

PENNICHUCK EAST UTILITY, INC.

BOARD OF DIRECTORS
MINUTES OF SEPTEMBER 25, 2015 NON-PUBLIC SESSION

A non-public session of the Board of Directors of Pennichuck East Utility, Inc. (the "Company") was held on Friday, September 25, 2015, at 10:42 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 non-public session.

The following Directors were present:

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
James McMahon (telephonically)
Preston J. Stanley, Jr.

Also attending the non-public session from the Company were:

John L. Patenaude, Chief Executive Officer
Larry D. Goodhue, Chief Financial Officer
Suzanne L. Ansara, Corporate Secretary

Approval of Minutes

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

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

Sale of Property - Richardi Lane, North Conway, NH

J. Patenaude referred the Board to the Purchase and Sale Agreement for property owned by the Company off Richardi Lane in North Conway, New Hampshire. He indicated that an offer has been received for the property in the amount of \$27,000. The property is undeveloped. The sale of the property is contingent on the Board's approval and on the buyer's contingencies as set forth

in the Purchase and Sale Agreement. A discussion ensued regarding the value of the property, its current assessment, and the buyer's contingencies.

After discussion, the Board approved the sale of the property for a purchase price of \$27,000 subject to the following conditions: (1) that a successful test pit and conceptual septic and driveway design as requested by the buyer be at buyer's expense; and (2) if buyer cannot satisfy the buyer's conditions, the buyer will provide the Company with copies of the reports obtained by the buyer showing proof that the conditions cannot be met.

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

Resolved: that the Board of Directors hereby approves the sale by Pennichuck East Utility, Inc. (the "Company") of a parcel of land located off Richardi Lane in North Conway, New Hampshire, identified on the North Conway, New Hampshire Tax Maps as Map 231-Lot 28 ("Richardi Lane Property"), to Richard Keyes and or assigns ("Buyer"), for a sale price of \$27,000; that the Purchase and Sale Agreement dated August 31, 2015 between the Buyer and the Company, a copy of which was presented at this meeting, is hereby approved; and that the sale by the Company of the Richardi Lane Property be subject to the following conditions: (1) the contingency requested by the Buyer of a successful test pit and a conceptual septic and driveway design to Buyer's satisfaction within 30 days of Effective Date be at Buyer's expense; and (2) if Buyer cannot satisfy the Buyer's conditions, the Buyer will provide the Company with copies of the reports obtained by the Buyer showing proof that the conditions cannot be met.

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

Further

Resolved: that the Chief Executive Officer or the Chief Financial Officer of the Company are authorized to take such further actions, as either of them, in their sole discretion, may deem necessary, proper or advisable in order to effectuate the purchase of the above-described real estate, the doing of any such act or thing or the execution and delivery of any such writing shall be conclusive evidence that the same has been authorized and adopted hereby.

Sale of Property - Acorn Link, North Conway, NH

J. Patenaude referred the Board to the proposed Purchase and Sale Agreement for property owned by the Company off Acorn Link in North Conway, New Hampshire. J. Patenaude indicated that an offer has been received for the property in the amount of \$41,200. The property is undeveloped. The sale of the property is contingent upon the Board's approval, and on the buyer's contingencies as set forth in the buyer's proposed Purchase and Sale Agreement. J. Patenaude indicated that he is recommending that the Company make a counteroffer in the amount of \$45,000.

A discussion ensued regarding the value of the property, its current assessment, and the buyer's contingencies.

After discussion, the Board approved the sale of the property for a purchase price of \$45,000 subject to the following conditions: (1) it will be at buyer's expense to have the property corners marked by a licensed professional, (2) the determination that the future home can be built no further than 30 feet from the road must be completed by the buyer within 21 days of the effective date or the buyer will waive the contingency and purchase the property, and (3) if buyer cannot satisfy the buyer's conditions, the buyer will provide the Company with copies of the reports obtained by the buyer showing proof that the conditions cannot be met.

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

Resolved: that the Board of Directors hereby authorizes either the Chief Executive Officer or the Chief Financial Officer of Pennichuck East Utility, Inc. (the "Company") to make a counter offer of \$45,000 to the potential buyers of the property owned by the Company located on Acorn Link, North Conway, New Hampshire, identified on the North Conway, New Hampshire Tax Maps as Map 232-Lot 149 ("Acorn Link Property"); and that the sale by the Company of the Acorn Link Property to the potential buyers be subject to the following conditions: (1) it will be at buyer's expense to have the property corners marked by a licensed professional, (2) the determination that the future home can be built no further than 30 feet from the road must be completed by the buyer within 21 days of the effective date or the buyer will waive the contingency and purchase the property, and (3) if buyer cannot satisfy the buyer's conditions, the buyer will provide the Company with copies of the reports obtained by the buyer showing proof that the conditions cannot be met.

Further

Resolved: that, if the counter offer and conditions as set forth in the preceding resolution are accepted by the potential buyer, the Board of Directors hereby approves the sale by the Company of the Acorn Link Property, to William and Anne-Marie Hart for a sale price of \$45,000.

Further

Resolved: that the Company does hereby authorize and direct the Chief Executive Officer or the Chief Financial Officer of the Company, acting singly, to execute and deliver a Purchase and Sale Agreement for such purchase substantially in the form presented at this meeting with the addition of the Board's conditions set forth in the first preceding resolution, and to take such further actions, as either of them, in their sole discretion, may deem necessary, proper or advisable in order to effectuate the purchase of the above-described real estate, the doing of any such act or thing or the execution and delivery of any such writing shall be conclusive evidence that the same has been authorized and adopted hereby.

There being no further business to discuss in non-public session, on motion duly made by D. Bernier and seconded by J. McGrath, all of the Directors then voting, it was unanimously agreed to end the non-public session at 11:02 a.m.

/s/ Suzanne L. Ansara

Suzanne L. Ansara
Corporate Secretary