Director	March 20, 2012

Table of Contents

<u>/s/ Michael J. Melarkey*</u> Michael J. Melarkey	Chairman of the Board of Directors	March 20, 2012
<u>/s/ A. Randall Thoman*</u> A. Randall Thoman	Director	March 20, 2012
<u>/s/ Thomas A. Thomas*</u> Thomas A. Thomas	Director	March 20, 2012
<u>/s/ Terrence L. Wright*</u> Terrence L. Wright	Director	March 20, 2012

*By: /s/ Roy R. Centrella
Roy R. Centrella
Attorney-in-Fact

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
1.1*	Underwriting Agreement
3.1	Restated Articles of Incorporation (incorporated by reference to Exhibit 3(i) of the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007)
3.2	Amended Bylaws (incorporated herein by reference to Exhibit 3(ii) of the Registrant's Current Report on Form 8-K dated November 18, 2011)
4.1	Form of Indenture for Senior Notes Due 2022
5.1	Opinion of Morrison & Foerster LLP
12.1	Statement regarding computation of ratio of earnings to fixed charges (incorporated by reference to Exhibit 12.01 of the Registrant's Annual Report on Form 10-K for the year ended December 31, 2011)
23.1	Consent of Morrison & Foerster LLP (included in Exhibit 5.1)
23.2	Consent of PricewaterhouseCoopers LLP
24.1	Powers of Attorney
25.1	Form T-1 Statement of Eligibility under Trust Indenture Act of 1939 of Trustee under the Indenture

* To be filed as an amendment or as an exhibit to a document filed under the Exchange Act and incorporated by reference into the registration statement.

SOUTHWEST GAS CORPORATION
AND
THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

INDENTURE

Dated as of March [], 2012

[]% Senior Notes due 2022

SOUTHWEST GAS CORPORATION

Certain Sections of this Indenture relating to Sections 310 through 318, inclusive, of the Trust Indenture Act of 1939:

Trust Indenture Act Section	Indenture Section
Sec. 310 (a)(1)	509
(a)(2)	509
(a)(3)	Not Applicable
(a)(4)	Not Applicable
(b)	508
	510
Sec. 311 (a)	513
(b)	513
Sec. 311 (a)	601
	602
(b)	602
(c)	602
Sec. 313 (a)	603
(b)	603
(c)	603
(d)	603
Sec. 314 (a)	604
(a)(4)	101
	904
(b)	Not Applicable
(c)(1)	102
(c)(2)	102
(c)(3)	Not Applicable
(d)	Not Applicable
(e)	102
Sec. 315 (a)	501
(b)	502
(c)	501
(d)	501
(e)	414
Sec. 316 (a)	101
(a)(1)(A)	402
	412
(a)(1)(B)	413
(a)(2)	Not Applicable
(b)	408
(c)	104
	401
	402
	412

Sec. 317	(a)(1)	403
	(a)(2)	404
	(b)	903
Sec. 318	(a)	107

NOTE: This reconciliation and tie shall not, for any purpose, be deemed to be a part of the Indenture.

TABLE OF CONTENTS

	Page
PARTIES	1
RECITALS OF THE COMPANY	1
ARTICLE ONE DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION	1
Section 101. Definitions	1
Section 102. Compliance Certificates and Opinions	8
Section 103. Form of Documents Delivered to Trustee	9
Section 104. Acts of Holders; Record Dates	9
Section 105. Notices, Etc., to Trustee and Company	10
Section 106. Notice to Holders; Waiver	11
Section 107. Conflict with Trust Indenture Act	12
Section 108. Effect of Headings and Table of Contents	12
Section 109. Successors and Assigns	12
Section 110. Separability Clause	12
Section 111. Benefits of Indenture	12
Section 112. Governing Law	12
Section 113. Legal Holidays	12
Section 114. Waiver of Jury Trial	13
Section 115. Force Majeure	13
ARTICLE TWO THE NOTES	13
Section 201. Form	13
Section 202. Denominations	14
Section 203. Execution, Authentication, Delivery and Dating	14
Section 204. Temporary Notes	15
Section 205. Registration, Registration of Transfer and Exchange	15
Section 206. Mutilated, Destroyed, Lost and Stolen Notes	17
Section 207. Payment of Interest; Interest Rights Preserved	17
Section 208. Persons Deemed Owners	18
Section 209. Cancellation	19
Section 210. Computation of Interest	19

Section 211.	CUSIP Numbers	19
ARTICLE THREE	SATISFACTION AND DISCHARGE	19
Section 301.	Satisfaction and Discharge of Indenture	19
Section 302.	Application of Trust Money	20
ARTICLE FOUR	EVENTS OF DEFAULT; REMEDIES	21
Section 401.	Events of Default	21
Section 402.	Acceleration of Maturity; Rescission and Annulment	23
Section 403.	Collection of Indebtedness and Suits for Enforcement by Trustee	23
Section 404.	Trustee May File Proofs of Claim	24
Section 405.	Trustee May Enforce Claims Without Possession of Notes	24
Section 406.	Application of Money Collected	25
Section 407.	Limitation on Suits	25
Section 408.	Unconditional Right of Holders to Receive Principal, Premium and Interest	25
Section 409.	Restoration of Rights and Remedies	26
Section 410.	Rights and Remedies Cumulative	26
Section 411.	Delay or Omission Not Waiver	26
Section 412.	Control by Holders	26
Section 413.	Waiver of Past Defaults	27
Section 414.	Undertaking for Costs	27
Section 415.	Waiver of Usury, Stay or Extension Laws	27
ARTICLE FIVE	THE TRUSTEE	28
Section 501.	Certain Duties and Responsibilities	28
Section 502.	Notice of Defaults	29
Section 503.	Certain Rights of Trustee	29
Section 504.	Not Responsible for Recitals or Issuance of Notes	31
Section 505.	May Hold Notes	31
Section 506.	Money Held in Trust	31
Section 507.	Compensation and Reimbursement	31
Section 508.	Disqualification; Conflicting Interests	32
Section 509.	Corporate Trustee Required; Eligibility	32
Section 510.	Resignation and Removal; Appointment of Successor	32
Section 511.	Acceptance of Appointment by Successor	34

NOTE: This table of contents shall not, for any purpose, be deemed to be a part of the Indenture.

Section 512.	Merger, Conversion, Consolidation or Succession to Business	34
Section 513.	Preferential Collection of Claims Against Company	34
Section 514.	Appointment of Authenticating Agent	34
ARTICLE SIX	HOLDERS' LISTS AND REPORTS BY TRUSTEE AND COMPANY	36
Section 601.	Company to Furnish Trustee Names and Addresses of Holders	36
Section 602.	Preservation of Information; Communications to Holders	36
Section 603.	Reports by Trustee	37
Section 604.	Reports by Company	37
ARTICLE SEVEN	CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER OR LEASE	37
Section 701.	Company May Consolidate, Etc., Only on Certain Terms	37
Section 702.	Successor Substituted	38
ARTICLE EIGHT	AMENDMENTS	38
Section 801.	Amendments Without Consent of Holders	38
Section 802.	Amendment with Consent of Holders	39
Section 803.	Execution of Supplemental Indentures	40
Section 804.	Effect of Supplemental Indentures	40
Section 805.	Conformity with Trust Indenture Act	40
Section 806.	Reference in Notes to Supplemental Indentures	40
ARTICLE NINE	COVENANTS	40
Section 901.	Payment of Principal, Premium and Interest	40
Section 902.	Maintenance of Office or Agency	40
Section 903.	Money for Notes Payments to Be Held in Trust	41
Section 904.	Statement by Officers as to Default	42
Section 905.	Existence	42
Section 906.	Maintenance of Properties.	42
Section 907.	Payment of Taxes and Other Claims.	42
Section 908.	Restrictions on Liens.	43
Section 909.	Restrictions on Sale and Lease-back Transactions.	45
ARTICLE TEN	REDEMPTION OF NOTES	46
Section 1001.	Optional Redemption	46
Section 1002.	Election to Redeem; Notice to Trustee	46

NOTE: This table of contents shall not, for any purpose, be deemed to be a part of the Indenture.

Section 1003.	Selection by Trustee of Notes to Be Redeemed	46
Section 1004.	Notice of Redemption	46
Section 1005.	Deposit of Redemption Price	47
Section 1006.	Notes Payable on Redemption Date	47
Section 1007.	Notes Redeemed in Part	47
ARTICLE ELEVEN	DEFEASANCE AND COVENANT DEFEASANCE	48
Section 1101.	Company's Option to Effect Defeasance or Covenant Defeasance	48
Section 1102.	Defeasance and Discharge	48
Section 1103.	Covenant Defeasance	48
Section 1104.	Conditions to Defeasance or Covenant Defeasance	49
Section 1105.	Deposited Money and U.S. Government Obligations to be Held in Trust; Other Miscellaneous Provisions	51
Section 1106.	Reinstatement	51

NOTE: This table of contents shall not, for any purpose, be deemed to be a part of the Indenture.

INDENTURE, dated as of March [], 2012, between Southwest Gas Corporation, a corporation duly organized and existing under the laws of the State of California (herein called the “**Company**”), having its principal office at 5241 Spring Mountain Road, Las Vegas, Nevada 89150, and The Bank of New York Mellon Trust Company, N.A., as Trustee (herein called the “**Trustee**”).

RECITALS OF THE COMPANY

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance of the Company's []% Senior Notes due 2022 (herein called the “**Notes**”).

All things necessary to make the Notes, when duly issued and executed by the Company and authenticated and delivered hereunder, the valid and legally binding obligations of the Company and to make this Indenture a valid and legally binding agreement of the Company, in accordance with its terms, have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Notes by the Holders thereof, it is mutually agreed, for the equal and proportionate benefit of all Holders of the Notes, as follows:

ARTICLE ONE

Definitions and Other Provisions of General Application

Section 101. Definitions.

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

- (1) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;
- (2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein;
- (3) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles, and, except as otherwise herein expressly provided, the term “generally accepted accounting principles” with respect to any computation required or permitted hereunder shall mean such accounting principles as are generally accepted at the Issue Date;
- (4) the words “Article” and “Section” refer to an Article and Section, respectively, of this Indenture; and

- (5) the words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

“**Act**”, when used with respect to any Holder, has the meaning specified in Section 104.

“**Additional Notes**” has the meaning specified in Section 203.

“**Adjusted Treasury Rate**” means, with respect to any Redemption Date, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the Redemption Date.

“**Affiliate**” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “**control**” when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “**controlling**” and “**controlled**” have meanings correlative to the foregoing.

“**Authenticating Agent**” means any Person authorized by the Trustee pursuant to Section 514 to act on behalf of the Trustee to authenticate the Notes.

“**Authentication Order**” means a Company Order directing the Trustee to authenticate Notes.

“**Board of Directors**” means either the board of directors of the Company or any duly authorized committee of that board.

“**Board Resolution**” means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

“**Business Day**” means any day that is not a day on which banking institutions in New York City are authorized or required by law or regulation to close.

“**Capitalized Lease**” means any lease of property of the Company (whether real, personal or mixed) by the Company as lessee that would, in conformity with generally accepted accounting principles, be required to be accounted for as a capital lease on the balance sheet of the Company.

“**Commission**” means the Securities and Exchange Commission, as from time to time constituted, created under the Exchange Act or, if at any time after the execution of this instrument such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

“**Company**” means the Person named as the “Company” in the first paragraph of this instrument until a successor Person shall have become such pursuant to the applicable provisions of this Indenture, and thereafter “Company” shall mean such successor Person.

“Company Request” or **“Company Order”** means a written request or order signed in the name of the Company by its Chairman of the Board, its Vice Chairman of the Board, its President or a Vice President, and by its Treasurer, an Assistant Treasurer, its Secretary or an Assistant Secretary, and delivered to the Trustee.

“Comparable Treasury Issue” means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the Notes to be redeemed that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes.

“Comparable Treasury Price” means, with respect to any Redemption Date:

- (a) the average of the Reference Treasury Dealer Quotations for that Redemption Date, after excluding the highest and lowest of the Reference Treasury Dealer Quotations; or
- (b) if the Trustee obtains fewer than four Reference Treasury Dealer Quotations, the average of all Reference Treasury Dealer Quotations so received.

“Corporate Trust Office” means the principal office of the Trustee at which at any particular time its corporate trust business shall be administered, which office at the date hereof is located at 2 N. LaSalle Street, Suite 1020, Chicago, IL 60602, Attention: Corporate Trust Administration, or such other address as the Trustee may designate from time to time by notice to the Holders and the Company, or the principal corporate trust office of any successor Trustee (or such other address as such successor Trustee may designate from time to time by notice to the Holders and the Company).

“Corporation” means a corporation, association, company, joint-stock company or business trust.

“Covenant Defeasance” has the meaning specified in Section 1103.

“Debt” has the meaning specified in Section 908(1).

“Defaulted Interest” has the meaning specified in Section 207.

“Defeasance” has the meaning specified in Section 1102.

“Depository” means The Depository Trust Company, its nominees and their respective successors and assigns, or such other clearing agency registered under the Exchange Act that is hereafter designated to act as Depository by the Company.

“Event of Default” has the meaning specified in Section 401.

“Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time, and any statute successor thereto.

