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

Form 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) December 28, 2016

SOUTHWEST GAS HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

California
(State or other jurisdiction of
incorporation or organization)

001-
(Commission
File Number)

81-3881866
(I.R.S. Employer
Identification No.)

5241 Spring Mountain Road
Post Office Box 98510
Las Vegas, Nevada
(Address of principal executive offices)

89193-8510
(Zip Code)

Registrant's telephone number, including area code: (702) 876-7237

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Explanatory Note

On October 13, 2015, Southwest Gas Corporation, a California corporation (“Old SWG”), announced that its board of directors had authorized management to evaluate pursuing a series of reorganization transactions (the “Reorganization”). In connection with the Reorganization plans, a new holding company, Southwest Gas Holdings, Inc., a California corporation (“SWG Holdings” and, together with its subsidiaries, “Southwest”), was created. Following the Reorganization, Old SWG became a wholly owned subsidiary of SWG Holdings, and the former shareholders of Old SWG are now shareholders of SWG Holdings. This Current Report on Form 8-K is being filed for the purpose of establishing SWG Holdings as the successor issuer pursuant to Rule 414 under the Securities Act of 1933, as amended (the “Securities Act”), and pursuant to Rule 12g-3(a) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and to disclose certain related matters. Pursuant to Rule 12g-3(a) under the Exchange Act, as SWG Holdings is a successor issuer, its shares of common stock, par value \$1.00 per share (“SWG Holdings Common Stock”), are deemed registered under Section 12(b) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement

On January 1, 2017, SWG Holdings implemented a holding company reorganization pursuant to a Plan of Reorganization (the “Plan of Reorganization”), dated as of December 28, 2016, by and among SWG Holdings, Old SWG, Southwest Reorganization Co., a California corporation and a wholly owned subsidiary of SWG Holdings (“Merger Sub”), and Southwest Gas Utility Group, Inc., a California corporation and a wholly owned subsidiary of SWG Holdings (“Utility Group”), which resulted in SWG Holdings owning all of the outstanding capital stock of Old SWG. Pursuant to the Plan of Reorganization and the related Agreement and Plan of Merger, dated December 28, 2016, by and among SWG Holdings, Old SWG and Merger Sub (the “Merger Agreement”), effective January 1, 2017, Merger Sub, a direct, wholly owned subsidiary of SWG Holdings and an indirect, wholly owned subsidiary of Old SWG, merged with and into Old SWG, with Old SWG surviving as a direct, wholly owned subsidiary of SWG Holdings (the “Merger”). Each share of common stock of Old SWG, par value \$1.00 per share (“Old SWG Common Stock”), issued and outstanding immediately prior to the Merger automatically converted into an equivalent corresponding share of SWG Holdings Common Stock. Accordingly, upon consummation of the Merger, Old SWG’s shareholders immediately prior to the consummation of the Merger became shareholders of SWG Holdings. The shareholders of Old SWG will not recognize gain or loss for U.S. federal income tax purposes upon conversion of their shares in the Merger.

The Merger was conducted pursuant to Section 1201(b) of the California Corporations Code, under which the Plan of Reorganization and the Merger Agreement were not required to be approved by the shareholders of Old SWG. Each share of SWG Holdings Common Stock will have the same designations, rights, powers and preferences and the same qualifications, limitations and restrictions as shares of Old SWG Common Stock prior to the Reorganization. SWG Holdings’ directors and executive officers are the same as the directors and executive officers of Old SWG immediately prior to the consummation of the Merger. Immediately after the consummation of the Merger, SWG Holdings has, on a consolidated basis, the same assets, businesses and operations as Old SWG had immediately prior to the consummation of the Merger.

The conversion of shares in the Merger occurred automatically without an exchange of stock certificates. After the Merger, stock certificates that previously represented shares of Old SWG Common Stock now represent the same number of shares of SWG Holdings Common Stock. Following the consummation of the Merger, shares of SWG Holdings Common Stock are expected to continue to trade on the New York Stock Exchange on an uninterrupted basis under the symbol “SWX” and with the same CUSIP number (#844895102).

As a result of the Merger, SWG Holdings became the successor issuer to Old SWG pursuant Section 12g-3(a) of the Exchange Act and as a result the SWG Holdings Common Stock is deemed registered under Section 12(b) of the Exchange Act.

In connection with the Merger, SWG Holdings assumed Old SWG's obligation to issue securities under the Old SWG Management Incentive Plan and the Old SWG 2006 Restricted Stock/Unit Plan, in each case together with all related notices and agreements, and in each case as amended from time to time (each, an "Assumed Plan" and, collectively, the "Assumed Plans"). Accordingly, SWG Holdings became a sponsor of the Assumed Plans, and each award under an Assumed Plan outstanding immediately prior to the Merger that was eligible to be paid or settled in Old SWG Common Stock will, to the extent such award meets all the applicable requirements for payment or settlement under the applicable Assumed Plan, instead be paid or settled, as applicable, in SWG Holdings Common Stock, and, with respect to each such award, all references to "Company" in the applicable Assumed Plan, and in any agreement evidencing such award, if any, will refer to SWG Holdings. In addition, the same number of shares of SWG Holdings Common Stock has been reserved for purposes of the Assumed Plans and is equal to the number of shares of Old SWG Common Stock reserved as of the Merger. In addition, in connection with the Reorganization, shares of Old SWG held and issuable under the Old SWG Employees' Investment Plan (the "Employees' Investment Plan") automatically converted into shares of SWG Holdings, and SWG Holdings is becoming a party to the Change in Control Agreements between Old SWG and each of the officers of Old SWG who is a party to such an agreement as of the effective time of the Merger (each, a "Change in Control Agreement" and, collectively, the "Change in Control Agreements"). Named executive officers and other officers participate in the Assumed Plans and the Change in Control Agreements. In accordance with Rule 414 under the Securities Act, SWG Holdings will file post-effective amendments to the related registration statements on Form S-8 of Old SWG (File Nos. 333-200835, 333-185354, 333-168731, 333-155581, 333-215145 and 333-215150) (collectively, the "Form S-8 Registration Statements") to adopt the Form S-8 Registration Statements pursuant to Rule 414.

SWG Holdings is also assuming Old SWG's Dividend Reinvestment and Direct Stock Purchase Plan (the "DRDSPP"). In accordance with Rule 414 under the Securities Act, SWG Holdings will file post-effective amendments to Old SWG's registration statement on Form S-3 (File No. 333-208609) (the "Form S-3 Registration Statement") to adopt the Form S-3 Registration Statement pursuant to Rule 414.

The foregoing description of the Plan of Reorganization, the Merger Agreement, the Old SWG Management Incentive Plan, the Old SWG 2006 Restricted Stock/Unit Plan, the Employees' Investment Plan, the Change in Control Agreements, and the DRDSPP does not purport to be complete and is qualified in its entirety by reference to the full text of the foregoing documents, which are filed as Exhibit 2.1, Exhibit 2.2, Exhibit 10.1, Exhibit 10.2, Exhibit 10.3, Exhibit 10.4 (form of), and Exhibit 10.5, respectively, and incorporated by reference herein.

Item 3.03. Material Modification of Rights of Securityholders

The information included in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

As previously noted, upon consummation of the Merger, each share of Old SWG Common Stock issued and outstanding immediately prior to the Merger automatically converted into an equivalent corresponding share of SWG Holdings Common Stock having the same designations, rights, powers and preferences and the same qualifications, limitations and restrictions as the corresponding share of Old SWG Common Stock that was converted.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

The information included in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

As previously noted, the directors of SWG Holdings are the same persons, and hold the same positions, as had been the case at Old SWG immediately prior to the Merger, and are listed below:

Directors	Age	AC	CC	NCGC
Robert L. Boughner	63	X		X
José A. Cárdenas	64	X		C
Thomas E. Chestnut	65	X		X
Stephen C. Comer	67	X	C	
LeRoy C. Hanneman, Jr.	70		X	
John P. Hester	54			
Anne L. Mariucci	59		X	
Michael J. Melarkey	67		X	X
A. Randall Thoman	65	C		X
Thomas A. Thomas	59			X
Terrence "Terry" L. Wright	67		X	

AC Audit Committee

CC Compensation Committee

NCGC Nominating and Corporate Governance Committee

C Committee Chairperson

Biographical information about SWG Holdings' directors is included in Old SWG's Schedule 14A for the 2016 Annual Meeting of Shareholders and is incorporated by reference herein.

The officers of SWG Holdings following the Merger are listed below, together with their respective ages, positions, and periods of positions held during the last five years with Old SWG:

Name	Age	Position	Period Position Held
John P. Hester	54	President and Chief Executive Officer	2015-Present
		President	2014-2015
		Executive Vice President	2013-2014
		Senior Vice President/Regulatory Affairs & Energy Resources	2011-2013
Roy R. Centrella	59	Senior Vice President/Chief Financial Officer	2011-Present
Karen S. Haller	53	Senior Vice President/General Counsel and Corporate Secretary	2012-Present
		Vice President/General Counsel, Compliance Officer, and Corporate Secretary	2011-2012
Kenneth J. Kenny	54	Vice President/Finance/Treasurer	2011-Present
Gregory J. Peterson	57	Vice President/Controller and Chief Accounting Officer	2011-Present

As previously noted, in connection with the Reorganization, SWG Holdings will become a party to the Change in Control Agreements.

The foregoing description of the Change in Control Agreements does not purport to be complete and is qualified in its entirety by reference to the full text of the foregoing documents, the form of which is filed as Exhibit 10.4 and incorporated by reference herein.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

The rights, preferences, privileges and restrictions granted or imposed on the SWG Holdings Common Stock under SWG Holdings' articles of incorporation and bylaws remain unchanged from those granted or imposed on the Old SWG Common Stock under the articles of incorporation and bylaws of Old SWG immediately prior to the consummation of the Merger. The SWG Holdings articles of incorporation were filed with the California Secretary of State on September 1, 2016, and the SWG Holdings bylaws were adopted effective immediately prior to the Merger on January 1, 2017.

The foregoing description of SWG Holdings' articles of incorporation and bylaws does not purport to be complete and is qualified in its entirety by reference to the full text of the SWG Holdings articles of incorporation and the bylaws, which are filed as Exhibit 3.1 and Exhibit 3.2 hereto, respectively, and each of which is incorporated by reference herein.

