

PENNICHUCK EAST UTILITY, INC.

BOARD OF DIRECTORS  
MINUTES OF MAY 25, 2017 ANNUAL MEETING

The Annual Meeting of the Board of Directors of Pennichuck East Utility, Inc. (the “Company”) was held on Thursday, May 25, 2017 at 10:37 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:

C. George Bower  
James P. Dore  
Elizabeth A. Dunn  
Stephen D. Genest  
Paul A. Indeglia  
Jay N. Lustig  
John D. McGrath, Acting Chairman  
John M. Murphy  
Preston J. Stanley, Jr.

Also attending the meeting from the Company were:

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

In the absence of the Chairman of the Board, John McGrath was appointed Acting Chairman for the meeting. S. Ansara recorded the minutes of the meeting.

Election of Chairman

The first order of business was to elect a Chairman of the Board for the ensuing year. On motion duly made by E. Dunn and seconded by J. Murphy, all of the Directors present then voting, it was unanimously

Resolved: that Thomas J. Leonard is hereby elected Chairman of the Board of Directors of Pennichuck East Utility, Inc.

Approval of Minutes

There being no comments on the draft minutes of the February 24, 2017 Board meeting and non-public session, on motion duly made by G. Bower and seconded by P. Stanley, all of the Directors present then voting, it was unanimously

Resolved: that the minutes of the February 24, 2017 meeting of the Board of Directors are hereby approved.

Resolved: that the sealed minutes of the February 24, 2017 non-public session of the Board of Directors are hereby approved.

Election of Officers

The Board considered the election of Officers for the ensuing year. On motion duly made by P. Indeglia and seconded by E. Dunn, all of the Directors present then voting, it was unanimously

Resolved: that each of the following individuals are hereby elected to the offices of Pennichuck East Utility, Inc. (the “Corporation”) set forth below opposite their names, to serve in accordance with the By-Laws of the Corporation and at the discretion of the Board of Directors:

| <u>Name</u>       | <u>Title</u>   |
|-------------------|--|
| Larry D. Goodhue  | Chief Executive Officer, Chief Financial Officer and Treasurer |
| Donald L. Ware    | Chief Operating Officer  |
| Suzanne L. Ansara | Corporate Secretary  |
| George Torres     | Corporate Controller   |
| Carol Ann Howe    | Assistant Treasurer  |

SRF Loan – Brady Avenue, Derry, NH

L. Goodhue reported that management was recently informed that Pennichuck East Utility is eligible under the State’s Drinking Water Revolving Loan Fund Program (SRF) to borrow funds for the replacement of water main on Brady Avenue, in the Maple Hills subdivision in Derry, NH, over a 30-year term, as opposed to a 20-year term. The resolutions for the Brady Avenue water main replacement adopted at the Board’s January 27, 2017 meeting approved borrowing for a 20-year term. L. Goodhue indicated that management is recommending that the Board rescind the resolutions approved at the January 27, 2017 meeting for the Brady Avenue loan and approve new resolutions providing for a 30-year term.

After discussion, 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 resolutions adopted by the Board of Directors of Pennichuck East Utility, Inc. on January 27, 2017, pursuant to which it approved the borrowing by Pennichuck East Utility, Inc. of up to \$570,000 for a 20-year term from the State of New Hampshire to fund the replacement of water main on Brady Avenue, in Maple Hills, in Derry, NH, are hereby rescinded.

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 East Utility, Inc. (the “Company”) of up to \$570,000 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 replacement of water main on Brady Avenue of PEU-Maple Hills, Derry, NH, pursuant to a Loan Agreement between PEU 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, Donald L. Ware and Carol Ann Howe 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.

There being no further business to come before the Board, the meeting was adjourned at 10:38 a.m.

/s/ Suzanne L. Ansara

Suzanne L. Ansara  
Corporate Secretary