“Funded Debt” means all Indebtedness of the Company that by its terms or by the terms of any instrument or agreement relating thereto matures more than one year from, or is directly or indirectly renewable or extendable at the option of the Company to a date more than one year from the date of creation thereof (including an option of the Company under a revolving credit or similar agreement obligating the lender or lenders to extend credit over a period of one year or more), but excluding any payments due under the terms thereof within 12 months of any date of determination (including any deposit or payment required to be made under any prepayment provision, sinking fund, purchase fund or similar provision).

“Global Notes” has the meaning specified in Section 201.

“Holder” means a Person in whose name a Note is registered in the Note Register.

“Indebtedness” means, as applied to any Person, Capitalized Leases, bonds, notes, debentures and other securities representing obligations for borrowed money created or assumed by such Person. All indebtedness guaranteed as to payment of principal in any manner by such Person or in effect guaranteed by such Person through a contingent agreement to purchase such indebtedness, and all indebtedness that is both secured by a Lien upon property owned by such Person and upon which such Person customarily pays interest, even though such Person has not assumed or become liable for the payment of such indebtedness, shall for all purposes hereof be deemed to be “Indebtedness” of such Person.

“Indenture” means this instrument as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof, including, for all purposes of this instrument, and any such supplemental indenture, the provisions of the Trust Indenture Act that are deemed to be a part of and govern this instrument and any such supplemental indenture, respectively.

“Initial Global Notes” has the meaning specified in Section 201.

“Initial Notes” has the meaning specified in Section 203.

“Interest Payment Date”, when used with respect to any Note, means the Stated Maturity of an installment of interest on such Note, as specified in the Form of Face of Notes contained in Exhibit A.

“Issue Date” means March [], 2012.

“Lien” means any lien, mortgage, pledge, security interest, charge or other encumbrance of any kind.

“Maturity”, when used with respect to any Note, means the date on which the principal of such Note becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, call for redemption or otherwise.

“Note Register” and **“Note Registrar”** have the respective meanings specified in Section 205.

“**Notes**” has the meaning stated in the first recital of this Indenture and more particularly means the []% Senior Notes due 2022 authenticated and delivered under this Indenture (whether issued on the Issue Date, issued as Additional Notes, or otherwise issued after the Issue Date), and treated as a single class of securities under this Indenture.

“**Notice of Default**” has the meaning specified in Section 401.

“**Officers’ Certificate**” means a certificate signed by the President or a Vice President, and by the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary, of the Company, and delivered to the Trustee. One of the officers signing an Officers’ Certificate given pursuant to Section 904 shall be the principal executive, financial or accounting officer of the Company.

“**Opinion of Counsel**” means a written opinion acceptable to the Trustee (which acceptance shall not unreasonably be withheld) of counsel, who may be an employee of the Company.

“**Outstanding**”, when used with respect to the Notes, means, as of the date of determination, all Notes theretofore authenticated and delivered under this Indenture, except:

- (1) Notes theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;
- (2) Notes for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the Holders of such Notes; **provided that**, if such Notes are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made;
- (3) Notes as to which Defeasance has been effected pursuant to Section 1102; and
- (4) Notes which have been paid pursuant to Section 206 or in exchange for or in lieu of which other Notes have been authenticated and delivered pursuant to this Indenture, other than any such Notes in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Notes are held by a bona fide purchaser in whose hands such Notes are valid obligations of the Company;

provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Notes have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Notes owned by the Company or any other obligor upon the Notes or any Affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Notes which a Responsible Officer the Trustee actually knows to be so owned shall be so disregarded. Notes so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee’s right so to act with respect to such Notes and that the pledgee is not the Company or any other obligor upon the Notes or any Subsidiary of the Company or of such other obligor.

“**Paying Agent**” means any Person authorized by the Company to pay the principal of or any premium or interest on any Notes on behalf of the Company.

“**Person**” means any individual, Corporation, limited liability company, partnership, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof.

“**Physical Notes**” has the meaning specified in Section 201.

“**Place of Payment**”, when used with respect to the Notes, means the place or places where the principal of and any premium and interest on the Notes are payable as specified in the Form of Face of Notes contained in Exhibit A.

“**Predecessor Note**” of any particular Note means every previous Note evidencing all or a portion of the same debt as that evidenced by such particular Note; and, for the purposes of this definition, any Note authenticated and delivered under Section 206 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Note shall be deemed to evidence the same debt as the lost, destroyed, mutilated or stolen Note.

“**Primary Treasury Dealer**” has the meaning specified in the definition of “Reference Treasury Dealer.”

“**Prospectus**” means the Company's prospectus dated March __, 2012 relating to the initial offering of the Notes.

“**Quotation Agent**” means the Reference Treasury Dealer appointed by the Company.

“**Redemption Date**”, when used with respect to a redemption of a Note at the option of the Company pursuant to this Indenture, means any date specified as a “Redemption Date” in a notice of redemption provided to the Holders in accordance with the provisions of Article Ten of this Indenture.

“**Redemption Price**” means:

- (a) at any time prior to [], [202__], the greater of (i) 100% of the principal amount of the Notes to be redeemed on such Redemption Date plus, except as provided in Section 1006, accrued and unpaid interest on such Notes up to, but excluding, the Redemption Date, or (ii) as determined by the Quotation Agent, the sum of the present values of the remaining scheduled payments of principal and interest on the Notes to be redeemed on such Redemption Date (not including any portion of payments of interest accrued as of such Redemption Date) discounted to such Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate plus [] basis points, plus, except as provided in Section 1006, accrued and unpaid interest on those Notes up to but excluding such Redemption Date; or
- (b) at any time on or after [], [202__], 100% of the principal amount of the Notes to be redeemed on such Redemption Date, plus, except as provided in

Section 1006, accrued and unpaid interest on such Notes up to, but excluding the Redemption Date.

“Reference Treasury Dealer” means (1) a designee of each of BNY Mellon Capital Markets, LLC, J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated that is a primary U.S. Government securities dealer in the United States of America (a **“Primary Treasury Dealer”**), or any of their affiliates and their respective successors, unless any of them ceases to be a Primary Treasury Dealer, in which case the Company shall substitute another Primary Treasury Dealer; and (2) any other Primary Treasury Dealer selected by the Company.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by that Reference Treasury Dealer at 3:30 p.m., New York City time, on the third Business Day preceding that Redemption Date.

“Regular Record Date” for the interest payable on any Note on any Interest Payment Date means the date specified for that purpose in the Form of Face of Notes Contained in Exhibit A.

“Responsible Officer”, when used with respect to the Trustee, means any vice president, the secretary, any assistant secretary, the treasurer, any assistant treasurer, any trust officer or assistant trust officer or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

“Sale and Lease-back Transaction” has the meaning specified in Section 909.

“Special Record Date” for the payment of any Defaulted Interest on any Note means a date fixed by the Trustee pursuant to Section 207.

“Stated Maturity”, when used with respect to any Note or any installment of interest thereon, means the date specified in such Note as the fixed date on which the principal of such Note or such installment of interest is due and payable.

“Subsidiary” means any corporation, association, partnership or other business entity of which more than 50% of the outstanding Voting Stock or other interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, general partners or trustees thereof, or persons performing similar functions, is at the time owned or controlled, directly or indirectly, by (i) such Person; (ii) such Person and one or more Subsidiaries of such Person; or (iii) one or more Subsidiaries of such Person.

“Total Capitalization” means, as at any time, the aggregate of (i) all amounts outstanding on such date classified as shareholders’ equity of the Company on such date, (ii) all amounts outstanding on such date classified as preferred or preference stock of the Company on such date, and (iii) all amounts of Funded Debt of the Company outstanding on such date determined on an unconsolidated basis.

“**Trustee**” means the Person named as the “Trustee” in the first paragraph of this instrument until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter “Trustee” shall mean the successor.

“**Trust Indenture Act**” means the Trust Indenture Act of 1939 as in force at the date as of which this instrument was executed; **provided, however, that** in the event the Trust Indenture Act of 1939 is amended after such date, “Trust Indenture Act” means, to the extent required by any such amendment, the Trust Indenture Act of 1939 as so amended.

“**U.S. Government Obligations**” has the meaning specified in Section 1104.

“**Value**” has the meaning specified in Section 908(3).

“**Vice President**”, when used with respect to the Company or the Trustee, means any vice president, whether or not designated by a number or a word or words added before or after the title “vice president”.

“**Voting Stock**” means any class or classes of capital stock or other interests then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of the board of directors, managers, general partners or trustees thereof, or persons performing similar functions.

Section 102. **Compliance Certificates and Opinions.**

Upon any application or request by the Company to the Trustee to take any action under any provision of this Indenture, the Company shall furnish to the Trustee such certificates and opinions as may be required under the Trust Indenture Act. Each such certificate or opinion shall be given in the form of an Officers’ Certificate, if to be given by an officer of the Company, or an Opinion of Counsel, if to be given by counsel, and shall comply with the requirements of the Trust Indenture Act and any other requirements set forth in this Indenture.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include

- (1) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;
- (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
- (3) a statement that, in the opinion of each such individual, 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, in the opinion of each such individual, such condition or covenant has been complied with.

Section 103. **Form of Documents Delivered to Trustee.**

In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Company may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or opinion of counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company stating that the information with respect to such factual matters is in the possession of the Company, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

Section 104. **Acts of Holders; Record Dates.**

Any request, demand, authorization, direction, notice, consent, waiver or other action provided or permitted by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments signed by such Holders in person or by an agent duly appointed in writing. Except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Company. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the “**Act**” of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent, or of the holding by any Person of a Note, shall be sufficient for any purpose of this Indenture and (subject to Section 501) conclusive in favor of the Trustee and the Company and any agent of the Trustee or the Company, if made in the manner provided in this Section.

The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

The ownership, principal amount and serial number of the Notes shall be proved by the Note Register.

Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Note shall bind every future Holder of the same Note and the Holder of every Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee or the Company in reliance thereon, whether or not notation of such action is made upon such Note.

The Company may, in the circumstances permitted by the Trust Indenture Act, set any day as the record date for the purpose of determining the Holders of the Outstanding Notes entitled to give or take any request, demand, authorization, direction, notice, consent, waiver or other action or permitted by this Indenture to be given or taken by Holders of the Notes. With regard to any record date set pursuant to this paragraph, the Holders of the Outstanding Notes on such record date (or their duly appointed agents), and only such Persons, shall be entitled to give or take the relevant action, whether or not such Holders remain Holders after such record date. With regard to any action that may be given or taken hereunder only by Holders of a requisite principal amount of the Outstanding Notes (or their duly appointed agents) and for which a record date is set pursuant to this paragraph, the Company may, at its option, set an expiration date after which no such action purported to be given or taken by any Holder shall be effective hereunder unless given or taken on or prior to such expiration date by Holders of the requisite principal amount of the Outstanding Notes on such record date (or their duly appointed agents). On or prior to any expiration date set pursuant to this paragraph, the Company may, on one or more occasions at its option, extend such date to any later date. Nothing in this paragraph shall prevent any Holder (or any duly appointed agent thereof) from giving or taking, after any expiration date, any action identical to, or, at any time, contrary to or different from, any action given or taken, or purported to have been given or taken, hereunder by a Holder on or prior to such date, in which event the Company may set a record date in respect thereof pursuant to this paragraph. Notwithstanding the foregoing or the Trust Indenture Act, the Company shall not set a record date for, and the provisions of this paragraph shall not apply with respect to, any action to be given or taken by Holders pursuant to Sections 401, 402 or 412.

Without limiting the foregoing, a Holder entitled hereunder to give or take any action hereunder with regard to any particular Note may do so with regard to all or any part of the principal amount of such Note or by one or more duly appointed agents each of which may do so pursuant to such appointment with regard to all or any different part of such principal amount.

Section 105. Notices, Etc., to Trustee and Company.

Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with,

- (1) the Trustee by any Holder or by the Company shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with the Trustee at its Corporate Trust Office, or

- (2) the Company by the Trustee or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to the Company addressed to it to the attention of its Treasurer at the address of its principal office specified in the first paragraph of this instrument or at any other address previously furnished in writing to the Trustee by the Company.

The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, pdf, facsimile transmission or other similar unsecured electronic methods, **provided, however, that** the Trustee shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Company elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Company agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 106. Notice to Holders; Waiver.

Except as otherwise expressly provided in or pursuant to this Indenture, where this Indenture provides for notice to Holders of the Notes of any event, such notice shall be sufficiently given to Holders of the Notes if in writing and mailed, first-class postage prepaid, to each Holder of a Note affected by such event, at his address as it appears in the Note Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice.

In any case where notice to Holders of the Notes is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder of a Note shall affect the sufficiency of such notice with respect to other Holders of Notes given as provided herein. Any notice which is mailed in the manner herein provided shall be conclusively presumed to have been duly given or provided. In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders of the Notes shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 107. Conflict with Trust Indenture Act.

If any provision hereof limits, qualifies or conflicts with a provision of the Trust Indenture Act that is required under such Act to be a part of and govern this Indenture, the latter provision shall control. If any provision of this Indenture modifies or excludes any provision of the Trust Indenture Act that may be so modified or excluded, the latter provision shall be deemed to apply to this Indenture as so modified or to be excluded, as the case may be.

Section 108. Effect of Headings and Table of Contents.