Item 8.01. Other Events.

On January 3, 2017, SWG Holdings and Old SWG issued a press release relating to the completion of the Reorganization. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
2.1	Plan of Reorganization, dated December 28, 2016, by and among Southwest Gas Corporation, Southwest Reorganization Co., Southwest Gas Holdings, Inc. and Southwest Gas Utility Group, Inc.
2.2	Agreement and Plan of Merger, dated December 28, 2016, by and among Southwest Gas Corporation, Southwest Reorganization Co., and Southwest Gas Holdings, Inc.
3.1	Articles of Incorporation of Southwest Gas Holdings, Inc.

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- 3.2 Bylaws of Southwest Gas Holdings, Inc.
 - 10.1* Southwest Gas Corporation Management Incentive Plan, amended and restated. Incorporated herein by reference to Appendix A to the Proxy Statement dated March 26, 2014, File No. 1-07850.
 - 10.2* Southwest Gas Corporation 2006 Restricted Stock/Unit Plan, as amended and restated. Incorporated herein by reference to Appendix A to the Proxy Statement dated March 31, 2016, File No. 1-07850.
 - 10.3* Southwest Gas Corporation Employees' Investment Plan, as amended and restated. Incorporated herein by reference to Exhibit 4.1 to the Form S-8 filed on December 16, 2016.
 - 10.4* Form of Change in Control Agreement with Company Officers. Incorporated herein by reference to Exhibit 10.1 to Form 8-K dated November 14, 2013, File No. 1-07850.
 - 10.5* Dividend Reinvestment and Direct Stock Purchase Plan. Set forth in full in the Prospectus included as Part I of the Registration Statement on Form S-3ASR dated December 18, 2015, File No. 333-208609.
 - 99.1 Press Release dated January 3, 2017.

* Management Contracts or Compensation Plans

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SOUTHWEST GAS HOLDINGS, INC.

Date: January 3, 2017

/s/ Gregory J. Peterson

Gregory J. Peterson

Vice President/Controller and
Chief Accounting Officer

EXHIBIT INDEX

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2.2	Agreement and Plan of Merger, dated December 28, 2016, by and among Southwest Gas Corporation, Southwest Reorganization Co., and Southwest Gas Holdings, Inc.
3.1	Articles of Incorporation of Southwest Gas Holdings, Inc.
3.2	Bylaws of Southwest Gas Holdings, Inc.
10.1*	Southwest Gas Corporation Management Incentive Plan, amended and restated. Incorporated herein by reference to Appendix A to the Proxy Statement dated March 26, 2014, File No. 1-07850.
10.2*	Southwest Gas Corporation 2006 Restricted Stock/Unit Plan, as amended and restated. Incorporated herein by reference to Appendix A to the Proxy Statement dated March 31, 2016, File No. 1-07850.
10.3*	Southwest Gas Corporation Employees' Investment Plan, as amended and restated. Incorporated herein by reference to Exhibit 4.1 to the Form S-8 filed on December 16, 2016.
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10.5*	Dividend Reinvestment and Direct Stock Purchase Plan. Set forth in full in the Prospectus included as Part I of the Registration Statement on Form S-3ASR dated December 18, 2015, File No. 333-208609.
99.1	Press Release dated January 3, 2017.

* Management Contracts or Compensation Plans

PLAN OF REORGANIZATION

This Plan of Reorganization (collectively with any exhibits and schedules attached hereto, the “Plan”) is entered into on December 28, 2016 by and among Southwest Gas Corporation, a California corporation, (“SWG”), Southwest Gas Holdings, Inc., a California corporation (“HoldCo”), Southwest Gas Utility Group, Inc., a California corporation (“Intermediate HoldCo”), and Southwest Reorganization Co., a California corporation (“MergerSub” and collectively with SWG, HoldCo and Intermediate HoldCo, the “Parties”).

BACKGROUND

SWG, HoldCo and MergerSub have determined that it is in their respective best interests that they be reorganized (i) by creating a holding company for SWG through the Merger (as defined in Section 1 below) of SWG and MergerSub whereby SWG would be the surviving corporation (the “Surviving Company”) and a subsidiary of HoldCo, (ii) the Surviving Company would convert from a California corporation into a California limited liability company to be called Southwest Gas, LLC, (iii) Southwest Gas, LLC would distribute to HoldCo all issued and outstanding capital stock of its subsidiary, Carson Water Company, (iv) HoldCo would contribute all of the membership interests of Southwest Gas, LLC to its subsidiary Intermediate HoldCo, and (v) Southwest Gas, LLC would convert from a California limited liability company back into a California corporation to be called Southwest Gas Corporation, all as more particularly provided for herein. Collectively, all of the actions described above would occur in numerical order and shall be referred to herein as the “Reorganization”.

TERMS

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and intending to be legally bound hereby, the parties agree as follows:

1. Merger of MergerSub with and into SWG. On January 1, 2017 (the “Effective Date”), MergerSub shall merge with and into SWG (the “Merger”) in accordance with the Agreement and Plan of Merger (the “Merger Agreement”) made as of December 28, 2016, executed by SWG, HoldCo and MergerSub and attached hereto as Exhibit A. The terms and conditions of the Merger Agreement are incorporated herein by reference.
2. Conversion to a California Limited Liability Company.

2.1 Promptly after the consummation of the Merger and subject to, and following the receipt of, the shareholder approval to be sought pursuant to Section 10.2 hereof, in accordance with the provisions of Section 1152 of the California Corporation Code (the “Corporations Code”), the Surviving Company will be converted from a California corporation into a California limited liability company (the “LLC Conversion”). The LLC Conversion shall be deemed effective at 12:01 a.m. local time on the date that Limited Liability Company Articles of Organization – Conversion are filed with the California Secretary of State. This Plan is intended to serve as a plan of conversion under the Corporations Code and the California Revised Uniform Limited Liability Company Act (the “Act”).

2.2 For purposes of and in accordance with the Corporations Code and the Act, Southwest Gas, LLC shall be deemed to be the same entity as the Surviving Company and all rights, privileges, powers, property (real, personal or mixed), debts due and all other things and causes of action belonging to the Surviving Company prior to the LLC Conversion shall be and

remain vested in Southwest Gas, LLC following the LLC Conversion and, without any transfer or other action on the part of the Surviving Company or Southwest Gas, LLC, shall be the rights, privileges, powers, property (real, personal or mixed), debts due and all other things and causes of action of Southwest Gas, LLC following the LLC Conversion.

2.3 The name of the Surviving Company following the LLC Conversion shall be Southwest Gas, LLC.

2.4 As part of the LLC Conversion, the Articles of Incorporation of the Surviving Company will be superseded pursuant to the Limited Liability Company Articles of Organization-Conversion of Southwest Gas, LLC, in substantially the form attached hereto as Exhibit B, filed in California pursuant to Section 8.2 hereof and the Bylaws of the Surviving Company will be replaced with an operating agreement of Southwest Gas, LLC, in substantially the form attached hereto as Exhibit C.

3. Carson Water Distribution.

Promptly after the consummation of the LLC Conversion, Southwest Gas, LLC shall distribute all of the issued and outstanding capital stock of its subsidiary, Carson Water Company, a Nevada corporation ("Carson Water"), to HoldCo, whereby Carson Water would become a direct, wholly-owned subsidiary of HoldCo (the "Carson Water Distribution"). The Carson Water Distribution shall be deemed effective at 12:02 a.m. local time on the date that Limited Liability Company Articles of Organization – Conversion are filed with the California Secretary of State.

4. SWG Contribution.

Promptly after the consummation of the Carson Water Distribution, HoldCo will contribute all of the membership interests of the Surviving Company (then Southwest Gas, LLC) to Intermediate HoldCo, whereby the Surviving Company would become a wholly owned subsidiary of Intermediate HoldCo (the "SWG Contribution"). The SWG Contribution shall be deemed effective at 12:03 am local time on the date that Limited Liability Company Articles of Organization – Conversion are filed with the California Secretary of State.

5. Conversion to a California Corporation.

5.1. Promptly after the SWG Contribution, and subject to, and following the receipt of, the member approval to be sought pursuant to Section 10.3 hereof, in accordance with the provisions of the Corporations Code and the Act, the Surviving Company (then Southwest Gas, LLC) will be converted from a California limited liability company into a California corporation (the "Corporate Conversion"). This Plan is intended to serve as a plan of conversion under the Corporations Code and the Act.

5.2. For purposes of and in accordance with the Corporations Code and the Act, the Surviving Company shall be deemed to be the same entity as the California limited liability company and all rights, privileges, powers, property (real, personal or mixed), debts due and all other things and causes of action belonging to Southwest Gas, LLC prior to the Corporate Conversion shall be and remain vested in the Surviving Company following the Corporate Conversion and, without any transfer or other action on the part of Southwest Gas, LLC, shall be the rights, privileges, powers, property (real, personal or mixed), debts due and all other things and causes of action of the Surviving Company following the Corporate Conversion.

5.3. The name of the Surviving Company following the Corporate Conversion shall be Southwest Gas Corporation.

5.4. As part of the Corporate Conversion, the Articles of Organization-Conversion (Form LLC 1A) of Southwest Gas, LLC filed in California will be superseded pursuant to Articles of Incorporation with Statement of Conversion of the Surviving Company (Southwest Gas Corporation), in substantially the form attached hereto as Exhibit D, filed in California pursuant to Section 8.5 hereof and the operating agreement of Southwest Gas, LLC shall be replaced with the Bylaws of the Surviving Company in substantially the form attached hereto as Exhibit E.

6. Ownership Interests. Shares of SWG, HoldCo and MergerSub capital stock issued and outstanding immediately prior to the Merger will be handled in accordance with the Merger Agreement. All of the issued and outstanding shares of common stock of the Surviving Company immediately prior to the LLC Conversion will, by virtue of the LLC Conversion and without any action on the part of the holder thereof, be converted into a 100% membership interest of Southwest Gas, LLC. All of the membership interests of Southwest Gas, LLC immediately prior to the Corporate Conversion will, by virtue of the Corporate Conversion and without any action on the part of the holder thereof, be converted into that number of shares of common stock of Southwest Gas Corporation equal to the total shares of SWG outstanding immediately prior to the Effective Date, which shares will constitute all of the issued and outstanding shares of Southwest Gas Corporation.

