

PENNICHUCK WATER WORKS, INC.

BOARD OF DIRECTORS
MINUTES OF JANUARY 22, 2016 MEETING

A meeting of the Board of Directors of Pennichuck Water Works, Inc. (the “Company”) was held on Friday, January 22, 2016 at 12:14 p.m. at the Company’s offices at 25 Manchester Street, Merrimack, New Hampshire.

Written materials relating to items listed in the Agenda were provided to the Board members for their review prior to the meeting.

The following Directors were present, constituting a quorum:

Thomas J. Leonard, Chairman
David P. Bernier
C. George Bower
James P. Dore
Elizabeth A. Dunn
Stephen D. Genest
Paul A. Indeglia
Jay N. Lustig
John D. McGrath
Preston J. Stanley, Jr.

Also attending the meeting from the Company was Suzanne L. Ansara, Corporate Secretary.

S. Ansara recorded the minutes of the meeting.

Approval of Minutes

The Chairman inquired whether there were any comments with respect to the draft minutes of the October 23, 2015 meeting of the Board of Directors. There being none, on motion duly made by S. Genest and seconded by P. Stanley, all of the Directors present then voting, it was unanimously

Resolved: that the minutes of the October 23, 2015 meeting of the Board of Directors are hereby approved.

SRF Loan – Water Main Replacement – Nashua Core Water System

The Chairman asked for a motion to approve the resolutions set forth in the Agenda relating to the borrowing by Pennichuck Water Works, Inc. of up to \$1,400,000 from the State of New

Hampshire to fund the water main replacement project in the Nashua Core Water System (Amherst Street area in the City of Nashua). The matter was discussed earlier in the day at the Pennichuck Corporation Board meeting.

On motion duly made by S. Genest and seconded by P. Stanley, all of the Directors present then voting, it was unanimously

Resolved: that the Board of Directors hereby approves the borrowing by Pennichuck Water Works, Inc. (the "Company") of up to \$1,400,000 in principal amount from the State of New Hampshire (the "State"), such amount to be paid over a 30-year term, level payment, with interest and related costs, for the purpose of funding the water main replacement project in the Nashua Core Water System (Amherst Street area in the City of Nashua), pursuant to a Loan Agreement between the Company and the State under the State's Drinking Water Revolving Loan Fund program.

Further

Resolved: that the officers of the Company are severally authorized, empowered and directed to execute and deliver, in the name and on behalf of the Company, the Loan Agreement for the SRF loan described in the previous resolution (the "SRF Loan") with such terms, including the exhibits and schedules to such Loan Agreement, as may be deemed necessary or advisable in the several judgment of the officers executing the Loan Agreement.

Further

Resolved: that the officers of the Company are hereby authorized, empowered and directed to take any and all actions to obtain all necessary approvals for the SRF Loan from the New Hampshire Public Utilities Commission, the New Hampshire Department of Environmental Services, the Governor and Executive Council, and the City of Nashua in its capacity as the sole shareholder of Pennichuck Corporation (the Company's parent corporation), and any other authority determined by such officers relating to the SRF Loan.

Further

Resolved: that Larry D. Goodhue and Donald L. Ware are severally authorized, empowered and directed to take such actions and to execute and deliver such documents as in the opinion of the officer or officers so acting or in the opinion of counsel, are necessary or desirable to effect the SRF Loan and to carry out the purposes of the preceding resolutions, the taking of such actions and the execution and delivery of such documents to be sufficient and conclusive evidence that the same are within the authority conferred by these resolutions.

American United Life Insurance – Corporate Note Payable

The Chairman asked for a motion to approve the resolution set forth in the Agenda relating to the potential refinancing of the Company's corporate note payable with American United Life Insurance. The matter was discussed earlier in the day at the Pennichuck Corporation Board meeting.

On motion duly made by S. Genest and seconded by P. Stanley, all of the Directors present then voting, it was unanimously

Resolved: that management is hereby authorized to investigate the potential refinancing of Pennichuck Water Works, Inc.'s corporate note payable with American United Life Insurance (AULI).

There being no further business to come before the Board, the meeting was adjourned at 12:15 p.m.

/s/ Suzanne L. Ansara
Suzanne L. Ansara
Corporate Secretary