

PENNICHUCK WATER WORKS, INC.

BOARD OF DIRECTORS  
MINUTES OF FEBRUARY 24, 2017 MEETING

A meeting of the Board of Directors of Pennichuck Water Works, Inc. (the “Company”) was held on Friday, February 24, 2017 at 9:53 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  
Paul A. Indeglia  
John D. McGrath  
Preston J. Stanley, Jr.

Also attending the meeting from the Company were:

Larry D. Goodhue, Chief Executive Officer  
Donald L. Ware, Chief Operating 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 May 26, 2016 Annual Meeting of the Board of Directors. There being none, 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 minutes of the May 26, 2016 Annual Meeting of the Board of Directors are hereby approved.

Distribution to Pennichuck Corporation

L. Goodhue stated that management is seeking approval of a distribution from the Company to Pennichuck Corporation in the amount of \$4,589,221.83 to fund Pennichuck Corporation’s payment of the City debt.

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

Resolved: that a distribution in the amount of \$4,589,221.83 (of which \$2,705,407.24 is from retained earnings and \$1,883,814.59 is from additional paid in capital) be recorded to Pennichuck Corporation on February 28, 2017.

#### Financing – Bonds

The Chairman asked for a motion to approve the resolution set forth in the Agenda. The resolution will give management the authority to start the process to obtain the necessary approvals to issue tax-exempt bonds for the Company's 2017-2019 capital needs. The matter was discussed at the Pennichuck Corporation Board meeting held earlier in the day.

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

Resolved: that management is hereby authorized to proceed with the following process and approvals required to complete the application for issuance of tax-exempt bonds for 2017-2019 capital needs for Pennichuck Water Works, Inc., including:

- (1) obtain New Hampshire Business Finance Authority (NHBFA) approval to issue tax-exempt bonds sufficient to fund the capital needs;
- (2) file a financing petition with the New Hampshire Public Utilities Commission to seek approval to complete the financing activity;
- (3) file a shareholder approval request with the City of Nashua to seek approval to complete the financing activity;
- (4) file a joint approval request with the NHBFA to the State of New Hampshire Governor and Council, approving the funding of the tax-exempt bonds through the NHBFA; and
- (5) complete the entire bond issuance and documentation process with the investment bankers and respective counsels.

#### Review of Sealed Non-Public Session Minutes

The Board reviewed the sealed minutes of the April 25, 2014, March 27, 2015, June 26, 2015 and April 22, 2016 non-public sessions. After discussion, on motion duly made by E. Dunn and seconded by D. Bernier, all of the Directors present then voting, it was unanimously

Resolved: to unseal in their entirety the minutes of the April 25, 2014, March 27, 2015, June 26, 2015 and April 22, 2016 non-public sessions of the Pennichuck Water Works, Inc. Board of Directors.

There being no further business to come before the Board, the meeting was adjourned at 9:57 a.m.

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