7. Tax Treatment. The Reorganization is intended to constitute a tax-free transaction as to the Parties for federal income tax purposes, and this Plan is intended to serve as the adoption of a plan of reorganization within the meaning of Treasury Regulation section 1.368-3(a).

8. Filings, Other Actions and Effective Date.

8.1. Merger. If this Plan has not been terminated pursuant to Section 9 hereof, after this plan has been duly approved in the manner required by law, the Merger Agreement shall be filed by SWG and MergerSub in California pursuant to and in accordance with the Corporations Code. The Merger shall be effective on the Effective Date.

8.2. LLC Conversion. Subject to, and following the receipt of, the shareholder approval to be sought pursuant to Section 10.2 hereof and if this Plan has not been terminated pursuant to Section 9 hereof, a Limited Liability Company Articles of Organization - Conversion shall be filed in California pursuant to and in accordance with the Corporations Code and the Act, substantially in the form attached hereto as Exhibit B, to effect the LLC Conversion.

8.3. Carson Water Distribution. If this Plan has not been terminated pursuant to Section 9 hereof, Southwest Gas, LLC shall distribute all of its right, title and interest in the issued and outstanding capital stock of Carson Water to HoldCo, free and clear of any encumbrances, and shall evidence such transfer of shares by executing the Assignment Separate from Certificate substantially in the form attached hereto as Exhibit F.

8.4. SWG Contribution. If this Plan has not been terminated pursuant to Section 9 hereof, promptly after the consummation of the Carson Water Distribution, HoldCo shall absolutely and irrevocably contribute, assign, convey and transfer to Intermediate HoldCo all of its right, title and interest in its membership interests in Southwest Gas, LLC, free and clear of any encumbrances. HoldCo shall evidence such transfer of membership interests by executing a limited liability company interest power substantially in the form attached hereto as Exhibit G.

8.5. Corporate Conversion. Subject to, and following the receipt of, the member approval to be sought pursuant to Section 10.3 hereof and if this Plan has not been terminated pursuant to Section 9 hereof, an Articles of Incorporation with Statement of Conversion shall be filed in California pursuant to and in accordance with the Corporations Code and the Act, substantially in the form attached hereto as Exhibit D, to effect the Corporate Conversion.

9. Termination.

This Plan may be terminated and the Reorganization abandoned by the Board of Directors of each of SWG, HoldCo and MergerSub at any time prior to the Effective Date.

10. Adoption and Approval.

10.1. Board Approvals. The Plan was adopted and approved by the Board of Directors of SWG and the Board of Directors of HoldCo at meetings held on December 27, 2016 and by written consent of the Board of Directors of MergerSub dated December 28, 2016.

10.2. Shareholder Approvals. Shareholder approval of the Merger will be sought from HoldCo prior to the Merger, which at the time will be the sole shareholder of MergerSub. Pursuant to Section 1201(b) of the Corporations Code, the Merger was not required to be, and was not, approved by the shareholders of SWG. Immediately following the consummation of the Merger and prior to the commencement of the LLC Conversion, shareholder approval of the LLC Conversion will be sought from HoldCo, which will at that time be the sole shareholder of SWG.

10.3. Member Approval. Immediately following the consummation of the SWG Contribution and prior to the commencement of the Corporate Conversion, member approval of the Corporate Conversion will be sought from Intermediate HoldCo, which will at that time be the sole member of Southwest Gas, LLC.

Signature page follows

SWG

/s/ John P. Hester
Name: John P. Hester
Title: President and Chief Executive Officer

HOLDCO

/s/ John P. Hester
Name: John P. Hester
Title: President and Chief Executive Officer

MERGERSUB

/s/ John P. Hester
Name: John P. Hester
Title: President and Chief Executive Officer

INTERMEDIATE HOLDCO

/s/ John P. Hester
Name: John P. Hester
Title: President and Chief Executive Officer

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (“Agreement”) is made as of December 28, 2016, by and among SOUTHWEST GAS CORPORATION, a California corporation (“SWG”), SOUTHWEST REORGANIZATION CO., a California corporation (“MergerSub”), and SOUTHWEST GAS HOLDINGS, INC., a California corporation (“HoldCo”), with reference to the following facts:

- A. SWG has authorized capital consisting of (i) 60,000,000 shares of Common Stock, with par value of \$1 per share (“SWG Common Stock”); (ii) 5,000,000 shares of Preferred Stock, with no par value (“SWG Preferred”); and (iii) 2,000,000 shares of Preference Stock, with par value of \$20 per share (“SWG Preference” and together with the SWG Common Stock and SWG Preferred, “SWG Capital Stock”).
- B. MergerSub has authorized capital consisting of 1,000 shares of Common Stock (“MergerSub Common Stock”), of which 100 shares are issued and outstanding and owned beneficially and of record by HoldCo.
- C. HoldCo has authorized capital consisting of (i) 60,000,000 shares of Common Stock, with par value of \$1 per share, of which 100 shares are issued and outstanding and held by SWG (“HoldCo Common Stock”); (ii) 5,000,000 shares of Preferred Stock, with no par value, of which no shares are issued and outstanding (“HoldCo Preferred”); and (iii) 2,000,000 shares of Preference Stock, with par value of \$20 per share, of which no shares are issued and outstanding (“HoldCo Preference” and together with the HoldCo Common Stock and HoldCo Preferred, “HoldCo Capital Stock”).
- D. The Boards of Directors of the respective parties hereto deem it advisable to merge MergerSub with and into SWG in accordance with the California Corporations Code (“Corporations Code”) and this Agreement for the purpose of establishing HoldCo as the parent corporation for SWG in a transaction intended to qualify as a tax-free transaction to SWG and its shareholders for federal income tax purposes.
- E. The shareholders of SWG immediately before the Merger (defined below) will own (immediately after the Merger) equity securities of HoldCo possessing more than five-sixths of the voting power of HoldCo.

NOW, THEREFORE, in consideration of the premises and agreements contained herein, the parties agree that (i) MergerSub shall be merged with and into SWG (the “Merger”), (ii) SWG shall be the corporation surviving the Merger, and (iii) the terms and conditions of the Merger, the mode of carrying it into effect, and the manner of converting and exchanging shares of capital stock shall be as follows:

ARTICLE I

The Merger

1.1 Officers’ Certificates. Subject to and in accordance with the provisions of this Agreement, officers’ certificates of SWG and MergerSub shall be signed and verified and thereafter delivered, together with a copy of this Agreement, to the office of the Secretary of State of California for filing, all as provided in Section 1103 of the Corporations Code.

1.2 Effective Time. The Merger shall become effective on January 1, 2017 (the “Effective Time”). At the Effective Time, the separate existence of MergerSub shall cease and MergerSub shall be merged with and into SWG, which shall continue its corporate existence as the surviving corporation (SWG and MergerSub being sometimes referred to herein as the “Constituent Corporations” and SWG, as the surviving corporation, being sometimes referred to herein as the “Surviving Corporation”). SWG shall succeed, without other transfer, to all the rights and property of MergerSub and shall be subject to all the debts and liabilities of MergerSub in the same manner as if SWG had itself incurred them. All rights of creditors and all liens upon the property of each of SWG and MergerSub shall be preserved unimpaired.

1.3 Appropriate Actions. Prior to and after the Effective Time, HoldCo, SWG and MergerSub, respectively, shall take all such actions as may be necessary or appropriate in order to effectuate the Merger. In case at any time after the Effective Time any further action is necessary or desirable to carry out the purposes of this Agreement and to vest the Surviving Corporation with full title to all properties, assets, privileges, rights, immunities and franchises of either of the Constituent Corporations, the officers and directors of each of the Constituent Corporations as of the Effective Time shall take all such further action.

ARTICLE 2

Terms of Conversion and Exchange of Shares

At the Effective Time:

2.1 SWG Common Stock. Each share or fractional share of SWG Common Stock issued and outstanding immediately prior to the Merger shall, by virtue of the Merger and without any action on the part of the holder thereof, be automatically changed and converted into a share or equal fraction of a share of HoldCo Common Stock, which shall thereupon be issued and fully-paid and non-assessable and which shall have the same rights, preferences, privileges, and restrictions as a share of SWG Common Stock immediately prior to the Effective Time.

2.2 MergerSub Common Stock. Each share or fractional share of MergerSub Common Stock issued and outstanding immediately prior to the Merger shall, by virtue of the Merger and without any action on the part of the holder thereof, be automatically changed and converted into a share or equal fraction of a share of Common Stock of the Surviving Corporation, which shall thereupon be issued and fully-paid and non-assessable, with the effect that the number of issued and outstanding shares of Common Stock of the Surviving Corporation shall be the same as the number of issued and outstanding shares of MergerSub immediately prior to the Effective Time.

2.3 HoldCo Common Stock. Each share of HoldCo Common Stock issued and outstanding immediately prior to the Merger shall be canceled.

ARTICLE 3

Articles of Incorporation and Bylaws

3.1 SWG's Restated Articles. From and after the Effective Time, and until thereafter amended as provided by law, the Restated Articles of Incorporation of SWG as in effect immediately prior to the Merger shall be and continue to be the Restated Articles of Incorporation of the Surviving Corporation.

3.2 SWG's Bylaws. From and after the Effective Time, and until thereafter amended as provided by law, the Bylaws of SWG as in effect immediately prior to the Merger shall be and continue to be the Bylaws of the Surviving Corporation.

ARTICLE 4
Directors and Officers

The persons who are directors and officers of SWG immediately prior to the Merger shall continue as directors and officers, respectively, of the Surviving Corporation and shall continue to hold office as provided in the Bylaws of the Surviving Corporation. If, at or following the Effective Time, a vacancy shall exist in the Board of Directors or in the position of any officer of the Surviving Corporation, such vacancy may be filled in the manner provided in the Bylaws of the Surviving Corporation.

ARTICLE 5
Stock Certificates

5.1 Pre-Merger SWG Common Stock. Following the Effective Time, each holder of an outstanding certificate or certificates theretofore representing shares of SWG Common Stock may, but shall not be required to, surrender the same to HoldCo for cancellation or transfer, and will be entitled to receive a certificate or certificates representing the same number of shares of HoldCo Common Stock as the shares of SWG Common Stock previously represented by the stock certificate(s) surrendered, and each book entry position which immediately prior to the Effective Time represented shares of SWG Common Stock shall, without any action by the holder thereof, be converted to a book entry position representing the same number of shares of HoldCo Common Stock.