The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 109. Successors and Assigns.

All covenants and agreements in this Indenture by the Company shall bind its successors and assigns, whether so expressed or not.

Section 110. Separability Clause.

In case any provision in this Indenture or any Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 111. Benefits of Indenture.

Nothing in this Indenture or the Notes, express or implied, shall give to any Person (including any Paying Agent or Authenticating Agent appointed pursuant to Section 514), other than the parties hereto and their successors hereunder and the Holders of the Notes, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 112. Governing Law.

This Indenture and the Notes shall be governed by and construed in accordance with the laws of the State of New York (including Section 5-1401 of the General Obligations Law of the State of New York but otherwise without regard to principles of conflicts of laws).

Section 113. Legal Holidays.

In any case where any Interest Payment Date, Redemption Date or Stated Maturity of any Note shall not be a Business Day at the Place of Payment, then (notwithstanding any other provision of this Indenture or any Note) payment of interest or principal (and premium, if any) need not be made at the Place of Payment on such date, but may be made on the next succeeding Business Day at the Place of Payment with the same force and effect as if made on the Interest Payment Date, Redemption Date or at the Stated Maturity, **provided that** no interest shall accrue for the period from and after such Interest Payment Date, Redemption Date or Stated Maturity, as the case may be.

Section 114. Waiver of Jury Trial.

EACH OF THE COMPANY AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTION CONTEMPLATED HEREBY.

Section 115. Force Majeure.

In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

ARTICLE TWO

The Notes

Section 201. Form

The Notes and the Trustee's certificate of authentication shall be substantially in the form of Exhibit A hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. The Company shall approve the form of the Notes and any notation, legend or endorsement on them. Each Note shall show the date of its authentication.

The terms and provisions contained in the Notes shall constitute, and are hereby expressly made, a part of this Indenture and, to the extent applicable, the Company and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby.

The Notes shall be issued initially in the form of a single permanent global Note in registered form, substantially in the form set forth in Exhibit A (the "**Initial Global Notes**"), deposited with the Trustee, as custodian for the Depository, duly executed by the Company and authenticated by the Trustee as hereinafter provided and shall bear the legend set forth in Exhibit B.

The Notes issued after the Issue Date shall be issued (a) initially in the form of one or more global Notes in registered form, substantially in the form set forth in Exhibit A, deposited with the Trustee, as custodian for the Depository, duly executed by the Company and authenticated by the Trustee as hereinafter provided and shall bear any legends required by applicable law (together with the Initial Global Notes, the "**Global Notes**") or (b) as Physical Notes.

The aggregate principal amount of the Global Notes may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for the Depository, as

hereinafter provided. Notes issued in exchange for interests in a Global Note pursuant to Section 205 may be issued in the form of permanent certificated Notes in registered form in substantially the form set forth in Exhibit A and bearing the applicable legends, if any (the “**Physical Notes**”).

Additional Notes ranking *pari passu* with the Initial Notes may be created and issued from time to time by the Company without notice to or consent of the Holders and shall be consolidated with and form a single class with the Initial Notes and shall have the same terms as to status, redemption or otherwise (other than with respect to the purchase price thereof and the date from which the interest accrues) as the Initial Notes. The Initial Notes and any Additional Notes subsequently issued under this Indenture will be treated as a single class for all purposes under this Indenture, including waivers, amendments, redemptions and offers to purchase, and shall vote together as one class on all matters with respect to the Notes; **provided further that** if the Additional Notes are not fungible with the Notes for U.S. Federal income tax purposes the Additional Notes will have a separate “CUSIP” number, if applicable. Unless the context requires otherwise, references to “Notes” for all purposes of this Indenture include any Additional Notes that are actually issued.

Section 202. **Denominations.**

The Notes shall be issuable only in registered form without coupons in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

Section 203. **Execution, Authentication, Delivery and Dating.**

The Notes shall be executed on behalf of the Company by its Chairman of the Board, its Vice Chairman of the Board, its President or one of its Vice Presidents and attested by its Secretary or one of its Assistant Secretaries. The signature of any of these officers on the Notes may be manual or facsimile.

Notes bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Notes or did not hold such offices at the date of such Notes.

Each Note shall be dated the date of its authentication.

No Note shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Note a certificate of authentication substantially in the form provided for herein executed by the Trustee by manual signature, and such certificate upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly authenticated and delivered hereunder.

The Trustee shall authenticate (i) on the Issue Date, Notes for original issue in the aggregate principal amount not to exceed \$250,000,000.00 (the “**Initial Notes**”) and (ii) additional Notes (the “**Additional Notes**”) in an unlimited amount in each case upon an Authentication Order. Each such Authentication Order shall specify the amount of Notes to be authenticated and the date on which the Notes are to be authenticated, whether the Notes are to be Initial Notes or Additional Notes and whether the Notes are to be issued as Physical Notes or Global Notes or such other information as the Trustee may reasonably request.

All Notes issued under this Indenture shall be treated as a single class for all purposes under this Indenture. The Additional Notes shall bear any legend required by applicable law.

Notwithstanding the foregoing, if any Note shall have been authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Note to the Trustee for cancellation as provided in Section 209, for all purposes of this Indenture such Note shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

Section 204. Temporary Notes.

Pending the preparation of definitive Notes, the Company may execute, and upon Company Order the Trustee shall authenticate and deliver, temporary Notes which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, in registered form without coupons and with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Notes may determine, as evidenced by their execution of such Notes.

Every temporary Note shall be executed by the Company and authenticated by the Trustee and registered by the Note Registrar, upon the same conditions, and with like effect, as a definitive Note.

If temporary Notes are issued, the Company will cause definitive Notes to be prepared without unreasonable delay. After the preparation of definitive Notes, the temporary Notes shall be exchangeable for definitive Notes upon surrender of the temporary Notes at the office or agency of the Company in the Place of Payment, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Notes, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor one or more definitive Notes, of any authorized denominations and of a like aggregate principal amount. Until so exchanged the temporary Notes shall in all respects be entitled to the same benefits under this Indenture as definitive Notes.

Section 205. Registration, Registration of Transfer and Exchange.

The Company shall cause to be kept at the Corporate Trust Office of the Trustee a register (the register maintained in such office and in any other office or agency of the Company in the Place of Payment being herein sometimes collectively referred to as the “**Note Register**”) in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Notes and of transfers of Notes. The Trustee is hereby appointed “**Note Registrar**” for the purpose of registering Notes and transfers of Notes as herein provided.

Upon surrender for registration of transfer of any Note at the office or agency in the Place of Payment, the Company shall execute, and the Trustee, upon receipt of an Authentication Order, shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes, of any authorized denominations and of a like aggregate principal amount.

At the option of the Holder, the Notes may be exchanged for other Notes, of any authorized denominations and of a like aggregate principal amount, upon surrender of the Notes to be

exchanged at such office or agency. Whenever any Notes are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Notes which the Holder making the exchange is entitled to receive.

All Notes issued upon any registration of transfer or exchange of Notes shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Notes surrendered upon such registration of transfer or exchange.

Every Note presented or surrendered for registration of transfer or for exchange shall (if so required by the Company or the Trustee) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company and the Note Registrar duly executed, by the Holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of Notes, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Notes, other than exchanges pursuant to Section 204, 806 or 1007 not involving any transfer.

The Company shall not be required (1) to issue, register the transfer of or exchange Notes during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of the Notes selected for redemption under Section 1003 and ending at the close of business on the day of such mailing, or (2) to register the transfer or exchange of any Note so selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

Notwithstanding any other provision in this Indenture, no Global Note may be transferred to, or registered or exchanged for Notes registered in the name of, any Person other than the Depository for such Global Note or any nominee thereof, and no such transfer may be registered, unless (1) such Depository (A) notifies the Company that it is unwilling or unable to continue as Depository for such Global Note or (B) ceases to be a clearing agency registered under the Exchange Act, (2) the Company executes and delivers to the Trustee a Company Order that such Global Note shall be so transferable, registrable and exchangeable, and such transfers shall be registrable, (3) there shall have occurred and be continuing an Event of Default with respect to the Notes evidenced by such Global Note. Notwithstanding any other provision in this Indenture, a Global Note to which the restriction set forth in the preceding sentence shall have ceased to apply may be transferred only to, and may be registered and exchanged for Physical Notes registered only in the name or names of, such Person or Persons as the Depository for such Global Note shall have directed and no transfer thereof other than such a transfer may be registered.

Every Note authenticated and delivered upon registration of transfer of, or in exchange for or in lieu of, a Global Note to which the restriction set forth in the first sentence of the preceding paragraph shall apply, whether pursuant to this Section, Section 204, 206, 806 or 1007 or otherwise, shall be authenticated, registered and delivered in the form of, and shall be, a Global Note.

Section 206. Mutilated, Destroyed, Lost and Stolen Notes.

If any mutilated Note is surrendered to the Trustee, the Company shall execute and the Trustee shall, upon receipt of an Authentication Order, authenticate and deliver in exchange therefor a new Note and of like principal amount and bearing a number not contemporaneously outstanding.

If there shall be delivered to the Company and the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Note and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless, then, in the absence of notice to the Company or the Trustee that such Note has been acquired by a bona fide purchaser, the Company shall execute and the Trustee shall, upon receipt of an Authentication Order, authenticate and deliver, in lieu of any such destroyed, lost or stolen Note, a new Note of like principal amount and bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Note has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Note, pay such Note.

Upon the issuance of any new Note under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Note issued pursuant to this Section in lieu of any mutilated, destroyed, lost or stolen Note, shall constitute an original additional contractual obligation of the Company, whether or not the mutilated, destroyed, lost or stolen Note shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Notes.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes.

Section 207. Payment of Interest; Interest Rights Preserved.

Interest on any Note which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Note (or one or more Predecessor Notes) is registered at the close of business on the Regular Record Date for such interest.

Any interest on any Note which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called “**Defaulted Interest**”) shall forthwith cease to be payable to the Holder on the relevant Regular Record Date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in Clause (1) or (2) below:

- (1) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Notes (or their respective Predecessor Notes) are

registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Note and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit on or prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this Clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of the Notes at his address as it appears in the Note Register, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been so mailed, such Defaulted Interest shall be paid to the Persons in whose names the Notes (or their respective Predecessor Notes) are registered at the close of business on such Special Record Date.

- (2) The Company may make payment of any Defaulted Interest on the Notes in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Notes may be listed, and upon such notice as may be required by such exchange, if, after notice is given by the Company to the Trustee of the proposed payment pursuant to this Clause, such manner of payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section, each Note delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Note shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Note.

Section 208. **Persons Deemed Owners.**

Prior to due presentment of a Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name such Note is registered as the owner of such Note for the purpose of receiving payment of principal of and any premium and (subject to Section 207) any interest on such Note and for all other purposes whatsoever, whether or not such Note be overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee shall be affected by notice to the contrary.

None of the Company, the Trustee, any Paying Agent or the Note Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Global Note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Section 209. Cancellation.

All Notes surrendered for payment, redemption, registration of transfer or exchange shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and shall be promptly cancelled by it. The Company may at any time deliver to the Trustee for cancellation any Notes previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and may deliver to the Trustee (or to any other Person for delivery to the Trustee) for cancellation any Notes previously authenticated hereunder which the Company has not issued and sold, and all Notes so delivered shall be promptly cancelled by the Trustee. No Notes shall be authenticated in lieu of or in exchange for any Notes cancelled as provided in this Section, except as expressly permitted by this Indenture. All cancelled Notes held by the Trustee shall be disposed of in accordance with the Trustee's customary procedures.

Section 210. Computation of Interest.

Interest on the Notes shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 211. CUSIP Numbers.

The Company in issuing the Notes shall use "CUSIP" numbers (if then generally in use) and the Trustee shall use "CUSIP" numbers in notices of redemption as a convenience to Holders; **provided that** any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company will promptly notify the Trustee in writing of any change in the "CUSIP" numbers.

ARTICLE THREE

Satisfaction and Discharge

Section 301. Satisfaction and Discharge of Indenture.

This Indenture shall upon Company Request cease to be of further effect (except as to any surviving rights of registration of transfer or exchange of Notes herein expressly provided for), and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when

- (1) either
 - (A) all Notes theretofore authenticated and delivered (other than (i) Notes which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 206, and (ii) Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 903) have been delivered to the Trustee for cancellation; or

- (B) all such Notes
- (i) have become due and payable, or
 - (ii) will become due and payable at their Stated Maturity within one year, or
 - (iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company,
- and the Company, in the case of (i), (ii) or (iii) above, has deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose an amount sufficient to pay and discharge the entire indebtedness on such Notes not theretofore delivered to the Trustee for cancellation, for principal and any premium and interest to the date of such deposit (in the case of Notes which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;
- (2) the Company has paid or caused to be paid all other sums payable hereunder by the Company; and
 - (3) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 507, the obligations of the Trustee to any Authenticating Agent under Section 514 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of Clause (1) of this Section, the obligations of the Trustee under Section 302 and the last paragraph of Section 903 shall survive such satisfaction and discharge.

Section 302. Application of Trust Money.

Subject to provisions of the last paragraph of Section 903, all money deposited with the Trustee pursuant to Section 301 shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal and any premium and interest for whose payment such money has been deposited with the Trustee.

