

PENNICHUCK WATER WORKS, INC.
BOARD OF DIRECTORS
MINUTES OF OCTOBER 23, 2015 MEETING

A meeting of the Board of Directors of Pennichuck Water Works, Inc. (the "Company") was held on Friday, October 23, 2015 at 10:12 a.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
Jay N. Lustig
John D. McGrath
James McMahan
Preston J. Stanley, Jr.

Also attending the meeting from the Company were:

John L. Patenaude, Chief Executive Officer
Larry D. Goodhue, Chief Financial Officer
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 September 25, 2015 meeting of the Board of Directors. There being none, on motion duly made by J. McGrath and seconded by P. Stanley, all of the Directors present then voting, it was unanimously

Resolved: that the minutes of the September 25, 2015 meeting of the Board of Directors are hereby approved.

Amendment – PWW Employee Benefit Trust - Union

J. Patenaude referred the Board to the draft First Amendment to the Pennichuck Water Works, Inc. Employee Benefit Trust for Members of Local 2936 of the United Steelworkers of America, a copy of which was included in the written materials. He indicated that the amendment reflects an IRS ruling for the non-union plan received on April 8, 2015 allowing the use of trust funds to provide health benefits to active employees.

On motion duly made by J. McGrath and seconded by P. Stanley, all of the Directors present then voting, the following resolution was unanimously approved:

WHEREAS, Pennichuck Water Works, Inc. (the “Company”) entered into an Agreement of Trust dated as of December 22, 1999 to establish the Pennichuck Water Works, Inc. Employee Benefit Trust for Members of Local 2936 of the United Steelworkers of America (the “Trust”); and

WHEREAS, the Company and certain of its affiliates and/or subsidiaries have heretofore adopted plans to provide for the payment of welfare benefits to eligible employees and their dependents (including plans to provide for the payment of health care benefits to active employees and their dependents) and in the future may adopt certain other programs to provide such benefits within the meaning of Section 501(c)(9) of the Internal Revenue Code of 1986; and

WHEREAS, Section 1.3 of said Agreement of Trust provides that the Trustee shall make payments from the portion of the Trust Fund attributed to each Plan as directed by the respective Committee which administers such Plan in such amounts and in such form as the Committee shall direct; and

WHEREAS, Section 9.4 of said Agreement of Trust provides that the Company may designate a group of eligible employees or dependents covered by a Plan as a separate class and may direct the Trustee to segregate in a separate fund, to be held for the benefit of such class, the part of the Trust funds allocable to such class as determined by the Company; and the Company shall cause the Trustee to effect such segregation by delivering to the Trustee a certified copy of the Company’s determination, together with a certified copy of a resolution of the Company’s board of directors directing such segregation; and

WHEREAS, the Company has determined that it is desirable for a certain portion of the Trust Fund to be used to pay for certain welfare benefits for active employees; and

WHEREAS, the following resolutions have been developed in consultation with the Internal Revenue Service in connection with private letter ruling requests by the Company and the Pennichuck Water Works, Inc. Employee Benefit Trust for Non-Union Employees; and

WHEREAS, on April 8, 2015, the Internal Revenue Service issued these private letter rulings to the Company and the Pennichuck Water Works, Inc. Employee Benefit Trust for Non-Union Employees;

NOW, THEREFORE, it is hereby RESOLVED that:

1. The First Amendment to the Pennichuck Water Works, Inc. Employee Benefit Trust for Members of Local 2936 of the United Steelworkers of America, as presented to this meeting, shall be executed and the Agreement of Trust amended as described therein.
2. The Trustee of the Trust, TD Bank, N.A., shall segregate the \$230,056.50 of the Trust Fund to be used to provide health benefits to active employees in a separate subpart of the Trust Fund and use such subpart exclusively for such benefits.
3. The Trustee shall segregate an amount of each money market fund, mutual fund or other asset that bears the same relationship to the value of the Trust's holdings in said fund or asset as \$230,056.50 bears to the value of the Trust Fund as of the date of such segregation.
4. The Chief Executive Officer or the Chief Financial Officer of the Company and the Trustee of the Trust are authorized and directed to take such actions as may be necessary or advisable in connection with the implementation of the foregoing resolutions.