5.2 Outstanding Certificates. Until surrendered or presented for transfer in accordance with Section 5.1 above, each outstanding certificate which, prior to the Effective Time, represented SWG Common Stock shall be deemed and treated for all corporate purposes to represent the ownership of the same number of shares of HoldCo Common Stock as though such surrender or transfer and exchange had taken place.

5.3 SWG Stock Transfer Books. The stock transfer books for SWG Common Stock shall be deemed to be closed at the Effective Time and no transfer of shares of SWG Common Stock outstanding prior to the Effective Time shall thereafter be made on such books.

5.4 Post-Merger Rights of Holders. Following the Effective Time, the holders of certificates representing SWG Common Stock outstanding immediately prior to the Effective Time shall cease to have any rights with respect to stock of the Surviving Corporation and their sole rights shall be with respect to the HoldCo Common Stock into which their shares of SWG Common Stock shall have been converted by the Merger.

ARTICLE 6
Amendment and Termination

6.1 Amendment. The parties to this Agreement, by mutual consent of their respective boards of directors, may amend, modify or supplement this Agreement in such manner as may be agreed upon by them in writing at any time.

6.2 Termination. This Agreement may be terminated and the Merger and other transactions provided for by this Agreement may be abandoned at any time prior to the consummation of the Merger by action of the Board of Directors of SWG if such board of directors determines for any reason that the completion of the transactions provided for herein would for any reason be inadvisable or not in the best interests of SWG or its shareholders.

ARTICLE 7
Adoption and Approval

This Agreement was adopted and approved by the Board of Directors of SWG and the Board of Directors of HoldCo at meetings held on December 27, 2016 and by written consent of the Board of Directors of MergerSub dated December 28, 2016. Pursuant to Section 1201(b) of the Corporations Code, the Plan was not required to be, and was not, approved by the shareholders of SWG. This Agreement was approved by written consent of the sole shareholder of MergerSub on December 28, 2016.

Signature page follows

IN WITNESS WHEREOF, SWG, HoldCo and MergerSub, pursuant to approval and authorization duly given by resolutions adopted by their respective boards of directors, have each caused this Agreement to be executed by its chairman of the board or its president or one of its vice presidents and by its secretary or one of its assistant secretaries.

SWG:
SOUTHWEST GAS CORPORATION,
a California corporation

By: /s/ John P. Hester
John P. Hester
Its: President and Chief Executive Officer

By: /s/ Karen S. Haller
Karen S. Haller
Its: Senior Vice President, General Counsel and Corporate Secretary

HoldCo:
SOUTHWEST GAS HOLDINGS, INC.
a California corporation

By: /s/ John P. Hester
John P. Hester
Its: President and Chief Executive Officer

By: /s/ Karen S. Haller
Karen S. Haller
Its: Senior Vice President, General Counsel and Corporate Secretary

[Attachments – SWG and MergerSub Officers’ Certificates]

MergerSub:
SOUTHWEST REORGANIZATION CO.,
a California corporation

By: /s/ John P. Hester
John P. Hester
Its: President and Chief Executive Officer

By: /s/ Karen S. Haller
Karen S. Haller
Its: Senior Vice President, General Counsel and Corporate Secretary

Certificate of Approval
of
Agreement of Merger

John Hester and Karen Haller certify that:

1. They are the president and the secretary, respectively, of Southwest Gas Corporation, a California corporation.
2. The principal terms of the Agreement and Plan of Merger in the form attached were duly approved by the board of directors of the corporation.
3. Pursuant to Section 1201(b) of the California Corporations Code, the Agreement and Plan of Merger was not required to be, and was not, approved by the shareholders of the corporation.
4. The principal terms of the Agreement and Plan of Merger in the form attached were duly approved by the shareholders of Southwest Gas Holdings, Inc.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

Date: December 28, 2016

/s/ John P. Hester
John P. Hester, President

/s/ Karen S. Haller
Karen S. Haller, Secretary

Certificate of Approval
of
Agreement of Merger

John Hester and Karen Haller certify that:

1. They are the president and the secretary, respectively, of Southwest Reorganization Co., a California corporation.
2. The principal terms of the Agreement and Plan of Merger in the form attached were duly approved by the board of directors and by the shareholders of the corporation by a vote that equaled or exceeded the vote required.
3. The shareholder approval was by the holders of 100% of the outstanding shares of the corporation.
4. There is only one class of shares and the number of shares outstanding entitled to vote on the merger is 100.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

Date: December 28, 2016

/s/ John P. Hester
John P. Hester, President

/s/ Karen S. Haller
Karen S. Haller, Secretary

**ARTICLES OF INCORPORATION
OF
SOUTHWEST GAS HOLDINGS, INC.
a California corporation**

I.

The name of said corporation is and shall be Southwest Gas Holdings, Inc.

II.

The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporation Code.

III.

The name and address in the State of California of this corporation's initial agent for service of process is:

Samuel Grandlienard

13471 Mariposa Road, Victorville, CA 92395-5315

IV.

The initial street address of this corporation is:

13471 Mariposa Road, Victorville, CA 92395-5315

V.

This corporation is authorized to issue three classes of shares of stock, to be designated respectively, as "Preferred Stock;" "Preference Stock;" and "Common Stock." The total number of shares which this corporation shall have authority to issue is 67,000,000 and the aggregate par value of all shares that are to have a par value shall be \$100,000,000. The number of shares of Preferred Stock shall be 5,000,000 and without par value; the number of shares of Preference Stock shall be 2,000,000 and shall have a par value of each share of said class of \$20; the number of shares of Common Stock shall be 60,000,000 and shall have a par value of each share of said class of \$1.

1. PREFERRED STOCK

Except as otherwise provided by law, shares of Preferred Stock, in preference to the holders of the Preference Stock and the Common Stock, may be issued from time to time, in one or more series, and the Board of Directors of the corporation is authorized to fix or alter the rights, preferences, privileges and restrictions granted to or imposed upon any such series.

2. PREFERENCE STOCK

Except as otherwise provided by law, shares of Preference Stock, in preference to the holders of the Common Stock, may be issued from time to time, in one or more series, and the Board of Directors of the corporation is authorized to fix or alter the dividend rights, dividend rates, conversion rights, voting rights, rights and terms of redemption (including sinking fund provisions), the redemption price or prices, or the liquidation preferences of any wholly unissued series, together with the designation of any such series and the number of shares which shall constitute any such unissued series, and to increase or decrease (but not below the number of shares of such series then outstanding) the number of shares of any series subsequent to the issue of that series.

3. COMMON STOCK

Subject to the voting rights and other rights, preferences and privileges above provided in this Article V with respect to the Preferred Stock and the Preference Stock, and except as otherwise provided by law, shares of Common Stock and/or the holders thereof shall have full voting rights and powers for the election of directors and for all other purposes, voting together as a single class, and shall be entitled to receive dividends as and when they are declared by the Board of Directors. Upon liquidation, distribution or winding up of the

corporation, the assets of the corporation available for distribution to the holders of the Common Stock shall be distributed ratably among the holders of all shares of the Common Stock at the time outstanding. The Common Stock shall have no conversion, subscription or preemptive rights, nor shall it be subject to redemption, call or assessment.

V-A

1. SUPERMAJORITY OF SHARES REQUIRED TO APPROVE CERTAIN TRANSACTIONS

The affirmative vote of the holders of not fewer than 85 percent of the outstanding shares of "Voting Stock" (as hereinafter defined) of this corporation shall be required for the approval or authorization of any "Business Combination" (as hereinafter defined) of this corporation with any "Dominant Stockholder" (as hereinafter defined); provided, however, that the 85 percent voting requirement shall not be applicable if any of the following shall occur:

- (a) The Board of Directors of this corporation, by the affirmative vote of not fewer than 65 percent of the members thereof, expressly approves in advance the acquisition of the outstanding shares of Voting Stock that caused such Dominant Stockholder to become a Dominant Stockholder; or
- (b) The Board of Directors of this corporation, by the affirmative vote of not fewer than 65 percent of the members thereof, expressly approves such Business Combination in advance of such Dominant Stockholder becoming a Dominant Stockholder; or
- (c) The Board of Directors of this corporation, by the affirmative vote of not fewer than 85 percent of the members thereof, approves such Business Combination subsequent to such Dominant Stockholder becoming a Dominant Stockholder; or
- (d) The Board of Directors of this corporation, by the affirmative vote of not fewer than 85 percent of the members thereof, shall determine that the cash or fair market value of

the property, securities or other consideration to be received per share by holders of Voting Stock of this corporation (which shall include, without limitation, all Voting Stock of this corporation retained by them) in the Business Combination is not less than the “Highest Per Share Price” or the “Highest Equivalent Per Share Price” (as these terms are hereinafter defined) paid by the Dominant Stockholder in acquiring any of its holdings of this corporation’s Voting Stock.

2. DEFINITIONS

For the purposes of this Article V-A;

(a) Business Combination. The term “Business Combination” shall include, without limitation, (i) any merger or consolidation of this corporation with or into any Dominant Stockholder or any entity controlled by or under common control with a Dominant Stockholder, (ii) any merger or consolidation of a Dominant Stockholder with or into this corporation or any entity controlled by or under common control with this corporation, (iii) any sale, lease, exchange, transfer or other disposition of all or substantially all of the property and assets of this corporation to a Dominant Stockholder, or any entity controlled by or under common control with a Dominant Stockholder, (iv) any purchase, lease, exchange, transfer or other acquisition by this corporation of all or substantially all of the property and assets of a Dominant Stockholder, or any entity controlled by or under common control with a Dominant Stockholder, (v) any recapitalization of this corporation that would have the effect of increasing the voting power of a Dominant Stockholder, and (vi) any agreement, contract or other arrangement providing for any of the transactions described in this definition of Business Combination.

(b) Dominant Stockholder. The term “Dominant Stockholder” shall mean and include any individual, corporation, partnership or other person or entity which, together with its “Affiliates” and “Associates,” “Beneficially Owns” (as these terms are hereinafter defined) in the aggregate 10 percent or more of the outstanding Voting Stock of this corporation, and any Affiliate or Associate of any such individual, corporation, partnership or other person or entity.