ARTICLE FOUR

Events of Default; Remedies

Section 401. Events of Default.

“**Event of Default**”, wherever used herein, means any one of the following events (whatever the reason for such Event of Default and whether it be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

- (1) default in the payment of any interest upon any Note when it becomes due and payable, and continuance of such default for a period of 30 days; or
- (2) default in the payment of the principal of (or premium, if any, on) any Note at its Maturity; or
- (3) default in the performance, or breach, of any covenant or warranty of the Company in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with), and continuance of such default or breach for a period of 60 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Notes, a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a “**Notice of Default**” hereunder; or
- (4) a default under any bond, debenture, note or other evidence of indebtedness for money borrowed by the Company in an individual principal amount outstanding of at least \$50,000,000 or under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by the Company in an individual principal amount outstanding of at least \$50,000,000, whether such indebtedness now exists or shall hereafter be created, which default shall constitute a failure to pay \$50,000,000 or more of the principal of such indebtedness when due and payable after the expiration of any applicable grace period with respect thereto or which default shall have resulted in such indebtedness becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable, without such payment being made in full or such acceleration having been rescinded or annulled, within a period of 30 days after there shall have been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Notes a written notice specifying such default and requiring the Company to cause such payment to be made in full or such acceleration to be rescinded or annulled and stating that such notice is a “**Notice of Default**” hereunder; **provided, however, that,** subject to the provisions of Sections 501 and 502, the Trustee shall not be deemed to have knowledge of such default unless either (A) a Responsible Officer of the Trustee shall have actual knowledge of such default or (B) the Trustee shall have received at its Corporate Trust Office written notice thereof from the Company, from any

Holder, from the holder of any such indebtedness or from the trustee under any such mortgage, indenture or other instrument referencing this Indenture; or

- (5) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days; or
- (6) the commencement by the Company of a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the taking of corporate action by the Company in furtherance of any such action.

Upon receipt by the Trustee of any Notice of Default pursuant to this Section 401, a record date shall automatically and without any other action by any Person be set for the purpose of determining the Holders of the Outstanding Notes entitled to join in such Notice of Default, which record date shall be the close of business on the day the Trustee receives such Notice of Default. The Holders of the Outstanding Notes on such record date (or their duly appointed agents), and only such Persons, shall be entitled to join in such Notice of Default, whether or not such Holders remain Holders after such record date; **provided that**, unless such Notice of Default shall have become effective by virtue of Holders of the requisite principal amount of the Outstanding Notes on such record date (or their duly appointed agents) having joined therein on or prior to the 90th day after such record date, such Notice of Default shall automatically and without any action by any Person be cancelled and of no further effect. Nothing in this paragraph shall prevent a Holder (or a duly appointed agent thereof) from giving, before or after the expiration of such 90-day period, a Notice of Default contrary to or different from, or, after the expiration of such period, identical to, a Notice of Default that has been cancelled pursuant to the proviso to the preceding sentence, in which event a new record date in respect thereof shall be set pursuant to this paragraph.

Section 402. Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then in every such case the Trustee or the Holders of not less than 25% in principal amount of the Outstanding Notes may declare the principal amount of all of the Notes to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) shall become immediately due and payable.

At any time after such a declaration of acceleration has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in principal amount of the Outstanding Notes, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if all Events of Default with respect to the Notes, other than the non-payment of the principal of the Notes which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 413.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Upon receipt by the Trustee of any declaration of acceleration, or any rescission and annulment of any such declaration pursuant to this Section 402, a record date shall automatically and without any other action by any Person be set for the purpose of determining the Holders of the Outstanding Notes entitled to join in such declaration, or rescission and annulment, as the case may be, which record date shall be the close of business on the day the Trustee receives such declaration, or rescission and annulment, as the case may be. The Holders of the Outstanding Notes on such record date (or their duly appointed agents), and only such Persons, shall be entitled to join in such declaration, or rescission and annulment, as the case may be, whether or not such Holders remain Holders after such record date; **provided that**, unless such declaration, or rescission and annulment, as the case may be, shall have become effective by virtue of Holders of the requisite principal amount of the Outstanding Notes on such record date (or their duly appointed agents) having joined therein on or prior to the 90th day after such record date, such declaration, or rescission and annulment, as the case may be, shall automatically and without any action by any Person be cancelled and of no further effect. Nothing in this paragraph shall prevent a Holder (or a duly appointed agent thereof) from giving, before or after the expiration of such 90-day period, a declaration of acceleration, or a rescission and annulment of any such declaration, contrary to or different from, or, after the expiration of such period, identical to, a declaration, or rescission and annulment, as the case may be, that has been cancelled pursuant to the proviso to the preceding sentence, in which event a new record date in respect thereof shall be set pursuant to this paragraph.

Section 403. Collection of Indebtedness and Suits for Enforcement by Trustee.

The Company covenants that if

- (1) default is made in the payment of any interest on any Note when such interest becomes due and payable and such default continues for a period of 30 days, or
- (2) default is made in the payment of the principal of (or premium, if any, on) any Note at the Maturity thereof,

the Company will, upon demand of the Trustee, pay to it, for the benefit of the Holders of the Notes, the whole amount then due and payable on the Notes for principal and any premium and interest and, to the extent that payment of such interest shall be legally enforceable, interest on any overdue principal and premium and on any overdue interest, at the rate or rates prescribed therefor in the Notes, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

If an Event of Default with respect to the Notes occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of the Notes by such appropriate judicial proceedings as the Trustee shall deem most effective to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

Section 404. Trustee May File Proofs of Claim.

In case of any judicial proceeding relative to the Company (or any other obligor upon the Notes), its property or its creditors, the Trustee shall be entitled and empowered, by intervention in such proceeding or otherwise, to take any and all actions authorized under the Trust Indenture Act in order to have claims of the Holders and the Trustee allowed in any such proceeding. In particular, the Trustee shall be authorized to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 507.

No provision of this Indenture shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding; **provided, however, that** the Trustee may, on behalf of the Holders, vote for the election of a trustee in bankruptcy or similar official and be a member of a creditors' or other similar committee.

Section 405. Trustee May Enforce Claims Without Possession of Notes.

All rights of action and claims under this Indenture or the Notes may be prosecuted and enforced by the Trustee without the possession of any of the Notes or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Notes in respect of which such judgment has been recovered.

Section 406. Application of Money Collected.

Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee:

FIRST: To the payment of all amounts due the Trustee under Section 507; and

SECOND: To the payment of the amounts then due and unpaid for principal of and any premium and interest on the Notes in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal and any premium and interest, respectively.

THIRD: To the Company or to such other person as a court of competent jurisdiction shall direct.

Section 407. Limitation on Suits.

No Holder of any Note shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

- (1) such Holder has previously given written notice to the Trustee of a continuing Event of Default;
- (2) the Holders of not less than 25% in principal amount of the Outstanding Notes shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;
- (3) such Holder or Holders have offered to the Trustee indemnity satisfactory to it against the costs, expenses and liabilities to be incurred in complying with such request in such amount as shall be reasonably acceptable to the Trustee; and
- (4) for 60 days after its receipt of such notice, the Trustee has failed to institute a proceeding and no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Notes;

it being understood and intended that no one or more of such Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to disturb or prejudice the rights of any other of such Holders, or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all of such Holders.

Section 408. Unconditional Right of Holders to Receive Principal, Premium and Interest.

Notwithstanding any other provision in this Indenture, the Holder of any Note shall have the right, which is absolute and unconditional, to receive payment of the principal of and any premium and (subject to Section 207) interest on such Note on the respective Stated Maturities expressed in such Note (or, in the case of redemption, on the Redemption Date) and to institute suit for the

enforcement of such right, and such right shall not be impaired without the consent of such Holder.

Section 409. Restoration of Rights and Remedies.

If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Company, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

Section 410. Rights and Remedies Cumulative.

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes in the last paragraph of Section 206, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 411. Delay or Omission Not Waiver.

No delay or omission of the Trustee or of any Holder of any Notes to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

Section 412. Control by Holders.

The Holders of a majority in principal amount of the Outstanding Notes shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercise any trust or power conferred on the Trustee, with respect to the Notes, **provided that**

- (1) such direction shall not be in conflict with any rule of law or with this Indenture, and
- (2) such direction may not involve the Trustee in personal liability if the Trustee believes indemnity is not adequate.

The Trustee may also take any other action deemed proper by the Trustee which is not inconsistent with such direction.

Upon receipt by the Trustee of any such direction with respect to the Notes, a record date shall automatically and without any other action by any Person be set for determining the Holders of the Outstanding Notes entitled to join in such direction, which record date shall be the close of business on the day the Trustee receives such direction. The Holders of the Outstanding Notes on such record date (or their duly appointed agents), and only such Persons, shall be entitled to join in such direction, whether or not such Holders remain Holders after such record date; **provided that**, unless such direction shall have become effective by virtue of the Holders of the requisite principal amount of the Outstanding Notes on such record date (or their duly appointed agents having joined therein on or prior to the 90th day after such record date), such direction shall automatically and without any action by any Person be cancelled and of no further effect. Nothing in this paragraph shall prevent a Holder (or a duly appointed agent thereof) from giving, before or after the expiration of such 90-day period, a direction contrary to or different from, or, after the expiration of such period, identical to, a direction that has been cancelled pursuant to the proviso to the preceding sentence, in which event a new record date in respect thereof shall be set pursuant to this paragraph.

Section 413. Waiver of Past Defaults.

The Holders of not less than a majority in principal amount of the Outstanding Notes may on behalf of the Holders of all the Notes waive any past default hereunder and its consequences, except a default

- (1) in the payment of the principal of or any premium or interest on any Note, or
- (2) in respect of a covenant or provision hereof which under Article Eight cannot be amended without the consent of the Holder of each Outstanding Note affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 414. Undertaking for Costs.

In any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, a court may require any party litigant in such suit to file an undertaking to pay the costs of such suit (including attorneys' fees and expenses), and may assess costs against any such party litigant, in the manner and to the extent provided in the Trust Indenture Act; **provided that** neither this Section nor the Trust Indenture Act shall be deemed to authorize any court to require such an undertaking or to make such an assessment in any suit instituted by the Trustee, a suit by a Holder pursuant to Section 408 hereof, or a suit by Holders of more than 10% in principal amount of the then Outstanding Notes.

Section 415. Waiver of Usury, Stay or Extension Laws.

The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any usury, stay or extension law wherever enacted, now or at any time hereafter in force, which may

affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE FIVE

The Trustee

Section 501. Certain Duties and Responsibilities.

- (a) Except during the continuance of an Event of Default,
 - (1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and
 - (2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).
- (b) In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.
- (c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that
 - (1) this Subsection shall not be construed to limit the effect of Subsection (a) of this Section;
 - (2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;
 - (3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a majority in principal amount of the Outstanding Notes, determined as provided in Sections 101, 104 and 412, 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 with respect to the Notes; and

- (4) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.
- (d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

Section 502. Notice of Defaults.

The Trustee shall give notice of any default actually known to a Responsible Officer the Trustee when, as and to the extent required by the Trust Indenture Act and in the manner provided by Section 106; **provided, however, that** in the case of any default of the character specified in Section 401(3), no such notice to Holders shall be given until at least 30 days after the occurrence thereof. For the purpose of this Section, the term “**default**” means any event which is, or after notice or lapse of time or both would become, an Event of Default.

Section 503. Certain Rights of Trustee.

Subject to the provisions of Section 501:

- (1) the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;
- (2) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or Company Order and any resolution of the Board of Directors shall be sufficiently evidenced by a Board Resolution;
- (3) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officers' Certificate;
- (4) the Trustee may consult with counsel of its selection and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

- (5) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture, unless such Holders shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;
- (6) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation;
- (7) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;
- (8) the Trustee shall not be liable for any action taken, suffered, or omitted to be taken by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture;
- (9) in no event shall the Trustee be responsible or liable for special, indirect, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action;
- (10) the Trustee shall not be deemed to have notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such a default is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Notes and this Indenture;
- (11) the rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder; and
- (12) the Trustee may request that the Company deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture.

Section 504. Not Responsible for Recitals or Issuance of Notes.

The recitals contained herein and in the Notes, except the Trustee's certificates of authentication, shall be taken as the statements of the Company, and the Trustee or any Authenticating Agent assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Notes. The Trustee or any Authenticating Agent shall not be accountable for the use or application by the Company of Notes or the proceeds thereof.

Section 505. May Hold Notes.

The Trustee, any Authenticating Agent, any Paying Agent, any Note Registrar or any other agent of the Company, in its individual or any other capacity, may become the owner or pledgee of Notes and, subject to Sections 508 and 513, may otherwise deal with the Company with the same rights it would have if it were not Trustee, Authenticating Agent, Paying Agent, Note Registrar or such other agent.

Section 506. Money Held in Trust.

Money held by the Trustee, or by any Paying Agent (other than the Company if the Company shall act as Paying Agent), in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Company.

Section 507. Compensation and Reimbursement.