Amended and Restated Bylaws

The Chairman indicated that the Board needs to consider the approval of the Amended and Restated Bylaws of the Company, a copy of which was included in the written materials. The Bylaws have been approved by the Pennichuck Corporation Board of Directors and its Sole Shareholder, the City of Nashua.

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

Resolved: that the Amended and Restated Bylaws of Pennichuck Water Works, Inc., as presented at this meeting, are hereby approved, to be effective as of October 23, 2015.

Officers – Resignations and Appointments

The Chairman indicated that a number of matters need to be voted upon due to the pending retirement of John Patenaude as Chief Executive Officer, effective November 6, 2015. He referred the Board to the resolutions in the Agenda regarding officer resignations and appointments.

On motion duly made by J. McGrath and seconded by D. Bernier, all of the Directors present then voting, it was unanimously

Resolved: that the Board of Directors hereby accepts the resignation of John L. Patenaude as Chief Executive Officer and President of Pennichuck Water Works, Inc., effective November 6, 2015.

On motion duly made by J. McGrath and seconded by D. Bernier, all of the Directors present then voting, it was unanimously

Resolved: that the Board of Directors hereby accepts the resignation of Larry D. Goodhue as Controller of Pennichuck Water Works, Inc., effective November 6, 2015.

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

Resolved: that Larry D. Goodhue is hereby elected to the office of Chief Executive Officer of Pennichuck Water Works, Inc., effective November 6, 2015, to serve in accordance with the Bylaws of the corporation and at the discretion of the Board of Directors.

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

Resolved: that George Torres is hereby elected to the office of Corporate Controller of Pennichuck Water Works, Inc., effective November 6, 2015, to serve in accordance with the Bylaws of the corporation and at the discretion of the Board of Directors.

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

Resolved: that Carol Ann Howe is hereby elected to the office of Assistant Treasurer of Pennichuck Water Works, Inc., effective November 6, 2015, to serve in accordance with the Bylaws of the corporation and at the discretion of the Board of Directors.

Banking

L. Goodhue indicated that due to the retirement of John Patenaude as Chief Executive Officer, and the other changes in officers voted on at this meeting, the officers who are authorized to open bank accounts in TD Bank and to sign checks and transfer or withdraw funds from those bank accounts, need to be changed.

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

Resolved: that the Chief Executive Officer, the Treasurer and the Assistant Treasurer of Pennichuck Water Works, Inc. (the "Corporation") be, and they hereby are, authorized to open and/or maintain bank accounts in the name of the Corporation in TD Bank, N.A. for the deposit of funds of the Corporation, and that with respect to all such accounts: (1) all checks, drafts, notes, bills of exchange, acceptances, undertakings and other instruments or orders for payment, transfer, or withdrawal of money in the amount of Twenty Five Thousand Dollars (\$25,000.00) or less for whatever purpose and to whomever payable shall bear the signature of any one of the individuals listed on attached Schedule A, and (2) all checks, drafts, notes, bills of exchange, acceptances, undertakings and other instruments for payment, transfer, or withdrawal of money in excess of Twenty Five Thousand Dollars (\$25,000.00) for whatever reason and to whomever payable shall require the signature of any two of the individuals listed on the attached Schedule A; and that the Chief Executive Officer, Treasurer and Assistant Treasurer of the Corporation are authorized to establish and maintain cash management services for the bank accounts referenced above.

Further

Resolved: that the resolutions adopted by the Board of Directors of the Corporation on May 30, 2014 relating to bank accounts in TD Bank, N.A. remain in full force and effect, except that the authorized signers shall be as set forth in the attached Schedule A, to be effective November 6, 2015.

There being no further business to come before the Board, the meeting was adjourned at 10:15 a.m.

/s/ Suzanne L. Ansara

Suzanne L. Ansara
Corporate Secretary