



**THE FOUNDATION
FOR SECURE
MARKETS**

#49761

Date: December 15, 2021

Subject: Southwest Gas Holdings, Inc. – Tender Offer
Option Symbol: SWX
Date: 12/27/21

Note: The Offer is being made with intention of acquiring all outstanding Southwest Gas Holdings, Inc. Common Shares. Following the expiration of the offer, the purchaser may seek to acquire additional Shares through open market purchases, privately negotiated transactions, a tender or exchange offer or other transactions or a combination of the foregoing on such terms and at such prices as determined, which may be different from the price paid in the Offer.

Following the completion of the Offer, a small number of SWX Common Shares may remain in public circulation, but there may no longer be an active trading market for the shares or the liquidity of any such market may be significantly reduced. Possible exchange delisting may further impair the ability to acquire or sell the remaining securities. If, at some time after completion of the offer, OCC determines that a shortage of securities relative to option open interest is likely to cause impairment in the settlement of option exercise activity, OCC may take actions under Article VI, Section 19 of the OCC By-Laws (Shortage of Underlying Securities).

Southwest Gas Holdings, Inc. (SWX) is the subject of an Offer to Purchase (The “Offer”), as described below:

Purchaser: IEP Utility Holdings LLC, a wholly owned subsidiary of Icahn Enterprises Holdings L.P.

Security to be Purchased: Southwest Gas Holdings, Inc. (SWX) Common Shares

Quantity: All Southwest Gas Holdings, Inc. (SWX) Common Shares

Price: \$75.00 net cash per share

Expiration: 12:00 Midnight, New York City Time, on December 27, 2021, unless extended

Depository: Continental Stock Transfer & Trust Company

Guaranty Period*: Two NYSE Trading days

*Under the terms of this Offer, shares not immediately available may nevertheless be tendered provided they are tendered under a properly executed "Notice of Guaranteed Delivery", and valid delivery is

subsequently made within the specified "guaranty period". In all cases it is the sole responsibility of the person tendering to comply with all terms and conditions of the Offer.

Delivery Settlement and Protect Provisions

Option contracts which are exercised will require the settlement of all component securities included in the contract deliverable at the time of the option contract exercise, including rights, warrants, or similar instruments. Additional entitlements (such as due bills, eligibility to participate in tender offers, elections, etc.) may also automatically attach to securities deliverable upon option exercise. Conversely, securities not included in the contract deliverable at the time of the option exercise not associated with the underlying deliverable securities, may preclude call exercisers from realizing the benefit of such entitlements. (See also "Special Risks - Valuation Disparity".) Except in unusual cases, securities deliverable as a result of equity option exercise are settled through National Securities Clearing Corporation ("NSCC").

Rights and obligations of Members with respect to securities settling at NSCC as a result of an option exercise/assignment are governed by the rules of NSCC. NSCC has its own rules which enable purchasers of securities to protect themselves for value which may be lost if timely delivery is not made to them of securities subject to specific deadlines, such as the expiration of a tender offer, rights subscription, election, or similar event. These rules are generally called "protect" or "liability notice" procedures, and are intended to protect purchasers by binding the delivering parties to liability if such value is lost because timely delivery is not effected. Purchasers of securities must observe the rules and procedures of NSCC to avail themselves of such "protect" provisions of NSCC. Questions regarding these provisions should be addressed to NSCC.

Special Risks

Writers of call options and holders of short positions in physically-settled security futures at maturity who are uncovered with respect to deliverable securities subject to deadlines or cut-off times (such as expirations of tender offers, rights subscriptions, elections, or similar events) should be aware of a risk associated with the timing of their possible assignments or physically-settled security futures delivery obligations: Equity option exercise settlement and settlement of physically-settled security futures delivery obligations normally occurs 2 business days after the option exercise date or the security-futures maturity date. An uncovered call writer or uncovered short futures holder who has an obligation to deliver, and who waits until after assignment or futures maturity to effect purchase of the underlying security, may not be able to effect timely delivery by a regular-way purchase (2 business-day settlement) or call option exercise (2 business-day settlement after exercise). Such uncovered writer or short futures holder may nevertheless be subject to liability under the protect provisions of NSCC (see above) with respect to his delivery obligation, because he cannot make timely delivery. Additionally, Cash Markets (same-day, or less-than-2-business-day settlement) may not be available, or may be expensive for buyers of the underlying security.

Possible Contract Adjustment

The Offer is being made with intention of acquiring all outstanding Southwest Gas Holdings, Inc. Common Shares. Following the expiration of the offer, the purchaser may seek to acquire additional Shares through open market purchases, privately negotiated transactions, a tender or exchange offer or other transactions or a combination of the foregoing on such terms and at such prices as determined, which may be different from the price paid in the Offer. Interpretation .03 to Article VI, Section 11A, of OCC's By-Laws indicates a contract adjustment for SWX options would be contemplated when and if the aforementioned intended merger is actually consummated. It is not known how quickly after the expiration of the Offer the intended merger or contract adjustment would be effected. Until such merger is consummated, SWX option exercise would continue to call for delivery of the underlying security.

Following the completion of the Offer, a small number of SWX Common Shares may remain in public circulation but there may no longer be an active trading market for the shares or the liquidity of any such

market may be significantly reduced. Possible exchange delisting may further impair the ability to acquire or sell the remaining securities. If, at some time after completion of the offer, OCC determines that a shortage of securities relative to option open interest is likely to cause impairment in the settlement of option exercise activity, OCC may take actions under Article VI, Section 19 of the OCC By-Laws (Shortage of Underlying Securities).

Disclaimer

This Information Memo provides an unofficial summary of the terms of corporate events affecting listed options or futures prepared for the convenience of market participants. OCC accepts no responsibility for the accuracy or completeness of the summary, particularly for information which may be relevant to investment decisions. Option or futures investors should independently ascertain and evaluate all information concerning this corporate event(s).

The determination to adjust options and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The determination to adjust futures and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article XII, Sections 3, 4, or 4A, as applicable. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, call Investor Services at 1-888-678-4667 or email investorservices@theoocc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theoocc.com.