A Dominant Stockholder shall be deemed to have acquired a share of Voting Stock of this corporation at the time when such Dominant Stockholder became the Beneficial Owner thereof. Without limitation, any share of Voting Stock of this corporation that any Dominant Stockholder has the right to acquire at any time pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise, shall be deemed to be Beneficially Owned by the Dominant Stockholder and to be outstanding for purposes of this subparagraph (b).

(c) Affiliate. An “affiliate” of, or a person “affiliated” with, a specified person such as a Dominant Stockholder, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified.

(d) Associate. The term “associate,” used to indicate a relationship with any person such as a Dominant Stockholder, means (i) any corporation or organization of which such person is an officer or partner or is, directly or indirectly, the beneficial owner of 10 percent or more of any class of equity securities, (ii) any trust or other estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity, and (iii) any relative or spouse of such person, or any relative of such spouse, who has the same home as such person or who is a director or officer of such person or any of its parents or subsidiaries.

(e) Beneficially Owns or Beneficial Owner. A “beneficial owner” of, or one who “beneficially owns,” a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, (i) has the right to acquire

such security through the exercise of any option, warrant or right or through the conversion of another security into such security, or (ii) has or shares voting power which includes the power to vote, or to direct the voting of, such security, and/or (iii) has or shares investment power which includes the power to dispose of, or to direct the disposition of, such security.

(f) Voting Stock. The term "Voting Stock" shall mean all of the outstanding shares of Common Stock (together, solely for the purpose of identifying a Dominant Stockholder, with certain authorized but unissued shares that a Dominant Stockholder is deemed to Beneficially Own), and each reference to a proportion of shares of Voting Stock shall refer to such proportion of the votes entitled to be cast by such shares.

(g) Highest Per Share Price and Highest Equivalent Per Share Price. The terms "Highest Per Share Price" and "Highest Equivalent Per Share Price" as used in this Article V-A shall mean the following:

The Highest Per Share Price shall mean the highest price that can be determined to have been paid at any time by the Dominant Stockholder for any share of Voting Stock. If there are any securities of this corporation outstanding ("related securities" herein) that entitle the holder thereof to purchase, or that are convertible into, Voting Stock, the Highest Equivalent Per Share Price shall mean, with respect to each type, class and/or series of related securities, the amount in each case determined by the affirmative vote of not fewer than 85 percent of the members of the Board of Directors, on whatever basis they believe in good faith to be appropriate, to be the highest per share price equivalent of the highest price that can be determined to have been paid at any time by the Dominant Stockholder for any such related securities. In determining the Highest Per Share Price and Highest Equivalent Per Share Price, all purchases of Voting Stock and related securities of this corporation by the Dominant Stockholder shall be taken into account regardless of whether they occurred before or after the Dominant Stockholder became a Dominant Stockholder. With respect to

shares of Voting Stock owned by Affiliates, Associates or other persons whose ownership is attributed to a Dominant Stockholder, if the price paid by such Dominant Stockholder for such shares is not determined by the affirmative vote of not fewer than 85 percent of the members of the Board of Directors, the price so paid shall be deemed to be the higher of (i) the price paid upon the acquisition thereof by the Affiliate, Associate or other person or (ii) the market price of the shares in question at the time when the Dominant Stockholder became the Beneficial Owner thereof. The Highest Per Share Price and the Highest Equivalent Per Share Price shall include any brokerage commissions, transfer taxes and soliciting dealers' fees or other value paid by the Dominant Stockholder with respect to all Voting Stock and related securities acquired by the Dominant Stockholder.

3. SUPERMAJORITY OF SHARES REQUIRED TO AMEND OR REPEAL THIS ARTICLE

The provisions set forth in this Article V-A may not be amended, altered, changed or repealed in any respect unless approved by the affirmative vote of the holders of not fewer than 65 percent of the outstanding shares of Voting Stock (as defined in this Article V-A) at a meeting of the shareholders duly called and unless the consideration of any such amendment, alteration, change or repeal shall have been included as an agenda item in the notice of such meeting; provided, however, that if there is a Dominant Stockholder (as defined in this Article V-A) on the record date for determining the holders of Voting Stock entitled to vote at such meeting, any such amendment, alteration, change or repeal must be approved by the affirmative vote of the holders of not fewer than 85 percent of the outstanding shares of Voting Stock of this corporation.

VI.

The directors of this corporation need not be shareholders.

VII.

1. The liability of directors of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California Law.

2. The corporation is authorized to provide indemnification of agents (as defined in Section 317 of the California Corporations Code) through bylaw provisions, agreements with agents, vote of shareholders or disinterested directors or otherwise, in excess of the indemnification otherwise permitted by Section 317 of the California Corporations Code, subject only to the applicable limits set forth in Section 204 of the California Corporations Code with respect to actions for breach of duty to the corporation and its shareholders.

3. The corporation is authorized to purchase and maintain insurance from any insurance company, whether or not the shares of such insurance company are wholly or partially owned by the corporation, on behalf of agents (as defined in Section 317 of the California Corporations Code) against liability asserted against or incurred by the agent in such capacity or arising out of the agent's status, in excess of the indemnification otherwise permitted by Section 317 of the California Corporations Code, subject only to the applicable limits set forth in Section 204 of the California Corporations Code.

For the purpose of forming the corporation under the laws of the State of California, the undersigned sole incorporator has executed these Articles of Incorporation.

Dated: September 1, 2016

/s/ Joshua Westerman

Joshua Westerman

Incorporator

SOUTHWEST GAS HOLDINGS, INC.

BYLAWS

As of December 16, 2016

**BYLAWS
OF
SOUTHWEST GAS HOLDINGS, INC.**

ARTICLE I

OFFICES

Section 1. Principal Office

The principal office for the transaction of the business of the Corporation is hereby fixed and located at 5241 Spring Mountain Road, in the City of Las Vegas, County of Clark, State of Nevada.

Section 2. Other Offices

Branch or subordinate offices may at any time be established by the Board of Directors at any place or places where the Corporation is qualified to do business.

Section 3. Terminology

All personal pronouns used herein are employed in a generic sense and are intended and deemed to be neutral in gender.

ARTICLE II

MEETING OF SHAREHOLDERS

Section 1. Regular Meeting

Commencing in May 2017, the regular annual meeting of shareholders shall be held at the principal office of the Corporation, or at such other place within or without the State of California as the officers of the Corporation may deem convenient and appropriate, at 10:00 a.m. on the first Thursday after the third day of May of each year, if not a legal holiday, and if a legal holiday, then at 10:00 a.m. on the next succeeding business day, for the purpose of electing a Board of Directors and transacting such other business as properly may come before the meeting; provided, however, that the Board of Directors may, by resolution, establish a different date not more than 120 days thereafter if, in its sole discretion, it deems such postponement appropriate.

Section 2. Special Meetings

Except in those instances where a particular manner of calling a meeting of the shareholders is prescribed by law or elsewhere in these Bylaws, a special meeting of the shareholders may be called at any time by the Chief Executive Officer or other officers acting for him or by the Board of Directors, or by the holders of not less than one-third of the voting shares then issued and outstanding. Each call for a special meeting of the shareholders shall state the time, place, and the purpose of such meeting; if made by the Board of Directors, it shall be by resolution duly adopted by a majority vote and entered in the minutes; if made by an authorized officer or by the shareholders, it shall be in writing and signed by the person or persons making the same, and unless the office of Secretary be vacant, delivered to the Secretary. No business shall be transacted at a special meeting other than as is stated in the call and the notice based thereon.

Section 3. Notice of Regular and Special Meetings of the Shareholders

Notice of each regular and special meeting of the shareholders of the Corporation shall be given by mailing to each shareholder a notice of the time, place, and purpose of such meeting addressed to him at his address as it appears upon the books of the Corporation. Each such notice shall be deposited in the United States Mail with the postage thereon prepaid at least ten days prior to the time fixed for such meeting. If the address of any such shareholder does not appear on the books of the Corporation and his post office address is unknown to the person mailing such notices, the notice shall be addressed to him at the principal office of the Corporation.

Without limiting the manner by which notice otherwise may be given effectively to shareholders, any notice to shareholders given by the Corporation shall also be effective if given by a form of electronic transmission consented to by the shareholder to whom the notice is given. Any such consent shall be revocable by the shareholder by written notice to the Corporation. Any such consent shall be deemed revoked if (i) the Corporation is unable to deliver by electronic transmission two consecutive notices given by the Corporation in accordance with such consent, and (ii) such inability becomes known to the Secretary or an Assistant Secretary of the Corporation or to the transfer agent or other person responsible for the giving of notice; provided, however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action. An affidavit of the Secretary or an Assistant Secretary or of the transfer agent or other agent of the Corporation that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein. purposes of this Section 3, "electronic transmission" means a communication (i) delivered by (1) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that shareholder on record with the Corporation, (2) posting on an electronic message board or network which the Corporation has designated for those communications, together with a separate notice to the recipient of the posting, which transmission shall be validly delivered upon the later of the posting or delivery of the separate notice thereof, or (3) other means of electronic communication, (ii) to a shareholder who has provided an unrevoked consent to the use of those means of transmission for such communications and (iii) that creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form. In addition, the consent to an electronic transmission by the Corporation to an individual shareholder shall be preceded by or include a clear written statement to the shareholder as to: (a) any right of the recipient to have the record provided or made available on paper or in non-electronic form; (b) whether the consent applies only to that transmission, to specified categories of communications, or to all communications from the Corporation; and (c) the procedures the recipient must use to withdraw consent.

Section 4. Quorum

At any meeting of the shareholders, the presence in person or by proxy of the holders of a majority of the shares entitled to vote at any meeting shall constitute a quorum for the transaction of business, except when it is otherwise provided by law. Any regular or special meeting of the shareholders, whether or not a quorum is present, may be adjourned from day to day or from time to time by the chairman of the meeting or by the vote of the holders of a majority of the shares entitled to vote at said meeting. Such adjournment and the reasons therefor shall be recorded in the minutes of the proceedings.

Section 5. Waiver of Notice

When all the shareholders of the Corporation are present at any meeting, or when the shareholders not represented thereat give their written consent to the holding thereof at the time and place the meeting is held, and such written consent is made a part of the records of such meeting, the proceedings had at such meeting are valid, irrespective of the manner in which the meeting is called or the place where it is held.

