

PENNICHUCK WATER WORKS, INC.

BOARD OF DIRECTORS
MINUTES OF AUGUST 28, 2015 MEETING

A meeting of the Board of Directors of Pennichuck Water Works, Inc. (the "Company") was held on Friday, August 28, 2015 at 11:27 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 (telephonically)
James P. Dore
Elizabeth A. Dunn
Stephen D. Genest
Paul A. Indeglia
John D. McGrath
Preston J. Stanley, Jr.

Also attending the meeting from the Company were:

John L. Patenaude, Chief Executive Officer
Larry D. Goodhue, Chief Financial Officer
Mary V. DeRoche, Human Resources Director
Suzanne L. Ansara, Corporate Secretary

S. Ansara recorded the minutes of the meeting.

G. Bower stated that he was unable to attend the meeting in person because he is travelling on business, that he is alone and is able to hear the proceedings.

Approval of Minutes

The Chairman inquired whether there were any comments with respect to the draft minutes of the June 26, 2015 meeting of the Board of Directors. There being none, on motion duly made by J. Dore and seconded by P. Stanley, all of the Directors present then voting in favor, except for E. Dunn and J. McGrath who both abstained, it was

Resolved: that the minutes of the June 26, 2015 meeting of the Board of Directors are hereby approved.

The Chairman inquired whether there were any comments with respect to the draft sealed minutes of the June 26, 2015 non-public session of the Board of Directors. There being none, on motion duly made by J. Dore and seconded by P. Stanley, all of the Directors present then voting in favor, except for E. Dunn and J. McGrath who both abstained, it was

Resolved: that the sealed minutes of the June 26, 2015 non-public session of the Board of Directors are hereby approved.

2015 Financing Plan

L. Goodhue updated the Board on the status of the 2015 Financing Plan. He reported that all necessary approvals have been received and that the Staff of the New Hampshire Public Utilities Commission has recommended to the PUC Commissioners that the financing be approved. Management is waiting for the PUC Commissioners' Order on the matter. He indicated that interest rates look favorable at this time. L. Goodhue referred the Board to the draft resolutions set forth in the Agenda and to the draft financing agreements which were included in the written materials. He indicated that a Pricing Committee will need to be established consisting of five members of the Board.

After discussion, 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 financing plan for the financing of the Company's capital expenditure needs as described to the Board, and to consist of the entering into of the following credit facilities:

Tax-exempt Bonds in one or more series in the aggregate amount of:	\$ 23,400,000
Taxable or Tax-exempt Bonds OR Bank Credit Facility to fund Bond Issuance Costs – up to:	\$ 1,400,000
Taxable or Tax-exempt Bonds to fund Bond Insurance Premium (if needed) – up to:	\$ 700,000
<u>Total 2015 Financing Plan:</u>	<u>\$ 25,500,000</u>

(the "2015 Financing Plan"), be and it is hereby approved.

Further

Resolved: That a Pricing Committee of the Board (the "Pricing Committee"), consisting of the following Board members: James P. Dore, Elizabeth A. Dunn, Paul A. Indeglia, Thomas J. Leonard and Preston J. Stanley, Jr., is hereby established to approve the material pricing terms upon which the Company shall sell, issue and deliver bonds, notes or other instruments, which may be issued as taxable or tax-exempt bonds, in one or more series or other credit facilities, necessary and appropriate to implement the 2015 Financing Plan, which terms shall include, without limitation, interest rate, premium discount, maturity, amortization and redemption provisions.

Further

Resolved: That the officers of the Company are hereby authorized, empowered and directed on behalf of the Company to engage TD Securities (USA) LLC ("TD Securities") as the underwriter for any public offering of securities in connection with the 2015 Financing Plan and to negotiate the terms of a Bond Purchase Agreement or similar agreement with TD Securities and the Business Finance Authority of the State of New Hampshire ("BFA"), relating to the 2015 Financing Plan (the "Bond Purchase Agreement"), substantially in the form provided to the Board (or similar to the document entered into in 2014) with such changes relating to pricing as may be approved by the Pricing Committee and with such other changes and additional terms, including any exhibits and schedules to such Bond Purchase Agreement, as may be determined to be necessary or advisable by the Chief Executive Officer, the Chief Financial Officer or the Chief Operating Officer (each, an "Authorized Officer"), and the execution of such Bond Purchase Agreement by any such Authorized Officer shall be conclusive as to such determination.