The Company agrees

- (1) to pay to the Trustee from time to time such compensation as agreed to in writing for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);
- (2) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as shall be determined to have been caused by its own negligence or willful misconduct; and
- (3) to indemnify the Trustee for, and to hold it harmless against, any loss, claim, damage, liability or expense incurred without negligence or willful misconduct on its part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder or performance of its duties hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

As security for the performance of the obligations of the Company under this Section, the Trustee shall have a claim prior to the Notes upon all property and funds held or collected by the Trustee as such, except funds held in trust for the payment of principal of (and premium, if any) or interest on the Notes.

When the Trustee renders services or incurs expenses after the occurrence of an Event of Default specified in Sections 401(5) or 401(6) hereof, the compensation for services and expenses are intended to constitute expenses of administration under any applicable bankruptcy or insolvency law or law applicable to creditors' rights to the extent permitted by applicable law.

The provisions of this Section shall survive the satisfaction, discharge and termination of this Indenture or the earlier resignation or removal of the Trustee.

Section 508. Disqualification; Conflicting Interests.

If the Trustee has or shall acquire a conflicting interest within the meaning of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign, to the extent and in the manner provided by, and subject to the provisions of, the Trust Indenture Act and this Indenture and the Company shall take prompt action to have a successor Trustee appointed in the manner provided herein.

Section 509. Corporate Trustee Required; Eligibility.

There shall at all times be one Trustee hereunder, which shall be a Person that (i) is eligible pursuant to the Trust Indenture Act to act as such, and (ii) has a combined capital and surplus of at least \$50,000,000; **provided, however, that** if the Trustee shall be a member of a bank holding company group, such bank holding company group shall have combined capital and surplus of at least \$50,000,000 and the Trustee shall have a combined capital and surplus of at least \$10,000,000. If such Person publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Person shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 510. Resignation and Removal; Appointment of Successor.

No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements of Section 511.

The Trustee may resign at any time by giving written notice thereof to the Company. If the instrument of acceptance by a successor Trustee required by Section 511 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Notes.

The Trustee may be removed at any time by Act of the Holders of a majority in principal amount of the Outstanding Notes, delivered to the Trustee and to the Company.

If at any time:

- (1) the Trustee shall fail to comply with Section 508 after written request therefor by the Company or by any Holder who has been a bona fide Holder of a Note for at least six months, or
- (2) the Trustee shall cease to be eligible under Section 509 and shall fail to resign after written request therefor by the Company or by any such Holder, or
- (3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (A) the Company by a Board Resolution may remove the Trustee, or (B) subject to Section 414, any Holder who has been a bona fide Holder of a Note 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 the Trustee and the appointment of a successor Trustee.

If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, the Company, by a Board Resolution, shall promptly appoint a successor Trustee or Trustees (it being understood that at any time there shall be only one Trustee) and shall comply with the applicable requirements of Section 511.

If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Notes delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment in accordance with the applicable requirements of Section 511, become the successor Trustee with respect to the Notes and to that extent supersede the successor Trustee appointed by the Company. If no successor Trustee with respect to the Notes shall have been so appointed by the Company or the Holders and accepted appointment in the manner required by Section 511, any Holder who has been a bona fide Holder of a Note for at least six months or the Trustee at the expense of the Company may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Notes.

The Company shall give notice of each resignation and each removal of the Trustee and each appointment of a successor Trustee to all Holders in the manner provided in Section 106. Each notice shall include the name of the successor Trustee and the address of its Corporate Trust Office.

Section 511. Acceptance of Appointment by Successor.

In case of the appointment hereunder of a successor Trustee with respect to the Notes, every such successor Trustee so appointed shall execute, acknowledge and deliver to the Company and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on the request of the Company or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder.

Upon request of any such successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in this Section, as the case may be.

No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

Section 512. Merger, Conversion, Consolidation or Succession to Business.

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, **provided** such corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Notes shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Notes so authenticated with the same effect as if such successor Trustee had itself authenticated such Notes. In the event any Notes shall not have been authenticated by such predecessor Trustee, any such successor Trustee may authenticate and deliver such Notes, in either its own name or that of its predecessor Trustee, with the full force and effect which this Indenture provides for the certificate of authentication of the Trustee.

Section 513. Preferential Collection of Claims Against Company.

If and when the Trustee shall be or become a creditor of the Company (or any other obligor upon the Notes), the Trustee shall be subject to the provisions of the Trust Indenture Act regarding the collection of claims against the Company (or any such other obligor).

Section 514. Appointment of Authenticating Agent.

The Trustee may appoint an Authenticating Agent or Agents with respect to the Notes which shall be authorized to act on behalf of the Trustee to authenticate the Notes issued upon original issue and upon exchange, registration of transfer or partial redemption thereof or pursuant to Section 206, and Notes so authenticated shall be entitled to the benefits of this Indenture and

shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Notes by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall be acceptable to the Company and shall at all times be a corporation organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus of not less than \$50,000,000 and subject to supervision or examination by Federal or State authority. If such Authenticating Agent publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Authenticating Agent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section.

Any corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any corporation succeeding to the corporate agency or corporate trust business of an Authenticating Agent, shall continue to be an Authenticating Agent, **provided** such corporation shall be otherwise eligible under this Section, without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent.

An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and to the Company. The Trustee may at any time terminate the agency of an Authenticating Agent by giving written notice thereof to such Authenticating Agent and to the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee may appoint a successor Authenticating Agent which shall be acceptable to the Company and shall provide notice of such appointment to the Holders of the Notes with respect to which such Authenticating Agent will serve, in the manner provided in Section 106. Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

The Company agrees to pay to each Authenticating Agent from time to time reasonable compensation for its services under this Section.

If an appointment is made pursuant to this Section, the Notes may have endorsed thereon, in addition to the Trustee's certificate of authentication, an alternative certificate of authentication in the following form:

This is one of the Notes referred to in the within-mentioned Indenture.

_____, As Trustee

By _____
As Authenticating Agent

Date: _____

By _____
Authorized Officer

ARTICLE SIX

Holders' Lists and Reports by Trustee and Company

Section 601. Company to Furnish Trustee Names and Addresses of Holders.

The Company will furnish or cause to be furnished to the Trustee:

- (1) semi-annually, not more than 15 days after each Regular Record Date, a list for the Notes, in such form as the Trustee may reasonably require, of the names and addresses of the Holders of the Notes as of such Regular Record Date, and
- (2) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished;

excluding from any such list names and addresses received by the Trustee in its capacity as Note Registrar.

Section 602. Preservation of Information; Communications to Holders.

The Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of Holders contained in the most recent list furnished to the Trustee as provided in Section 601 and the names and addresses of Holders received by the Trustee in its capacity as Note Registrar. The Trustee may destroy any list furnished to it as provided in Section 601 upon receipt of a new list so furnished.

The rights of the Holders to communicate with other Holders with respect to their rights under this Indenture or under the Notes, and the corresponding rights and privileges of the Trustee, shall be as provided by the Trust Indenture Act.

Every Holder of Notes, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company nor the Trustee nor any agent of either of them shall be held accountable by reason of any disclosure of information as to names and addresses of Holders made pursuant to the Trust Indenture Act.

Section 603. Reports by Trustee.

The Trustee shall transmit to Holders such reports concerning the Trustee and its actions under this Indenture as may be required pursuant to the Trust Indenture Act at the times and in the manner provided pursuant thereto.

A copy of each such report shall, at the time of such transmission to Holders, be filed by the Trustee with each stock exchange upon which any Notes are listed, with the Commission and with the Company. The Company will notify the Trustee when any Notes are listed or delisted on any stock exchange.

Section 604. Reports by Company.

The Company shall file with the Trustee and the Commission, and transmit to Holders, such information, documents and other reports, and such summaries thereof, as may be required pursuant to the Trust Indenture Act at the times and in the manner provided pursuant to such Act; **provided that** any such information, documents or reports required to be filed with the Commission pursuant to Section 13 or 15(d) of the Exchange Act shall be filed with the Trustee within 15 days after the same is required to be filed with the Commission.

Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates).

ARTICLE SEVEN

Consolidation, Merger, Conveyance, Transfer or Lease

Section 701. Company May Consolidate, Etc., Only on Certain Terms.

The Company shall not consolidate with or merge into any other Person or convey, transfer or lease its properties and assets substantially as an entirety to any Person, and the Company shall not permit any Person to consolidate with or merge into the Company, unless:

- (1) in case the Company shall consolidate with or merge into another Person or convey, transfer or lease its properties and assets substantially as an entirety to any Person, the Person formed by such consolidation or into which the Company is merged or the Person which acquires by conveyance or transfer, or which leases, the properties and assets of the Company substantially as an entirety shall be a corporation, limited liability company, partnership or trust, shall be organized and validly existing under the laws of the United States of America, any State thereof or the District of Columbia and shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and punctual payment of the principal of and any premium and interest on all the Notes and the performance or observance of every covenant of this Indenture on the part of the Company to be performed or observed;

- (2) immediately after giving effect to such transaction and treating any indebtedness which becomes an obligation of the Company as a result of such transaction as having been incurred by the Company at the time of such transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing;
- (3) if, as a result of any such consolidation or merger or such conveyance, transfer or lease, properties or assets of the Company would become subject to a mortgage, pledge, lien, security interest or other encumbrance which would not be permitted by this Indenture, the Company or such successor Person, as the case may be, shall take such steps as shall be necessary effectively to secure the Notes equally and ratably with (or prior to) all indebtedness secured thereby; and
- (4) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger, conveyance, transfer or lease and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture, comply with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

Section 702. Successor Substituted.

Upon any consolidation of the Company with, or merger of the Company into, any other Person or any conveyance, transfer or lease of the properties and assets of the Company substantially as an entirety in accordance with Section 701, the successor Person formed by such consolidation or into which the Company is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under this Indenture and the Notes.

ARTICLE EIGHT

Amendments

Section 801. Amendments Without Consent of Holders.

Without the consent of any Holders, the Company, when authorized by a Board Resolution, and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

- (1) to evidence the succession of another Person to the Company and the assumption by any such successor of the covenants of the Company herein and in the Notes; or
- (2) to add one or more covenants of the Company or other provisions for the benefit of the Holders of the Notes or to surrender any right or power herein conferred upon the Company; or
- (3) to add any additional Events of Default; or
- (4) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee pursuant to the requirements of Section 511; or
- (5) to cure any ambiguity or to correct or supplement any provision contained herein which may be defective or inconsistent with any other provision contained herein, make any other changes that do not adversely affect the interests of the Holders of

the Notes or to make such other provisions in regard to matters or questions arising under this Indenture, **provided that** no action under this clause (5) shall adversely affect the interests of the Holders of the Notes, and **provided further that**, the Trustee shall receive, and (subject to Section 501) shall be fully protected in relying upon, an Opinion of Counsel and Officers' Certificate stating that the execution of such supplemental indenture will not adversely affect the interests of the Holders of the Notes; or

- (6) to conform the provisions of this Indenture or the Notes to any provision of the "Description of the Notes" section of the Prospectus; or
- (7) to provide for the issuance of Additional Notes in accordance with the limitations set forth in this Indenture.

Section 802. Amendment with Consent of Holders.

With the consent of the Holders of not less than a majority in principal amount of the Outstanding Notes affected by such supplemental indenture, by Act of said Holders delivered to the Company and the Trustee, the Company, when authorized by a Board Resolution, and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders of the Notes under this Indenture; **provided, however, that** no such supplemental indenture shall, without the consent of the Holder of each Outstanding Note affected thereby,

- (1) change the Stated Maturity of the principal of, or any installment of interest on, any Note, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof, or change the coin or currency in which any Note or any premium or interest thereon is payable or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date), or
- (2) reduce the percentage in principal amount of the Outstanding Notes, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture, or
- (3) modify any of the provisions of this Section or Section 413, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Note affected thereby, **provided, however, that** this clause shall not be deemed to require the consent of any Holder with respect to changes in the references to "the Trustee" and concomitant changes in this Section, or the deletion of this proviso, in accordance with the requirements of Sections 511 and 801(4).

It shall not be necessary for any Act of Holders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

Section 803. Execution of Supplemental Indentures.

In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture, the Trustee shall receive, and (subject to Section 501) shall be fully protected in relying upon, an Opinion of Counsel and Officers' Certificate stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Section 804. Effect of Supplemental Indentures.

Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Notes theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

Section 805. Conformity with Trust Indenture Act.

Every supplemental indenture executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act.

Section 806. Reference in Notes to Supplemental Indentures.

Notes authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Notes so modified as to conform, in the opinion of the Trustee and the Company, to any such supplemental indenture may be prepared and executed by the Company and authenticated and delivered by the Trustee in exchange for Outstanding Notes.

ARTICLE NINE

Covenants

Section 901. Payment of Principal, Premium and Interest.

The Company covenants and agrees that it will duly and punctually pay the principal of and any premium and interest on the Notes in accordance with the terms of the Notes and this Indenture.

Section 902. Maintenance of Office or Agency.

The Company will maintain in the Place of Payment for the Notes an office or agency where the Notes may be presented or surrendered for payment, where the Notes may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Notes and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to

furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee.

The Company may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; **provided, however, that** no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in the Place of Payment for the Notes for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

Section 903. Money for Notes Payments to Be Held in Trust.

If the Company shall at any time act as its own Paying Agent with respect to the Notes, it will, on or before each due date of the principal of or any premium or interest on any of the Notes, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay the principal and any premium and interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee of its action or failure so to act.