Section 6. Proper Business for Shareholder Meetings

1. At a meeting of the shareholders, only such business shall be proper as shall be brought before the meeting: (i) pursuant to the Corporation's notice of meeting; (ii) by or at the direction of the Board of Directors of the Corporation; or (iii) by any shareholder of the Corporation who is a shareholder of record at the time of giving the notice provided for herein, who shall be entitled to vote at such meeting and who complies with the notice procedures set forth herein.

2. For business to be properly brought before a meeting by a shareholder pursuant to clause (iii) above, the shareholder must have given timely notice thereof in writing to the Secretary. To be timely as to an annual meeting of shareholders, a shareholder's notice must be received at the principal executive office of the Corporation not less than 120 calendar days before the date of the Corporation's proxy statement released to shareholders in connection with the previous year's annual meeting; provided however, that if the date of the meeting is changed by more than 30 days from the date of the previous year's meeting, notice by shareholder to be timely must be received no later than the close of business on the 10th day following the earlier of the day on which notice of the date of the meeting was mailed to shareholders or public disclosure of such date was made. To be timely as to a special meeting of shareholders, a shareholder notice must be received not later than the call of the meeting as provided for in Section 2 of this Article II. Such shareholder notice (whether for an annual meeting or a special meeting) shall set forth as to each matter the shareholder proposes to bring before the meeting: (a) a brief description of and the reasons for proposing such matter at the meeting; (b) the name and address, as they appear on the Corporation's books, and the name and address of the beneficial owner, if any, on whose behalf the proposal is made; (c) the class and number of shares of the Corporation which are owned beneficially and of record by such shareholder of record and by the beneficial owner, if any, on whose behalf the proposal is made; (d) any material interest of such shareholder of record and the beneficial owner, if any, on whose behalf the proposal is made, in such proposal, (e) as to the shareholder giving the notice and any Shareholder Associated

Person (as defined below) or any member of such shareholder's immediate family sharing the same household, whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of, or any other agreement, arrangement, or understanding (including, but not limited to, any short position or any borrowing or lending of shares of stock) has been made, the effect or intent of which is to mitigate loss or increase profit to or manage the risk or benefit of stock price changes for, or to increase or decrease the voting power of, such shareholder, such Shareholder Associated Person, or family member with respect to any share of stock of the Corporation (each, a "Relevant Hedge Transaction"), and (f) as to the shareholder giving the notice and any Shareholder Associated Person or any member of such shareholder's immediate family sharing the same household, to the extent not set forth pursuant to the immediately preceding clause, (1) whether and the extent to which such shareholder, Shareholder Associated Person, or family member has direct or indirect beneficial ownership of any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation, whether or not such instrument or right shall be subject to settlement in the underlying class or series of capital stock of the Corporation or otherwise, or any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation (a "Derivative Instrument"), (2) any rights to dividends on the shares of the Corporation owned beneficially by such shareholder, Shareholder Associated Person, or family member that are separated or separable from the underlying shares of the Corporation, (3) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such shareholder, Shareholder Associated Person, or family member is a general partner or, directly or indirectly, beneficially owns an interest in a general partner, and (4) any performance-related fees (other than an asset-based fee) that such shareholder, Shareholder Associated Person, or family member is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, as of the date of such notice (which information shall be supplemented by such shareholder and beneficial owner, if any, not later than 10 days after the record date for the meeting to disclose such ownership as of the record date).

With respect to shareholder proposals relating to director nominations, in addition to the information above, the shareholder's notice shall set forth as to each person whom the shareholder proposes to nominate for election or re-election as a director, (i) the name, age, business address, and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class and number of shares of the Corporation which are beneficially owned by the person, and (iv) any other information relating to the person that is required to be disclosed in solicitations for proxies for election of directors pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended.

For purposes of this Section 6 "Shareholder Associated Person" of any shareholder shall mean (i) any person controlling or controlled by, directly or indirectly, or acting in concert with, such shareholder, (ii) any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such shareholder, and (iii) any person controlling, controlled by, or under common control with such Shareholder Associated Person.

Notwithstanding anything in these Bylaws to the contrary, no business shall be proper at a meeting unless brought before it in accordance with the procedures set forth herein. Further, a shareholder shall also comply with all applicable requirements of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder with respect to the matters set forth herein.

The Chairman of the Board of Directors of the Corporation or the individual designated as chairman of the meeting shall, if the facts warrant, determine, and declare to the meeting that business was not properly brought before the meeting and in accordance with the procedures proscribed herein, and if the chairman should so determine, that any such business not properly brought before the meeting shall not be transacted.

Notwithstanding anything provided herein to the contrary, the procedures for submission of shareholder proposals have not expanded, altered, or affected in any manner, whatever rights or limitations may exist regarding the ability of a shareholder of the Corporation to submit to a proposal for consideration by shareholders of the Corporation under California or federal law.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Number – Quorum

The business of the Corporation shall be managed by a Board of Directors, whose number shall be not fewer than nine (9) nor greater than thirteen (13), as the Board of Directors by resolution or the shareholders by amendment of these Bylaws may

establish, provided, however, that a reduction in the authorized number of directors shall not remove any director prior to the expiration of his term of office, and provided further that the shareholders may, pursuant to law, establish a different and definite number of directors or different maximum and minimum numbers of directors by amendment of the Articles of Incorporation or by a duly adopted amendment to these Bylaws. A majority of the prescribed number of directors shall be necessary to constitute a quorum for the transaction of business. At a meeting at which a quorum is present, every decision or act of a majority of the directors present made or done when duly assembled shall be valid as the act of the Board of Directors, provided that a minority of the directors, in the absence of a quorum, may adjourn from day to day but may transact no business.

Section 2. Exact Number of Directors

The number of Directors of the Corporation shall be fixed from time to time, within the range set forth in Section 1 of this Article III, by resolution of the Board or otherwise pursuant to the provisions of Section 1 of this Article III.

Section 3. Director Nominating Procedure

1. Except for the filling of vacancies, as provided for in Section 6 of this Article III, only persons who are nominated in accordance with the procedures set forth herein shall be qualified to serve as directors. Nominations of persons for election to the Board may be made at a meeting of shareholders: (a) by or at the direction of the Board or (b) by any shareholder of the Corporation who is a shareholder of record at the time of giving of notice provided for in this Bylaw, who shall be entitled to vote for the election of directors at the meeting and who complies with the notice procedures set forth in this Bylaw.

2. Nominations by shareholders shall be made pursuant to timely notice in writing to the Secretary. To be timely as to an annual meeting, a shareholder's notice must be received at the principal executive offices of the Corporation not less than 120 days before the date of the Corporation's proxy statement released to shareholders in connection with the prior year's annual meeting; provided, however, that if the date of the meeting is changed by more than 30 days from the date of the previous year's meeting, notice by the shareholder to be timely must be so received not later than the close of business on the 10th day following the earlier of the day on which notice of the date of the meeting was mailed to shareholders or public disclosure of such date was made. To be timely as to a special meeting at which directors are to be elected, a shareholder's notice must be received not later than the close of business on the 10th day following the earlier of the day on which notice of the date of the meeting was mailed to shareholders or public disclosure of such date was made. Such shareholder's notice shall set forth: (a) as to each person whom the shareholder proposes to nominate for election or reelection as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); (b)

as to the shareholder giving the notice, (i) the name and address, as they appear on the Corporation's books, of such shareholder and (ii) the class and number of shares of the Corporation which are beneficially owned by such shareholder and also which are owned of record by such shareholder; and (c) as to the beneficial owner, if any, on whose behalf the nomination is made, (i) the name and address of such person and (ii) the class and number of shares of the Corporation which are beneficially owned by such person. At the request of the Board, any person nominated by the Board for election as a director shall furnish to the Secretary that information required to be set forth in the shareholder's notice of nomination which pertains to the nominee.

3. Except for the filling of vacancies, as provided for in Section 6 of this Article III, no person shall be qualified to serve as a director of the Corporation unless nominated in accordance with the procedures set forth in this Bylaw. The Chairman of the Board of Directors of the Corporation or the individual designated as chairman of the meeting shall, if the facts warrant, determine, and declare to the meeting that a nomination was not made in accordance with the procedures prescribed by these Bylaws, and if the chairman should so determine, that the defective nomination shall be disregarded. Notwithstanding the foregoing provisions of this Bylaw, a shareholder shall also comply with all applicable requirements of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder with respect to the matters set forth in this Bylaw.

Section 4. Qualification of Directors

The majority of directors of the Board of Directors shall not be officers or employees of the Corporation or any of its subsidiaries and shall not have held such positions at any time during the three years prior to election or selection to the Board of Directors. Whether an individual, who is an officer or employee of the Corporation or any of its subsidiaries, satisfies this qualification requirement will be determined at the time of his or her election or selection.

Section 5. Election and Term of Office

The directors shall be elected at each annual meeting of shareholders, but if any such annual meeting is not held, or the directors are not elected thereat, the directors may be elected at any special meeting of shareholders held for that purpose. All directors shall hold office until their respective successors are elected and qualified.

Section 6. Vacancies

Vacancies on the Board of Directors may be filled by a majority of the remaining directors, though they be less than a quorum, and each director so elected shall hold office until his successor is qualified following the election at the next annual meeting of the shareholders or at any special meeting of shareholders duly called for that purpose prior to such annual meeting. A vacancy shall be deemed to exist in case the shareholders (or the Board of Directors, within the provisions of Section 1 of this Article III) shall increase the authorized number of directors, but shall fail, for a period of thirty days from the effective date of such increase, to elect the additional directors so provided for, or in case the shareholders fail at any time to elect the full number of authorized directors. When one or more of the directors shall give notice to the Board of Directors of his or their resignation from said Board, effective at a future date, the Board of Directors shall have the power to fill such vacancy or vacancies to take effect when such resignation or resignations become effective. Each director so appointed shall hold office during the remainder of the term of office of the resigning director or directors or until their successors are appointed and qualify.

Section 7. First Meeting of Directors

Immediately following each annual meeting of shareholders, the Board of Directors shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Notice of such meeting is hereby dispensed with.

