

PENNICHUCK EAST UTILITY, INC.

BOARD OF DIRECTORS
MINUTES OF SEPTEMBER 28, 2018 MEETING

A meeting of the Board of Directors of Pennichuck East Utility, Inc. (the “Company”) was held on Friday, September 28, 2018 at 8:06 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
Elizabeth A. Dunn
Stephen D. Genest
Jay N. Lustig
John M. Murphy
Preston J. Stanley, Jr.

Also attending the meeting from the Company were:

Larry D. Goodhue, Chief Executive Officer
Donald L. Ware, Chief Operating Officer
Mary V. DeRoche, Human Resources Director
Suzanne L. Ansara, Corporate Secretary
George Torres, Corporate Controller
John Boisvert, Chief Engineer

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 August 24, 2018 meeting and non-public session of the Board of Directors. There being none, 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 minutes of the August 24, 2018 meeting of the Board of Directors are hereby approved.

Resolved: that the sealed minutes of the August 24, 2018 non-public session of the Board of Directors are hereby approved.

Unsealing of Non-Public Session Minutes

The Board reviewed non-public session minutes for possible unsealing. After discussion, on motion duly made by S. Genest and seconded by E. Dunn, all of the Directors present then voting, it was unanimously

Resolved: to unseal in their entirety the minutes of the January 27, 2017, February 24, 2017 and June 23, 2017 non-public sessions of the Pennichuck East Utility, Inc. Board of Directors.

SRF Loan – Locke Lake New Groundwater Source Project

L. Goodhue reported that the maximum interest rate for the SRF loan for the Locke Lake New Groundwater Source project has changed from 2.424% to 2.704%. He indicated that all the necessary approvals were not obtained in time to close on the loan prior to the expiration date of the interest rate. L. Goodhue indicated that management is recommending that the Board rescind the resolutions approved at the May 24, 2018 Board meeting and approve new resolutions setting forth the new interest rate.

Rescind Prior Resolutions

On motion duly made by S. Genest and seconded by J. Murphy, 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 May 24, 2018, pursuant to which it approved the borrowing by Pennichuck East Utility, Inc. of up to \$4,240,000 for a 30-year term at an interest rate of 2.424% from the State of New Hampshire Drinking Water Revolving Loan Fund program to fund the Locke Lake New Groundwater Source Project, are hereby rescinded.

Revised Resolutions

On motion duly made by S. Genest and seconded by J. Murphy, 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 \$4,240,000 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 at a maximum rate of 2.704% and related costs, for the purpose of funding the Locke Lake New Groundwater Source Project, pursuant to a Loan Agreement between the Company 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 8:08 a.m.

/s/ Suzanne L. Ansara

Suzanne L. Ansara
Corporate Secretary