Whenever the Company shall have one or more Paying Agents for the Notes, it will, prior to 10:00 a.m. New York time on each due date of the principal of or any premium or interest on the Notes, deposit with a Paying Agent a sum sufficient to pay such amount, such sum to be held as provided by the Trust Indenture Act, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act.

The Company will cause each Paying Agent for the Notes other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will (1) comply with the provisions of the Trust Indenture Act applicable to it as a Paying Agent and (2) during the continuance of any default by the Company (or any other obligor upon the Notes) in the making of any payment in respect of the Notes, and upon the written request of the Trustee, forthwith pay to the Trustee all sums held in trust by such Paying Agent for payment in respect of the Notes.

The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Company Order direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of or any premium or interest on any Note and remaining unclaimed for two years after such principal, premium or interest has become due and payable shall be paid to the Company on Company Request (including interest income accrued on said funds to which the Company is otherwise entitled), or (if then held by the Company) shall be

discharged from such trust; and the Holder of such Note, as an unsecured general creditor, shall look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease.

Section 904. Statement by Officers as to Default.

The Company will deliver to the Trustee, within 120 days after the end of each fiscal year of the Company ending after the date hereof, an Officers' Certificate, stating whether or not to the best knowledge of the signers thereof the Company is in default in the performance and observance of any of the terms, provisions and conditions of this Indenture (without regard to any period of grace or requirement of notice provided hereunder) and, if the Company shall be in default, specifying all such defaults and the nature and status thereof of which they may have knowledge.

Section 905. Existence.

Subject to Article Seven, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect its existence, rights (charter and statutory) and franchises; **provided, however, that** the Company shall not be required to preserve any such right or franchise if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and that the loss thereof is not disadvantageous in any material respect to the Holders of the Notes.

Section 906. Maintenance of Properties.

The Company will cause all properties used or useful in the conduct of its business to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Company may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; **provided, however, that** nothing in this Section shall prevent the Company from discontinuing the operation or maintenance of any of such properties if such discontinuance is, in the judgment of the Company, desirable in the conduct of its business and not disadvantageous in any material respect to the Holders of the Notes.

Section 907. Payment of Taxes and Other Claims.

The Company will pay or discharge or cause to be paid or discharged, before the same shall become delinquent, (i) all taxes, assessments and governmental charges levied or imposed upon the Company or upon the income, profits or property of the Company, and (ii) all lawful claims for labor, materials and supplies which, if unpaid, might by law become a Lien upon the property of the Company; **provided, however, that** the Company shall not be required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith by appropriate proceedings or if such failure to pay or discharge could not reasonably be expected to have a material adverse effect on the business, operations, affairs, financial condition, assets or properties of the Company and its subsidiaries taken as a whole or on the ability of the Company to pay the Notes in accordance with their terms.

Section 908. **Restrictions on Liens.**

- (1) The Company will not, at any time during which any Notes are Outstanding, issue, assume or guarantee any debt for money borrowed (hereinafter referred to as “**Debt**”) secured by any Lien upon any property or asset of the Company (whether such property or asset is now owned or hereafter acquired), without in any such case effectively securing, prior to or concurrently with the issuance, assumption or guarantee of any such Debt, the Notes (together with, if the Company shall so determine, any other indebtedness of or guarantee by the Company ranking equally with the Notes and then existing or thereafter created) equally and ratably with (or, at the Company’s option, prior to) such Debt, **provided, however, that** the foregoing restrictions shall not apply to or prevent the creation of:
- (A) Liens on any property acquired, constructed or improved by the Company after the Issue Date that are created or assumed contemporaneously with, or within 120 days after, such acquisition or completion of the construction or improvement, or within six months thereafter pursuant to a firm commitment for financing arranged with a lender or investor within such 120-day period, to secure or provide for the payment of all or any part of the purchase price of such property or the cost of such construction or improvement incurred after the Issue Date, or, in addition to Liens contemplated by clauses (1)(B) and (1)(C) below, Liens on any property existing at the time of acquisition thereof, **provided that** the Liens do not apply to any property theretofore owned by the Company other than, in the case of any such construction or improvement, any theretofore unimproved property on which the property so constructed or the improvement is located;
 - (B) existing Liens on any property or indebtedness of a Person that is merged with or into or consolidated with the Company; **provided that** the Liens shall not apply to any property theretofore owned by the Company;
 - (C) Liens in favor of the United States of America, any state or any foreign country or any department, agency or instrumentality or political subdivision of any such jurisdiction to secure partial, progress, advance or other payment pursuant to any contract or statute or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or cost of constructing or improving the property subject to such Liens, including, without limitation, Liens to secure Debt of the pollution control or industrial revenue bond type;
 - (D) Liens on current assets of the Company to secure loans which mature within 12 months from the creation thereof and which are made in the ordinary course of business;
 - (E) Liens on any property (including any natural gas, oil or other mineral property) of the Company to secure all or part of the cost of exploration or

- drilling for or development of oil or gas reserves or laying a pipeline or to secure Debt incurred to provide funds for any such purpose;
- (F) any Lien existing on the Issue Date;
 - (G) Liens on moneys or government obligations deposited with a trustee or agent for holders of Debt to defease such Debt; and
 - (H) Liens for the sole purposes of extending, renewing or replacing, in whole or in part, Liens securing Debt of the type referred to in the foregoing clauses (1)(A) through (1)(G), inclusive, or this clause (1)(H); **provided, however, that** the principal amount of Debt so secured at the time of such extension, renewal or replacement may not be increased, and that such extension, renewal or replacement is limited to all or part of the property or indebtedness which secured the Lien so extended, renewed or replaced (plus improvements on such property).
- (2) The provisions of Section 908(1) shall not apply to the issuance, assumption or guarantee by the Company of Debt secured by a Lien which would otherwise be subject to such restrictions up to an aggregate amount that, together with all other Indebtedness of the Company (other than Debt secured by Liens permitted by Section 908(1)) that would otherwise be subject to such restrictions and the Value of all Sale and Lease-back Transactions in existence at such time (other than any Sale and Lease-back Transaction that, if such Sale and Lease-back Transaction had been a Lien, would have been permitted by Section 908(1)(A) and other than Sale and Lease-back Transactions as to which application of amounts have been made in accordance with Section 909(2)), does not at the time the Company issues, assumes or guarantees Debt secured by such Lien exceed 10% of Total Capitalization.
- (3) “**Value**” means, with respect to a Sale and Lease-back Transaction, as at any time, the amount equal to the greater of:
- (A) the net proceeds from the sale or transfer of the property leased pursuant to such Sale and Lease-back Transaction; and
 - (B) the fair value, in the opinion of the Board of Directors of the Company, of such property at the time of entering into such Sale and Lease-back Transaction,
- in either case divided first by the number of full years of the term of the lease and then multiplied by the number of full years of such term remaining at the time of determination, without regard to any renewal or extension options contained in the lease.
- (4) If at any time the Company shall issue, assume or guarantee any Debt secured by any Lien and if Section 908(1) requires that the Notes be secured equally and ratably with such Debt, the Company will promptly deliver to the Trustee:

- (A) an Officer's Certificate stating that the covenant of the Company contained in Section 908(1) has been complied with; and
 - (B) an Opinion of Counsel to the effect that such covenant has been complied with, and that any instrument executed by the Company in the performance of such covenant complies with such covenant.
- (5) In the event that the Company shall hereafter secure the Notes equally and ratably with (or prior to) any other Debt or obligation pursuant to the provisions of this Section 908, the Trustee is hereby authorized to enter into an indenture or agreement supplemental hereto and to take such action, if any, as it may deem advisable to enable it to enforce effectively the rights of the holders so secured, equally and ratably with such Debt and other obligations; **provided, however, that** if such indenture or agreement affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, the Trustee may in its discretion, but shall not be obligated to, enter into such supplemental indenture or agreement.

Section 909. Restrictions on Sale and Lease-back Transactions.

The Company will not enter into any direct or indirect arrangement with any Person providing for the lease to the Company of any property of the Company (except for temporary leases for a term, including any renewal thereof, of not more than three years), which property has been or is to be sold or transferred by the Company to such Person or to any other Person by whom funds have been or are to be advanced on the security of such property (a "**Sale and Lease-back Transaction**") unless the proceeds of such sale are at least equal to the fair value of such property being sold and leased-back and either:

- (1) the Company would be entitled, pursuant to the provisions of Section 908(1)(A) or Section 908(2) to incur Debt secured by a Lien on such property without equally and ratably securing the Notes; or
- (2) within 180 days of the effective date of the Sale and Lease-back Transaction, the Company applies, or covenants that it will apply, an amount not less than the fair value of such property to one or more of:
 - (A) the payment or other retirement of Funded Debt incurred or assumed by the Company which ranks senior to or *pari passu* with the Notes (other than Funded Debt owned by the Company), or
 - (B) the purchase of Property of the Company at not more than its fair value (other than the property involved in such sale).

ARTICLE TEN

Redemption of Notes

Section 1001. **Optional Redemption.**

The Notes shall be redeemable, at the option of the Company, in whole or in part, at the Redemption Price at any time upon notice sent by the Company through the mail, postage prepaid, at least 30 days and not more than 45 days prior to the date fixed for redemption, to the registered Holder of each Note to be redeemed in whole or in part, addressed to such Holder as such address shall appear in the Note Register. Unless the Company defaults in payment of the Redemption Price, on and after the Redemption Date, interest will cease to accrue on the Notes or the portions of the Notes called for redemption.

Section 1002. **Election to Redeem; Notice to Trustee.**

The election of the Company to redeem any Notes shall be evidenced by a Board Resolution. In case of any redemption at the election of the Company of less than all the Notes, the Company shall, at least 45 days prior to the Redemption Date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date and of the principal amount of Notes to be redeemed.

Section 1003. **Selection by Trustee of Notes to Be Redeemed.**

If less than all the Notes are to be redeemed, the particular Notes to be redeemed shall be selected not more than 45 days prior to the Redemption Date by the Trustee, from the Outstanding Notes not previously called for redemption, by such method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions (equal to the minimum authorized denomination for the Notes or any integral multiple thereof) of the principal amount of the Notes of a denomination larger than the minimum authorized denomination for the Notes.

The Trustee shall promptly notify the Company in writing of the Notes selected for redemption and, in the case of any Notes selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Notes shall relate, in the case of any Notes redeemed or to be redeemed only in part, to the portion of the principal amount of such Notes which has been or is to be redeemed.

Section 1004. **Notice of Redemption.**

Notice of redemption shall be given in the manner provided in Section 106, at least 30 and not more than 45 days prior to the Redemption Date, to each Holder of Notes to be redeemed.

All notices of redemption shall state:

- (1) the Redemption Date,

- (2) the Redemption Price (or the computation method to determine the Redemption Price),
- (3) if less than all the Outstanding Notes are to be redeemed, the identification (and, in the case of partial redemption of any Notes, the principal amounts) of the particular Notes to be redeemed,
- (4) that on the Redemption Date the Redemption Price will become due and payable upon each such Note to be redeemed and, if applicable, that interest thereon will cease to accrue on and after said date,
- (5) the place or places where such Notes are to be surrendered for payment of the Redemption Price, and
- (6) the CUSIP numbers of the Notes to be redeemed.

Notice of redemption of the Notes to be redeemed at the election of the Company shall be given by the Company or, at the Company's request and provision of such notice information, by the Trustee in the name and at the expense of the Company. Notices of redemption shall be irrevocable.

Section 1005. Deposit of Redemption Price.

On or before 10:00 a.m. New York time on any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 903) an amount of money sufficient to pay the Redemption Price of all the Notes which are to be redeemed on that date.

Section 1006. Notes Payable on Redemption Date.

Notice of redemption having been given as aforesaid, the Notes so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price, and from and after such date (unless the Company shall default in the payment of the Redemption Price) such Notes shall cease to bear interest and, except as provided below, shall be void. Upon surrender of any such Note for redemption in accordance with said notice, such Note shall be paid by the Company at the Redemption Price; **provided, however, that** installments of interest whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Notes, or one or more Predecessor Notes, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 207.

If any Note called for redemption shall not be so paid upon surrender thereof for redemption, the principal and any premium shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Note.

Section 1007. Notes Redeemed in Part.

Any Note which is to be redeemed only in part shall be surrendered at the Place of Payment therefor (with, if the Company or the Trustee so requires, due endorsement by, or a written

instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, and the Trustee shall, upon receipt of an Authentication Order, authenticate and deliver to the Holder of such Note without service charge, a new Note or Notes, of any authorized denomination as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Note so surrendered.

ARTICLE ELEVEN

Defeasance and Covenant Defeasance

Section 1101. Company's Option to Effect Defeasance or Covenant Defeasance.

The Company may elect, at its option by Board Resolution at any time, to have either Section 1102 or Section 1103 applied to the Outstanding Notes upon compliance with the conditions set forth below in this Article Eleven.

Section 1102. Defeasance and Discharge.