Further

Resolved: That the officers of the Company are hereby authorized, empowered and directed on behalf of the Company to enter into a Loan and Trust Agreement with the BFA and The Bank of New York Mellon Trust Company, N.A., as Trustee, relating to the 2015 Financing Plan (the "Loan and Trust Agreement"), substantially in the form provided to the Board (or similar to the document entered into in 2014) with such changes relating to pricing as may be approved by the Pricing Committee and with such other changes and additional terms, including any exhibits and schedules to such Loan and Trust Agreement, as may be determined to be necessary or advisable by any Authorized Officer, and the execution of such Loan and Trust Agreement by any such Authorized Officer shall be conclusive as to such determination.

Further

Resolved: That the officers of the Company are hereby authorized, empowered and directed on behalf of the Company to enter into a Continuing Disclosure Agreement with the Trustee or another dissemination agent, relating to the 2015 Financing Plan (the "Continuing Disclosure Agreement"), substantially in the form provided to the Board (or similar to the document entered into in 2014) and with such changes and additional terms, including any exhibits and schedules to such Continuing Disclosure Agreement, as may be determined to be necessary or advisable by any Authorized Officer, and the execution of such Continuing Disclosure Agreement by any such Authorized Officer shall be conclusive as to such determination.

Further
Resolved: That the officers of the Company are hereby authorized, empowered and directed on behalf of the Company to cause to be prepared, executed and distributed by TD Securities a Preliminary Official Statement relating to any bonds to be issued under the Bond Purchase Agreement and the Loan and Trust Agreement to effect the 2015 Financing Plan (the "Preliminary Official Statement"), such Preliminary Official Statement to be substantially in the form provided to the Board (or similar to the document entered into in 2014) and with such changes and additional terms, including any exhibits and schedules to such Preliminary Official Statement, as may be determined to be necessary or advisable by any Authorized Officer, and the execution of such Preliminary Official Statement by any such Authorized Officer shall be conclusive as to such determination.

Further
Resolved: That the officers of the Company are hereby authorized, empowered and directed on behalf of the Company to cause to be prepared, executed and distributed by TD Securities an Official Statement relating to any bonds to be issued under the Bond Purchase Agreement and the Loan and Trust Agreement to effect the 2015 Financing Plan, such Official Statement to be substantially in the form of the Preliminary Official Statement with such changes relating to pricing as may be approved by the Pricing Committee and with such other changes and additional terms, including any exhibits and schedules, as may be determined to be necessary or advisable by any Authorized Officer, and the execution of such Official Statement by any such Authorized Officer shall be conclusive as to such determination.

Further
Resolved: That, without limiting the authority of the Pricing Committee and the Authorized Officers pursuant to the foregoing resolutions relating to the 2015 Financing Plan, the Authorized Officers are hereby authorized, empowered and directed to finalize the terms of the 2015 Financing Plan, including preparation and execution of such additional agreements, petitions and documents as any Authorized Officer determines to be necessary or advisable to effect the 2015 Financing Plan, and the execution of such additional agreements, petitions and documents by any such Authorized Officer shall be conclusive as to such determination, and to present such agreements, petitions and documents to the Pricing Committee for further approvals as may be required by such agreements, petitions and documents, and the Pricing Committee is hereby authorized to give any such further approvals on behalf of the Board and the Company.

Further

Resolved: That the Authorized Officers are hereby authorized, empowered and directed to take any and all actions to develop and effect the borrowings contemplated by the 2015 Financing Plan, including taking any and all actions to obtain all necessary approvals for the borrowings contemplated by such Plan from the New Hampshire Public Utilities Commission and any other authority determined by such Authorized Officers relating to such borrowings.

Further

Resolved: That any actions taken by any Authorized Officers prior to the date of the foregoing resolutions adopted hereby that are within the authority conferred thereby are hereby ratified, confirmed, approved and adopted as actions of the Company.

There being no further business to come before the Board, the meeting was adjourned at 11:38 a.m.

/s/ Suzanne L. Ansara

Suzanne L. Ansara
Corporate Secretary