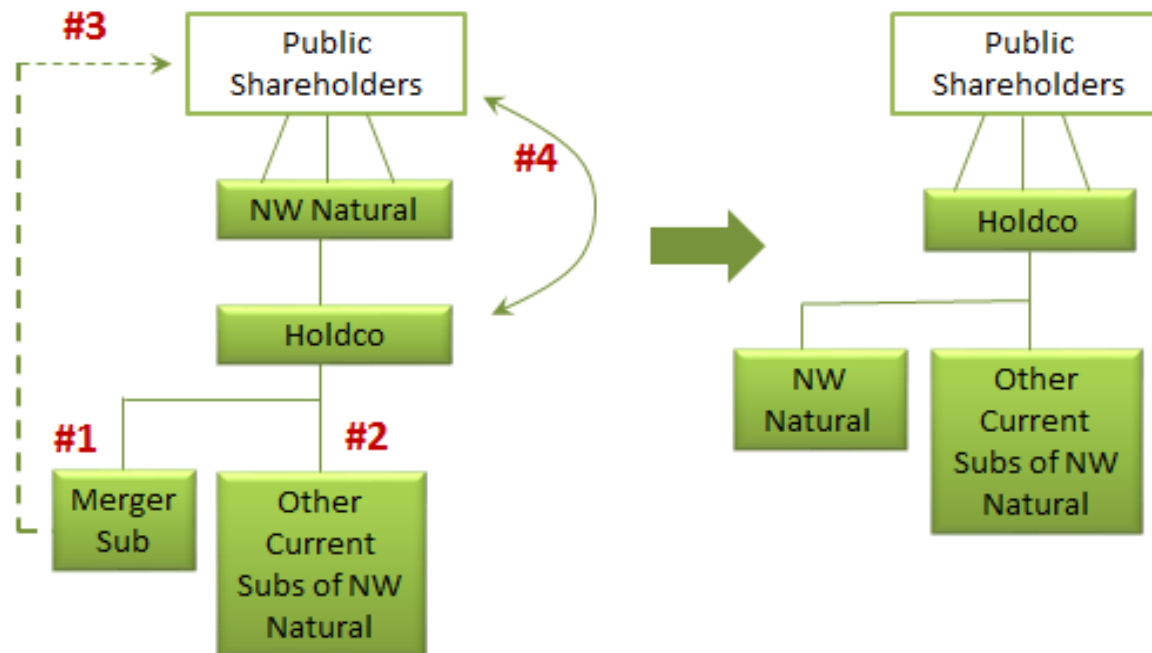


Reorganization as a Holding Company



Step #1: Form Holdco as subsidiary of NW Natural and Merger Sub as subsidiary of Holdco.

Step #2: NW Natural contributes stock/ interests in its current subsidiaries to Holdco.

Step #3: Merger Sub merges into NW Natural with NW Natural surviving.

Step #4: Each share of NW Natural converts into one Holdco share with identical rights as NW Natural shares and NW Natural becomes a wholly owned subsidiary of Holdco.