Upon the Company's exercise of the option provided in Section 1101 to have this Section 1102 applied to the Outstanding Notes, the Company shall be deemed to have been discharged from its obligations with respect to the Outstanding Notes as provided in this Section on and after the date the conditions set forth in Section 1104 are satisfied (hereinafter called "**Defeasance**"). For this purpose, such Defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by the Outstanding Notes and to have satisfied all its other obligations under the Notes and this Indenture (and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging the same), subject to the following which shall survive until otherwise terminated or discharged hereunder: (1) the rights of Holders of the Notes to receive, solely from the trust fund described in Section 1104 and as more fully set forth in such Section, payments in respect of the principal of and any premium and interest on such Notes when payments are due, (2) the Company's obligations with respect to the Notes under Sections 204, 205, 206, 902 and 903, (3) the rights, powers, trusts, duties and immunities of the Trustee hereunder and (4) this Article Eleven. Subject to compliance with this Article Eleven, the Company may exercise its option provided in Section 1101 to have this Section 1102 applied to the Outstanding Notes notwithstanding the prior exercise of its option provided in Section 1101 to have Section 1103 applied to the Outstanding Notes.

Section 1103. Covenant Defeasance.

Upon the Company's exercise of the option provided in Section 1101 to have this Section 1103 applied to the Outstanding Notes, (i) the Company shall be released from its obligations under Sections 905, 906, 907, 908, 909 and Sections 2 and 3 of Article Seven, and (2) the occurrence of any event specified in Sections 401(3) (with respect to Section 905, 906, 907, 908, 909 or Section 2 or 3 of Article Seven) and 401(4) shall be deemed not to be or result in an Event of Default on and after the date the conditions set forth in Section 1104 are satisfied (hereinafter called "**Covenant Defeasance**"). For this purpose, such Covenant Defeasance means that the Company may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such

specified Section (to the extent so specified in the case of Section 401(3)), whether directly or indirectly by reason of any reference elsewhere herein to any such Section or by reason of any reference in any such Section to any other provision herein or in any other document, but the remainder of this Indenture and the Notes shall be unaffected thereby.

Section 1104. Conditions to Defeasance or Covenant Defeasance.

The following shall be the conditions to application of either Section 1102 or Section 1103 to the Outstanding Notes:

- (1) The Company shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee that satisfies the requirements contemplated by Section 509 and agrees to comply with the provisions of this Article Eleven applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of the Outstanding Notes, (A) money in an amount, or (B) U.S. Government Obligations that through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment, money in an amount, or (C) a combination thereof, in each case sufficient, to pay and discharge, and which shall be applied by the Trustee (or any such other qualifying trustee) to pay and discharge, the principal of and any premium and interest on the Notes on the respective Stated Maturities, in accordance with the terms of this Indenture and the Notes. Unless such deposit consists solely of money, the Company shall provide an opinion of a nationally recognized firm of independent public accountants expressed in a written certification delivered to the Trustee to the effect that such deposit is sufficient to pay and discharge the principal of and any premium and interest on the Notes on the respective Stated Maturities, in accordance with the terms of this Indenture and the Notes. As used herein, "**U.S. Government Obligation**" means (x) any security that is (i) a direct obligation of the United States of America for the payment of which the full faith and credit of the United States of America is pledged or (ii) an obligation of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case (i) or (ii), is not callable or redeemable at the option of the issuer thereof, and (y) any depositary receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act of 1933, as amended) as custodian with respect to any U.S. Government Obligation specified in Clause (x) and held by such custodian for the account of the holder of such depositary receipt, or with respect to any specific payment of principal of or interest on any such U.S. Government Obligation, **provided that** (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of principal or interest evidenced by such depositary receipt.

- (2) In the case of an election under Section 1102, the Company shall have delivered to the Trustee an Opinion of Counsel stating that (A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the Issue Date, there has been a change in the applicable Federal income tax law, in either case (A) or (B) to the effect that, and based thereon such opinion shall confirm that, the Holders of the Outstanding Notes will not recognize gain or loss for Federal income tax purposes as a result of the deposit, Defeasance and discharge to be effected with respect to the Notes and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit, Defeasance and discharge were not to occur.
- (3) In the case of an election under Section 1103, the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders of the Outstanding Notes will not recognize gain or loss for Federal income tax purposes as a result of the deposit and Covenant Defeasance to be effected with respect to the Notes and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit and Covenant Defeasance were not to occur.
- (4) The Company shall have delivered to the Trustee an Officer's Certificate to the effect that the Notes, if then listed on any securities exchange, will not be delisted as a result of such deposit.
- (5) No Event of Default or event that (after notice or lapse of time or both) would become an Event of Default shall have occurred and be continuing at the time of such deposit or, with regard to any Event of Default or any such event specified in Sections 401(5) and (6), at any time on or prior to the 90th day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until after such 90th day).
- (6) Such Defeasance or Covenant Defeasance shall not cause the Trustee to have a conflicting interest within the meaning of the Trust Indenture Act (assuming all Notes are in default within the meaning of the such Act).
- (7) Such Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, any other agreement or instrument to which the Company is a party or by which it is bound.
- (8) The Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent with respect to such Defeasance or Covenant Defeasance have been complied with.
- (9) Such Defeasance or Covenant Defeasance shall not result in the trust arising from such deposit constituting an investment company within the meaning of the Investment Company Act of 1940, as amended, unless such trust shall be qualified under such Act or exempt from regulation thereunder.

Section 1105. Deposited Money and U.S. Government Obligations to be Held in Trust; Other Miscellaneous Provisions.

Subject to the provisions of the last paragraph of Section 903, all money and U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee or other qualifying trustee (solely for purposes of this Section and Section 1106, the Trustee and any such other trustee are referred to collectively as the “**Trustee**”) pursuant to Section 1104 in respect of the Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any such Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Holders of the Notes, of all sums due and to become due thereon in respect of principal and any premium and interest, but money so held in trust need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the U.S. Government Obligations deposited pursuant to Section 1104 or the principal and interest received in respect thereof other than any such tax, fee or other charge that by law is for the account of the Holders of the Outstanding Notes.

Anything in this Article Eleven to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon Company Request any money or U.S. Government Obligations held by it as provided in Section 1104 with respect to the Notes that, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Defeasance or Covenant Defeasance with respect to the Notes.

Section 1106. Reinstatement.

If the Trustee or the Paying Agent is unable to apply any money in accordance with this Article Eleven with respect to the Notes by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company’s obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to this Article Eleven with respect to the Notes until such time as the Trustee or Paying Agent is permitted to apply all money held in trust pursuant to Section 1105 with respect to the Notes in accordance with this Article Eleven; **provided, however, that** if the Company makes any payment of principal of or any premium or interest on any Note following the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of the Notes to receive such payment from the money so held in trust.

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

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

SOUTHWEST GAS CORPORATION

By: _____
Name: _____
Title: _____

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,
as Trustee**

By: _____
Name: _____
Title: _____

EXHIBIT A

[FORM OF FACE OF NOTE]

[Insert Global Note Legend, if applicable pursuant to the provisions of the Indenture]

REGISTERED

REGISTERED

NO. _____

PRINCIPAL
AMOUNT

CUSIP No. [] / ISIN No. []

\$

SOUTHWEST GAS CORPORATION

[]% SENIOR NOTE DUE 2022

Interest Payment Dates: [] and []

Place of Payment: Office of the Trustee

Regular Record Dates: [] and []

SOUTHWEST GAS CORPORATION, a California corporation (hereinafter called the “**Company**,” which term includes any successor corporation under the Indenture), for value received, hereby promises to pay to or registered assigns, the principal sum of Dollars (\$) on [], 2022 and to pay interest thereon from [], or from the most recent Interest Payment Date to which interest has been paid or duly provided for, on [] and [] in each year, beginning on [], at the rate of []% per annum, until the principal hereof shall have become due and payable, and on any overdue principal and (without duplication and to the extent that payment of such interest is enforceable under applicable law) on any overdue interest at the same rate per annum compounded semi-annually. The amount of interest payable on any Interest Payment Date shall be computed on the basis of a 360-day year of twelve 30-day months. In the event that any date on which interest is payable on this Note is not a Business Day, then payment of interest payable on such date will be made on the next succeeding day that is a Business Day (and without any interest or other payment in respect of such delay). The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Note (or one or more Predecessor Notes) is registered at the close of business on the Regular Record Date for such interest, which shall be the [] or [] (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date and may, upon election by the Company following notice to the Trustee, be paid to the Person in whose name this Note (or one or more Predecessor Notes) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, by giving notice to Holders of Notes not less than 10 days prior to such Special

Record Date and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment or as otherwise specified in the Indenture.

Payment of the principal of and interest on this Note will be made at the office of the Trustee, initially at 2 N. LaSalle Street, Suite 1020, Chicago, Illinois 60602, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; **provided, however, that** at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Note Register on the Regular Record Date, except that in the event that this Note is registered in the name of the nominee of a clearing agency, interest payments will be made in the form of immediately available funds.

Reference is hereby made to the additional provisions of this Note set forth on the reverse hereof, which additional provisions shall for all purposes have the same effect as if set forth on the face hereof.

Unless the certificate of authentication below has been executed by the Trustee referred to on the reverse hereof, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

Dated: _____ SOUTHWEST GAS CORPORATION

By: _____

Attest:

By: _____
[Assistant] Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

Dated: _____ THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee, as
Authenticating Agent

By: _____
Authorized Officer

[FORM OF REVERSE SIDE OF THE NOTE]

This Note is one of a duly authorized issue of obligations of the Company (herein called the “Notes”), issued and to be issued under an Indenture (the “Indenture”) dated as of March [], 2012 between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee (herein called the “Trustee”, which term includes any successor trustee under the Indenture). Reference to the Indenture is hereby made for a statement of the respective rights, limitations of rights, duties and immunities of the Company, the Trustee and the Holders of the Notes and of the terms upon which the Notes are, and are to be, authenticated and delivered. Subject to the terms of the Indenture, the Company shall be entitled to issue Additional Notes pursuant to Section 201 of the Indenture.

All or a portion of the Notes (including any Additional Notes) are subject to redemption at the option of the Company upon not less than 30 days’ and not more than 45 days’ notice by mail (i) at any time prior to [], [202__], at a Redemption Price equal to the greater of (a) 100% of the principal amount of the Notes to be redeemed on the Redemption Date specified in the notice of redemption, plus accrued and unpaid interest on such Notes up to, but excluding, such Redemption Date, or (b) as determined by the Quotation Agent, the sum of the present values of the remaining scheduled payments of principal and interest on the Notes to be redeemed on such Redemption Date (not including any portion of payments of interest accrued to such Redemption Date) discounted to such Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus [] basis points, plus accrued and unpaid interest thereon up to, but excluding such Redemption Date, or (ii) at any time on or after [], [] (three months prior to the maturity date of the Notes), 100% of the principal amount of the Notes to be redeemed on the Redemption Date specified in the notice of redemption, plus accrued and unpaid interest on such Notes up to, but excluding, such Redemption Date.

In the event of redemption of this Note in part only, a new Note or Notes for the unredeemed portion hereof will be issued in the name of the Holder hereof upon cancellation of this Note.

In certain circumstances described in the Indenture, the Company’s obligations in respect of the Notes or in respect of certain covenants made for the benefit of the Notes may be discharged prior to payment upon depositing with the Trustee cash and/or U.S. Government Obligations in the required amount and upon compliance with certain other provisions of the Indenture.

If an Event of Default with respect to Notes occurs and is continuing, the principal of the Notes may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture contains provisions permitting the Company and the Trustee, with the consent of the Holders of not less than a majority in aggregate principal amount of the Notes affected at the time outstanding to execute supplemental indentures for the purpose of adding any provisions to, changing in any manner, or eliminating any of the provisions of the Indenture, or for the purpose of modifying in any manner the rights of the Holders of the Notes; **provided**,

however, that no supplemental indenture shall (i) change the stated maturity of the principal or interest on any Note, (ii) reduce the principal amount of or the interest or premium payable on any Note, (iii) change the currency in which any Note is payable, (iv) impair the right of any Holder of any Note to bring suit to enforce any payment, (v) reduce the percentage of registered Holders of Notes, the Holders of which are required to consent to any amendment, modification or waiver or (vi) modify certain of the provisions in the indenture relating to supplemental indentures, in each case without the consent of the registered Holder of each Note affected thereby. The Indenture also contains provisions permitting the Holders of a majority in aggregate principal amount of the Notes outstanding and affected thereby, on behalf of all of the Holders of the Notes, to waive any past default in the performance of any of the covenants contained in the Indenture, or established pursuant to the Indenture, and its consequences, except a default (i) in the payment of the principal of, premium or interest on any of the Notes, or (ii) in respect of a provision contained in the Indenture which cannot be modified or amended without the consent of the Holders of each outstanding Note affected thereby. Any consent or waiver by the registered Holder of this Note (unless revoked as provided in the Indenture) shall be conclusive and binding upon that Holder and upon all future Holders and owners of this Note and of any Note issued in exchange herefor or in place hereof (whether by registration of transfer or otherwise), irrespective of whether or not any notation of the consent or waiver is made upon this Note.

In certain limited circumstances, the Indenture may be amended, and the rights and obligations of the Company and the rights of the Holders may be modified, at any time by the Company and the Trustee without notice to or consent of the Holders.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Note at the times, places and rate, and in the coin or currency, described herein.