Section 8. Regular Meetings

Commencing in January 2017, the time for other regular meetings of the Board of Directors, when held, shall be 8:00 a.m. on the third Tuesday of January, September, and November, the first Tuesday of March, the first Wednesday of May, and fourth Tuesday of July, unless a different schedule is established by a resolution of the Board. If any regular meeting date shall fall on a legal holiday, then the regular meeting date shall be the business day next following.

Section 9. Special Meetings

A special meeting of the Board of Directors shall be held whenever called by the Chief Executive Officer or other officer acting for him, or by three directors. Any and all business may be transacted at a special meeting. Each call for a special meeting shall be in writing, signed by the person or persons making the same, addressed and delivered to the Secretary, and shall state the time and place of such meeting.

Section 10. Notice of Regular and Special Meetings of the Directors

No notice shall be required to be given of any regular meeting of the Board of Directors, but each director shall take notice thereof. Notice of each special meeting of the Board of Directors shall be given to each of the directors by: (i) mailing to each of them a copy of such notice at least five days; or (ii) delivering personally or by telephone, including voice messaging system or other system or technology designed to record and communicate messages, telegraph, facsimile, electronic mail, or other electronic means such notice at least 48 hours, prior to the time affixed for such meeting to the address of such director as shown on the books of the Corporation. If his address does not appear on the books of the Corporation, then such notice shall be addressed to him at the principal office of the Corporation.

Section 11. Waiver of Notice

When all the directors of the Corporation are present at any meeting of the Board of Directors, however called or noticed, and sign a written consent thereto on the record of such meeting, or if the majority of the directors are present, and if those not present sign in writing a waiver of notice of such meeting, whether prior to or after the holding of such meeting, which waiver shall be filed with the Secretary of the Corporation, the transactions of such meeting are as valid as if had at a meeting regularly called and noticed.

Section 12. Action by Unanimous Consent of Directors

Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with

the minutes of the proceedings of the Board, and such action by written consent shall have the same force and effect as if approved or taken at a regular meeting duly held. Any certificate or other document which relates to action so taken shall state that the action was taken by unanimous written consent of the Board of Directors without a meeting, and that these Bylaws authorize the directors to so act.

Section 13. Telephonic Participation in Meetings

Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

ARTICLE IV

POWERS OF DIRECTORS

Section 1. The directors shall have power:

1. To call special meetings of the shareholders when they deem it necessary, and they shall call a meeting at any time upon the written request of shareholders holding one-third of all the voting shares;
2. To appoint and remove at pleasure all officers and agents of the Corporation, prescribe their duties, fix their compensation, and require from them as necessary security for faithful service;
3. To create and appoint committees, offices, officers, and agents of the Corporation, and to prescribe and from time to time change their duties and compensation, but no committee shall be created and no member appointed thereto except upon approval of a majority of the whole Board of Directors; and
4. To conduct, manage, and control the affairs and business of the Corporation and to make rules and regulations not inconsistent with the laws of the State of California, or the Bylaws of the Corporation, for the guidance of the officers and management of the affairs of the Corporation.

ARTICLE V

DUTIES OF DIRECTORS

Section 1. It shall be the duty of the directors:

1. To cause to be kept a complete record of all their minutes and acts, and of the proceedings of the shareholders, and present a full statement at the regular annual meeting of the shareholders, showing in detail the assets and liabilities of the Corporation, and generally the condition of its affairs. A similar statement shall be presented at any other meeting of the shareholders when theretofore required by persons holding at least one-half of the voting shares of the Corporation;
2. To declare dividends out of the profits arising from the conduct of the business, whenever such profits shall, in the opinion of the directors, warrant the same;
3. To oversee the actions of all officers and agents of the Corporation, see that their duties are properly performed; and
4. To cause to be issued to the shareholders, in proportion to their several interests, certificates of stock.

ARTICLE VI

OFFICERS

Section 1. The officers shall include a Chairman of the Board of Directors, a Chief Executive Officer, who may be designated Chairman, a President, a Secretary, a Treasurer, a Controller, and may include one or more Executive Vice Presidents, Senior Vice Presidents, Vice Presidents, Assistant Vice Presidents, Assistant Secretaries, and Assistant Treasurers. All such officers shall be elected by and hold office at the pleasure of the Board of Directors, provided that the Chief Executive Officer shall have

authority to dismiss any other officer. Any director shall be eligible to be the Chairman of the Board of Directors and any two or more of such offices may be held by the same person, except that the Chief Executive Officer or President may not also hold the office of Secretary. Any officer may exercise any of the powers of any other officer in the manner specified in these Bylaws, as specified from time to time by the Board of Directors, and/or as specified from time to time by the Chief Executive Officer or senior officer acting in his or her absence or incapacity, and any such acting officer shall perform such duties as may be assigned to him or her.

ARTICLE VII

FEES AND COMPENSATION

Section 1. Directors shall be reimbursed for their expenses, and shall be compensated for their services as directors in such amounts as the Board may fix by resolution. Nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity as an officer, agent, employee, or otherwise, and receiving compensation therefor.

ARTICLE VIII

INDEMNIFICATION

Section 1. Indemnification of Directors and Officers

Each person who was or is a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, formal or informal, whether brought in the name of the Corporation or otherwise and whether of a civil, criminal, administrative, or investigative nature (hereinafter a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another Corporation or of a partnership, joint venture, trust, or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is an alleged action or inaction in an official capacity, or in any other capacity while serving as a director or officer, shall, subject to the terms of any agreement between the Corporation and such person, be indemnified and held harmless by the Corporation to the fullest extent permissible under California law and the Corporation's Articles of Incorporation, against all costs, charges, expenses, liabilities, and losses (including attorneys' fees, judgments, fines, ERISA excise tax or penalties, and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of his or her heirs, executors, and administrators; provided, however, that: (a) the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of the Corporation, (b) the Corporation shall indemnify such person seeking indemnification in connection with a proceeding (or part thereof) other than a proceeding by or in the name of the Corporation to procure a judgment in its favor only if any settlement of such a proceeding is approved in writing by the Corporation, and (c) that no such person shall be indemnified (i) on account of any suit in which judgment is rendered against such person for an accounting of profits made from the purchase or sale by such person of securities of the Corporation pursuant to the provisions of Section 16(b) of the Securities Exchange Act of 1934 and amendments thereto or similar provisions of any federal, state, or local statutory law; (ii) if a court of competent jurisdiction finally determines that any indemnification hereunder is unlawful; (iii) for acts or omissions involving intentional misconduct or knowing and culpable violation of law; (iv) for acts or omissions that the director or officer believes to be contrary to the best interests of the Corporation or its shareholders or that involve the absence of good faith on the part of the director or officer; (v) for any transaction for which the director or officer derived an improper personal benefit; (vi) for acts or omissions that show a reckless disregard for the director's or officer's duty to the Corporation or its shareholders in circumstances in which the director or officer 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 Corporation or its shareholders; (vii) for acts or omissions that constitute an unexcused pattern of inattention that amounts to an abdication of the director's or officer's duties to the Corporation or its shareholders; (viii) for costs, charges, expenses, liabilities, and losses arising under Section 310 or 316 of the California General Corporation Law (the "General Corporation Law"); and (ix) as to circumstances in which indemnity is expressly prohibited by Section 317 of the General Corporation Law. The right to indemnification conferred in this Article shall be a contract right and shall include the right to be paid by the Corporation expenses incurred in defending any proceeding in advance of its final disposition; provided, however, that if the General Corporation Law requires the payment of such expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, such advances shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts to the Corporation if it shall be ultimately determined that such person is not entitled to be indemnified.

Section 2. Indemnification of Employees and Agents

A person who was or is a party or is threatened to be made a party to or is involved in any proceedings by reason of the fact that he or she is or was an employee or agent of the Corporation or is or was serving at the request of the Corporation as an employee or agent of another enterprise, including service with respect to employee benefit plans, whether the basis of such action is an alleged action or inaction in an official capacity or in any other capacity while serving as an employee or agent, may, subject to the terms of any agreement between the Corporation and such person, be indemnified and held harmless by the Corporation to the fullest extent permitted by California law and the Corporation's Articles of Incorporation, against all costs, charges, expenses, liabilities, losses (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties, and amounts paid or to be paid in settlement), reasonably incurred or suffered by such person in connection therewith. The immediately preceding sentence is not intended to be and shall not be considered to confer a contract right on any employee or agent (other than directors and officers) of the Corporation.

Section 3. Right of Directors and Officers to Bring Suit

If a claim under Section 1 of this Article is not paid in full by the Corporation within 30 days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall also be entitled to be paid the expense of prosecuting such claim. Neither the failure of the Corporation (including its Board, independent legal counsel, or its shareholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is permissible in the circumstances because he or she has met the applicable standard of conduct, if any, nor an actual determination by the Corporation (including its Board, independent legal counsel, or its shareholders) that the claimant has not met the applicable standard of conduct, shall be a defense to the action or create a presumption for the purpose of an action that the claimant has not met the applicable standard of conduct.

Section 4. Successful Defense

Notwithstanding any other provision of this Article, to the extent that a director or officer has been successful on the merits or otherwise (including the dismissal of an action without prejudice or the settlement of a proceeding or action without admission of liability) in defense of any proceeding referred to in Section 1 or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred in connection therewith.

Section 5. Non-Exclusivity of Rights

The right to indemnification provided by this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, bylaw, agreement, vote of shareholders, disinterested directors, or otherwise.

Section 6. Insurance

The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee, or agent of the Corporation or another Corporation, partnership, joint venture, trust, or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability, or loss under the General Corporation Law.

Section 7. Expenses as a Witness

To the extent that any director, officer, employee, or agent of the Corporation is by reason of such position, or a position with another entity at the request of the Corporation, a witness in any action, suit, or proceeding, he or she shall be indemnified against all costs and expenses actually and reasonably incurred by him or her on his or her behalf in connection therewith.

Section 8. Indemnity Agreements

The Corporation may enter into agreements with any director, officer, employee, or agent of the Corporation providing for indemnification to the fullest extent permissible under the General Corporation Law and the Corporation's Articles of Incorporation.