As provided in the Indenture and subject to certain limitations set forth therein, the transfer of this Note is registrable in the Note Register upon surrender of this Note for registration of transfer at the office or agency of the Company in any place where the principal of and interest on this Note are payable, if duly endorsed by, or if accompanied by a written instrument of transfer (in a form that is satisfactory to the Company and the Note Registrar) duly executed by, the Holder hereof or his attorney duly authorized in writing; thereupon one or more new Notes, of authorized denominations and like aggregate principal amount, will be issued to the designated transferee or transferees. The Notes are issuable only in registered form without coupons in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. As provided in the Indenture and subject to certain limitations therein set forth, the Notes are exchangeable for other Notes, as requested by the Holder surrendering the same. No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith to the extent provided in the Indenture.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this

Note is registered as the owner hereof for all purposes, whether or not this Note is overdue, and neither the Company, the Trustee nor any agent shall be affected by notice to the contrary.

No recourse shall be had for the payment of the principal of or the interest on this Note, or for any claim based hereon or on the Indenture, against any incorporator, shareholder, officer or director, past, present or future, as such, of the Company or of any predecessor or successor Corporation, under any rule of law, statute or constitution or by the enforcement of any assessment or otherwise, all such liability being released by the Holder by accepting this Note and being likewise waived and released by the terms of the Indenture.

All capitalized terms used in this Note without definitions that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

[FORM OF ASSIGNMENT]

For value received, the undersigned hereby sells, assigns and transfers unto

[Please insert Social Security Number or Tax Identification Number of Assignee]

[Please print or type name of Assignee]

the within Note of Southwest Gas Corporation and does hereby irrevocably constitute and appoint _____ Attorney to transfer said Note on the books of the within-named corporation, with full power of substitution in the premises.

Dated: _____

By: _____
Authorized Officer

Signature Guarantee: _____

EXHIBIT B

THIS SECURITY IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE OF A DEPOSITARY. THIS GLOBAL NOTE IS EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS SECURITY (OTHER THAN A TRANSFER OF THIS SECURITY AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY) MAY BE REGISTERED EXCEPT IN SUCH LIMITED CIRCUMSTANCES. EVERY SECURITY DELIVERED UPON REGISTRATION OF TRANSFER OF, OR IN EXCHANGE FOR, OR IN LIEU OF, THIS GLOBAL NOTE SHALL BE A GLOBAL NOTE SUBJECT TO THE FOREGOING, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED ABOVE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY, A NEW YORK CORPORATION (“**DTC**”), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR TO SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS TO BE MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

MORRISON | FOERSTER

425 MARKET STREET
SAN FRANCISCO
CALIFORNIA 94105-2482
TELEPHONE: 415.268.7000
FACSIMILE: 415.268.7522
WWW.MOFO.COM

MORRISON & FOERSTER LLP
NEW YORK, SAN FRANCISCO,
LOS ANGELES, PALO ALTO,
SAN DIEGO, WASHINGTON, D.C.
NORTHERN VIRGINIA, DENVER,
SACRAMENTO, WALNUT CREEK
TOKYO, LONDON, BRUSSELS,
BEIJING, SHANGHAI, HONG KONG

March 20, 2012

Southwest Gas Corporation
5241 Spring Mountain Road
Post Office Box 98510
Las Vegas, Nevada

Ladies and Gentlemen:

We have acted as counsel to Southwest Gas Corporation, a California corporation (the "Company"), in connection with the Company's registration statement on Form S-3 (the "Registration Statement"), filed on the date hereof with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), pertaining to the registration of the issuance and sale by the Company of \$250,000,000 aggregate principal amount of the Company's Senior Notes due 2022 (the "Notes").

In connection with this opinion, we have also examined originals or copies, certified or otherwise identified to our satisfaction, of: (i) the Restated Articles of Incorporation of the Company, as amended through the date hereof; (ii) the Amended Bylaws of the Company, as amended through the date hereof; (iii) certain resolutions of the Board of Directors of the Company relating to the issuance, sale and registration of the Notes; and (iv) the Indenture and the Notes. In addition, we have examined originals or copies, certified or otherwise identified to our satisfaction, of certain other corporate records, documents, instruments and certificates of public officials and of the Company, and we have made such inquiries of officers of the Company and public officials and considered such questions of law as we have deemed necessary for purposes of rendering the opinions set forth herein.

In connection with this opinion, we have assumed (i) the Notes will be issued pursuant to an Indenture to be entered into by the Company and The Bank of New York Mellon Trust Company, N.A. (the "Trustee") substantially in the form set forth as Exhibit 4.1 to the Registration Statement (the "Indenture"), and (ii) the Notes will be delivered against payment of valid consideration therefor and in accordance with the terms of the an Underwriting Agreement to be entered into by the Company the entities that are parties thereto (the "Underwriting Agreement"). In addition, we have assumed the genuineness of all signatures and the authenticity of all items submitted to us as originals and the conformity with originals of all items submitted to us as copies. In making our examination of documents executed by parties other than the Company, we have assumed that each other party has the power and authority to execute and deliver, and to perform and observe the provisions of, such documents and has duly authorized, executed and delivered such documents, and that

Southwest Gas Corporation

Page 2 of 3

March 20, 2012

such documents constitute the legal, valid and binding obligations of each such party. With respect to certain factual matters, we have relied upon certificates of officers of the Company.

The opinions hereinafter expressed are subject to the following further qualifications and exceptions, as to which we express no opinion:

- (1) The effect of bankruptcy, insolvency, reorganization, arrangement, moratorium or other similar laws relating to or affecting the rights of creditors generally, including, without limitation, laws relating to fraudulent transfers or conveyances, preferences and equitable subordination.
- (2) The enforceability of the waivers contained in Section 415 of the Indenture.
- (3) Limitations imposed by general principles of equity upon the availability of equitable remedies or the enforcement of provisions of the Indenture; and the effect of judicial decisions which have held that certain provisions are unenforceable where their enforcement would violate the implied covenant of good faith and fair dealing, or would be commercially unreasonable, or where a default under the Indenture is not material.
- (4) The effect of judicial decisions permitting the introduction of extrinsic evidence to supplement the terms or aid in the interpretation of the Indenture.
- (5) Except to the extent encompassed by an opinion set forth below with respect to the Company, the (i) compliance or non-compliance of any party to the Indenture with any law, regulation or order applicable to it, or (ii) legal or regulatory status or the nature of the business of any such party.
- (6) The enforceability of provisions of the Indenture providing for indemnification or contribution, to the extent such indemnification or contribution is against public policy.
- (7) The enforceability of provisions of the Indenture imposing or which are construed as effectively imposing a penalty.

Based upon and subject to the foregoing, we are of the opinion that when the Notes have been duly executed, authenticated, issued and delivered in accordance with the provisions of the Indenture against payment of the consideration provided for in, and pursuant to the terms of, the Underwriting Agreement, such Notes will constitute binding obligations of the Company, enforceable against the Company in accordance with their terms.

Southwest Gas Corporation

Page 3 of 3

March 20, 2012

We express no opinion as to matters governed by any laws other than the substantive laws of the State of California and the State of New York in effect on the date hereof (without reference to choice-of-law rules). We express no opinion as to the New York choice of law provision contained in the Documents.

We hereby consent to the filing of this opinion letter as Exhibit 5.1 to the Registration Statement and to reference to us under the caption "Legal Matters" in the Prospectus. In giving such consent, we do not hereby admit that we are acting within the category of persons whose consent is required under Section 7 of the Act or the rules or regulations of the Commission thereunder.

Very truly yours,

/s/ Morrison & Foerster LLP

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated February 28, 2012 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in the 2011 Annual Report to Shareholders, which is incorporated by reference in Southwest Gas Corporation's Annual Report on Form 10-K for the year ended December 31, 2011. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP
Las Vegas, Nevada
March 15, 2012

POWER OF ATTORNEY

KNOW BY ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Jeffrey W. Shaw and Roy R. Centrella, and each of them (with full power of each to act alone), severally, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and to execute in his or her name, place and stead (individually and in any capacity stated below) a registration statement on Form S-3 covering the registration of \$250 million of senior unsecured ten-year notes of Southwest Gas Corporation (the "Registration Statement"), and any and all amendments to the Registration Statement, and all documents and instruments necessary or advisable in connection therewith, and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission (or any other governmental regulatory authority), each of said attorneys-in-fact and agents to have power to act with or without the others and to have full power and authority to do and to perform in the name and on behalf of each of the undersigned every act whatsoever necessary or advisable to be done in the premises as fully and to all intents and purposes as any of the undersigned might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents and/or any of them, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Dated: January 17, 2012

/s/ Michael J. Melarkey

Michael J. Melarkey, Chairman

/s/ Robert L. Boughner

Robert L. Boughner, Director

/s/ Jose A. Cardenas

Jose A. Cardenas, Director

/s/ Thomas E. Chestnut

Thomas E. Chestnut, Director

/s/ Stephen C. Comer

Stephen C. Comer, Director

/s/ LeRoy C. Hanneman

LeRoy C. Hanneman, Director

/s/ Michael O. Maffie

Michael O. Maffie, Director

/s/ Anne L. Mariucci

Anne L. Mariucci, Director

/s/ A. Randall Thoman

A. Randall Thoman, Director

/s/ Thomas A. Thomas

Thomas A. Thomas, Director

/s/ Terrence L. Wright

Terrence L. Wright, Director

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM T-1

**STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE**

- CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.**

(Exact name of trustee as specified in its charter)

(Jurisdiction of incorporation
if not a U.S. national bank)

95-3571558
(I.R.S. employer identification no.)

400 South Hope Street Suite 400
Los Angeles, California
(Address of principal executive offices)

90071
(Zip code)

Southwest Gas Corporation
(Exact name of obligor as specified in its charter)

California
(State or other jurisdiction of
incorporation or organization)

88-0085720
(I.R.S. employer
identification no.)

5241 Spring Mountain Road
P.O. Box 98510 Las Vegas, Nevada
(Address of principal executive offices)

89193-8510
(Zip code)

Senior Notes due 2022
(Title of the indenture securities)

1. General information. Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Comptroller of the Currency United States Department of the Treasury	Washington, DC 20219
Federal Reserve Bank	San Francisco, CA 94105
Federal Deposit Insurance Corporation	Washington, DC 20429

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act") and 17 C.F.R. 229.10(d).

1. A copy of the articles of association of The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A. (Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121948 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152875).
2. A copy of certificate of authority of the trustee to commence business. (Exhibit 2 to Form T-1 filed with Registration Statement No. 333-121948).
3. A copy of the authorization of the trustee to exercise corporate trust powers (Exhibit 3 to Form T-1 filed with Registration Statement No. 333-152875).

4. A copy of the existing by-laws of the trustee (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-162713).
6. The consent of the trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-152875).
7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon Trust Company, N.A., a banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Chicago, and State of Illinois, on the 13th day of March, 2012.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.

By: /s/ Lawrence M. Kusch

Name: Lawrence M. Kusch

Title: Vice President

Consolidated Report of Condition of
THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
of 700 South Flower Street, Suite 200, Los Angeles, CA 90017

At the close of business December 31, 2011, published in accordance with Federal regulatory authority instructions.

<u>ASSETS</u>	<u>Dollar Amounts in Thousands</u>
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	648
Interest-bearing balances	396
Securities:	
Held-to-maturity securities	0
Available-for-sale securities	808,707
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold	95,500
Securities purchased under agreements to resell	0
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases, net of unearned income	0
LESS: Allowance for loan and lease losses	0
Loans and leases, net of unearned income and allowance	0
Trading assets	
Premises and fixed assets (including capitalized leases)	7,620
Other real estate owned	
Investments in unconsolidated subsidiaries and associated companies	1
Direct and indirect investments in real estate ventures	
Intangible assets:	
Goodwill	856,313
Other intangible assets	187,688
Other assets	
Total assets	<u>\$ 2,132,187</u>

LIABILITIES

Deposits:		
In domestic offices		506
Noninterest-bearing	506	
Interest-bearing	0	
Not applicable		
Federal funds purchased and securities sold under agreements to repurchase:		
Federal funds purchased		0
Securities sold under agreements to repurchase		0
Trading liabilities		0
Other borrowed money:		
(includes mortgage indebtedness and obligations under capitalized leases)		268,691
Not applicable		
Not applicable		
Subordinated notes and debentures		0
Other liabilities		228,471
Total liabilities		497,668

Not applicable

EQUITY CAPITAL

Perpetual preferred stock and related surplus		0
Common stock		1,000
Surplus (exclude all surplus related to preferred stock)		1,121,520
Not available		
Retained earnings		506,347
Accumulated other comprehensive income		5,652
Other equity capital components		0
Not available		
Total bank equity capital		1,634,519
Noncontrolling (minority) interests in consolidated subsidiaries		0
Total equity capital		1,634,519
Total liabilities and equity capital		<u>2,132,187</u>

I, Karen Bayz, CFO and Managing Director of the above-named bank do hereby declare that the Reports of Condition and Income (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true to the best of my knowledge and belief.

Karen Bayz) CFO and Managing Director

We, the undersigned directors (trustees), attest to the correctness of the Report of Condition (including the supporting schedules) for this report date and declare that it has been examined by us and to the best of our knowledge and belief has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true and correct.

Timothy Vara, President)
Frank P. Sulzberger, MD) Directors (Trustees)
William D. Lindelof, MD)