Section 9. Separability

Each and every paragraph, sentence, term, and provision of this Article is separate and distinct so that if any paragraph, sentence, term, or provision hereof shall be held to be invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect the validity or unenforceability of any other paragraph, sentence, term, or provision hereof. To the extent required, any paragraph, sentence, term, or provision of this Article may be modified by a court of competent jurisdiction to preserve its validity and to provide the claimant with, subject to the limitations set forth in this Article and any agreement between the Corporation and claimant, the broadest possible indemnification permitted under applicable law.

Section 10. Effect of Repeal or Modification

Any repeal or modification of this Article shall not adversely affect any right of indemnification of a director or officer existing at the time of such repeal or modification with respect to any action or omission occurring prior to such repeal or modification.

ARTICLE IX

CHAIRMAN OF THE BOARD

Section 1. If there shall be a Chairman of the Board of Directors, he shall, when present, preside at all meetings of the shareholders and the Board of Directors, and perform such other duties as the Bylaws or the Board of Directors shall require of him.

ARTICLE X

CHIEF EXECUTIVE OFFICER; OTHER EXECUTIVE OFFICERS

Section 1. The Board of Directors shall, at their first regular meeting, elect such officers as are required by Article VI hereof and such additional officers authorized by Article VI hereof as the Board, in its discretion, may choose to elect. If at any time the Chief Executive Officer shall be unable to act, the President (if there shall be one who is not also the Chief Executive Officer) shall act in his place and perform his duties; if the President or next most senior officer is unable to perform such duties, then the vice presidents, in such sequence as the Board of Directors may specify, shall act. If all the foregoing shall be unable to act, the senior officer among them shall appoint some other person in whom shall be vested, for the time being, all the duties and functions of Chief Executive Officer, to act until the Board of Directors can be convened and elect appropriate officers. The Chief Executive Officer (or person acting as such) shall:

1. Preside (if there shall be no Chairman of the Board of Directors or in his absence) over all meetings of the shareholders and directors;
2. Sign on behalf of the Corporation contracts and other instruments in writing within the scope of his authority or if, when, and as directed to do so by the Board of Directors, but nothing herein shall limit the power of the Board of Directors to authorize such contracts and other instruments in writing to be signed by any other officer or person or limit the power of the Chief Executive Officer to delegate his authority in any such matter to another officer or other officers of the Corporation. The Chief Executive Officer or any other officer specified by the Board of Directors may sign certificates of stock as provided in Article XIII hereof;
3. Delegate duties and responsibilities to any other officers and/or employees of the Corporation in any manner not prohibited by these Bylaws or by the Board of Directors, and change such duties and responsibilities so delegated from time to time at will;
4. Call the directors together when he deems it necessary, and have, subject to the advice of the directors, direction of the affairs of the Corporation; and
5. Generally discharge such other duties as may be required of him by the Bylaws of the Corporation.

ARTICLE XI

SECRETARY

Section 1. The Board of Directors shall elect a Secretary:

1. It shall be the duty of the Secretary to keep a record of proceedings of the Board of Directors and of the shareholders, and to keep the corporate seal of the Corporation. He shall be responsible for maintaining proper records showing the number of shares of stock of all classes and series issued and transferred by any shareholder, and the dates of such issuance and transfer;
2. Whenever it is provided in these Bylaws that notice shall be given either of regular or special meetings of the shareholders, regular or special meetings of the directors, or otherwise, such notice shall be given by the Secretary or by the Chief Executive Officer or by any person designated by either of them, or by any authorized person who shall have signed the call for such meeting. Any notice which the Secretary may give or serve, or act required to be done by him, may with like effect be given or served or done by or under the direction of an Assistant Secretary;
3. The Secretary shall discharge such other duties as pertain to his office or which may be prescribed by the Board of Directors.

ARTICLE XII

TREASURER

Section 1. The Treasurer shall receive and keep all the funds of the Corporation and pay them out only on checks or otherwise, as directed by the Board of Directors; provided, however, that the Board of Directors may provide for a depository of the funds of the Corporation, and may by resolution prescribe the manner in which said funds shall be drawn from said depository.

ARTICLE XIII

CERTIFICATES OF STOCK

Section 1. Certificates of stock shall be of such form and device as the Board of Directors may lawfully direct, and shall be entitled to have a certificate signed by the genuine or facsimile signatures of the Chairman and Chief Executive Officer or the President or any authorized Vice President and the Secretary or an Assistant Secretary. Each certificate shall express on its face its number, date of issuance, the number of shares for which and the person to whom it is issued, the kind of shares represented by said certificate, and such other matters as may be required by law. Certificates of stock may be issued prior to full payment, in harmony with all permits issued by regulatory authorities having jurisdiction in the premises, or as is otherwise allowed by law, but any certificate issued prior to full payment must show on its face what amount has been paid thereon.

ARTICLE XIV

TRANSFER OF STOCK

Section 1. Shares of stock of the Corporation may be transferred at any time by the holders, or by power of attorney, or by their legal representative, by endorsement on the certificate of stock, but no transfer is valid until the surrender of the endorsed certificate. Surrendered certificate shall be delivered up for cancellation before a new one is issued in lieu thereof, and the Secretary shall preserve the certificate so canceled or a suitable record thereof. If, however, a certificate is lost or destroyed, the Board of Directors may order a new certificate issued as is by law required or permitted.

ARTICLE XV

VOTING

Section 1. At all corporate meetings, each shareholder, either in person or by proxy, shall be entitled to as many votes as he owns shares of stock; however, every shareholder entitled to vote at any election for directors shall have the right to cumulate his votes.

Section 2. Proxies

Every person entitled to vote or execute consents shall have the right to do so either in person or by one or more agents authorized by a written proxy executed by such person or his duly authorized agent and filed with the Secretary of the Corporation; provided that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution, unless the person executing it specifies therein the length of time for which such proxy is to continue in force, which in no case shall exceed seven (7) years from the date of its execution.

ARTICLE XVI

INDEBTEDNESS

Section 1. The Board of Directors shall have power to incur indebtedness, and the terms and amount thereof shall be entered in the minutes. The Board of Directors shall have the power to secure said indebtedness, or any obligation or obligations of the Corporation, by pledge, mortgage, deed of trust, or other security given upon any property owned by it or in which it has any interest.

ARTICLE XVII

REGISTRAR AND/OR TRANSFER AGENT

Section 1. The Board of Directors may designate and appoint one or more registrars and/or transfer agents for the registration of the stock of the Corporation, and make such rules and regulations for the registrations of stock at the office of such registrars and/or transfer agents as may to the Board of Directors seem desirable. The Corporation may act as its own transfer agent, at the direction of the Board of Directors. The Board of Directors may, in its discretion, fix a transfer fee for transfer of stock certificates.

ARTICLE XVIII

MISCELLANEOUS

Section 1. Meetings. Notice. When Conclusive.

An entry made in the minutes of the directors or shareholders, pursuant to resolution or recital, to the effect that the notice of such meeting required by these Bylaws to be given has been given, shall be conclusive upon the Corporation, its directors, shareholders, and all other persons that such notice has been duly given in proper form and substance to the proper persons and for the requisite length of time.

ARTICLE XIX

SEAL

Section 1. The Board of Directors shall provide a suitable seal containing the name of the Corporation, the year of its creation, and other appropriate words, and may alter the same at pleasure.

ARTICLE XX

AMENDMENTS TO BYLAWS

Section 1. Power of Shareholders

New Bylaws may be adopted or these Bylaws may be amended or repealed by the vote of shareholders entitled to exercise a majority of the voting power of the Corporation or by the written assent of such shareholders, except as otherwise provided by law or by the Articles of Incorporation.

Section 2. Power of Directors

Subject to the right of the shareholders as provided in Section 1 of this Article XX to adopt, amend, or repeal Bylaws, the Board of Directors may adopt, amend, or repeal any of the Bylaws of this Corporation, except that the powers of the Board of Directors to change, and/or establish the authorized number of directors of this Corporation shall be as set forth in Article III of these Bylaws.

I hereby certify that the foregoing is a full, true, and correct copy of the Bylaws of Southwest Gas Holdings, Inc., a California Corporation, as in effect on the date hereof.

WITNESS my hand this 16th day of December, 2016.

/s/ Karen S. Haller

Karen S. Haller
Senior Vice President/General Counsel and Corporate
Secretary



Press Release

For Immediate Release
January 3, 2017

Southwest Gas Completes Holding Company Reorganization

LAS VEGAS – Southwest Gas Holdings, Inc. (NYSE: SWX) (“SWG Holdings”) and Southwest Gas Corporation (“Southwest”) today announced that, effective January 1, 2017, they completed the previously announced reorganization of Southwest into a holding company structure. SWG Holdings is now the parent holding company of Southwest, Centuri Construction Group, and their respective subsidiaries. SWG Holdings trades on the New York Stock Exchange under the same ticker symbol (SWX), and will have the same CUSIP previously used by Southwest, CUSIP #844895102.

Southwest shareholders automatically became shareholders of SWG Holdings, on a one-for-one basis, with the same number of shares and same ownership percentage as they held immediately prior to the reorganization.

The reorganization is designed to provide further separation between Southwest’s regulated and unregulated businesses, and to offer additional financing flexibility. No material operational or financial impacts are expected.

Additional information can be found in SWG Holdings’ Form 8-K, which will be filed today with the Securities Exchange Commission, or by visiting www.swgasholdings.com.

Forward-Looking Statements: This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements include, without limitation, statements regarding SWG Holdings’ and

– more –

Southwest's expectations, hopes or intentions regarding the future. These forward looking statements can often be identified by the 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, and may include (without limitation) statements regarding the timing of the reorganization, the flexibility provided by the reorganization and the lack of any material operational or financial impact from the reorganization. Forward-looking statements involve certain risks and uncertainties, and actual results may differ materially from those discussed in each such statement. Factors that could cause actual results to differ include (without limitation) the future impact of regulatory requirements on holding company structure, stock market and stock analyst reaction to the reorganization, and impact to SWG Holdings' and Southwest's credit ratings, if any, among other factors. Other factors that may impact an investment in SWG Holdings or Southwest are discussed under the heading "Risk Factors" in Southwest's Annual Report on Form 10-K, and in SWG Holdings' and Southwest's other current and periodic reports filed from time to time with the Securities and Exchange Commission. All forward-looking statements in this document are made as of the date hereof, based on information available to SWG Holdings and Southwest as of the date hereof, and SWG Holdings and Southwest assume no obligation to update any forward-looking statement.

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