

PENNICHUCK WATER WORKS, INC.

BOARD OF DIRECTORS  
MINUTES OF AUGUST 21, 2020 MEETING

A meeting of the Board of Directors of Pennichuck Water Works, Inc. (the “Company”) was held on Friday, August 21, 2020 at 10:35 a.m.

Due to the COVID-19 virus and in accordance with the emergency stay at home order imposed by Governor Sununu, the meeting was held electronically using the Microsoft Teams platform, for the safety of the Board Members and Pennichuck employees. Telephone access to the meeting was provided for members of the public.

Pursuant to Governor Sununu’s Emergency Order #12 dated March 23, 2020, the requirement under RSA 91-A:2, III(b) that a quorum be physically present at a meeting has been waived.

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  
H. Scott Flegal  
Deborah Novotny  
Preston J. Stanley, Jr.

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 and Treasurer  
Steven Greenwood, IT Director  
John Boisvert, Chief Engineer  
Christopher Countie, Director, Water Supply and Community Systems

S. Ansara recorded the minutes of the meeting.

Approval of Minutes

There being no comments on the draft minutes of the May 21, 2020 Annual Meeting of the Board, on motion duly made by E. Dunn and seconded by T. Leonard, all of the Directors present then voting by roll call, it was unanimously

Resolved: that the minutes of the May 21, 2020 Annual Meeting of the Board of Directors are hereby approved.

PWW Bond Financing – Debt Restructuring

L. Goodhue referred the Board to the draft resolutions set forth in the Agenda relating to the taxable bond financing for the debt restructuring plan and to the draft financing agreements, copies of which were included in the written materials. The financing plan was considered and approved earlier today at the Pennichuck Corporation Board meeting.

On motion duly made by S. Flegal and seconded by G. Bower, all of the Directors present then voting by roll call, it was unanimously:

Resolved: that the financing plan as presented to the Board by the Chief Executive Officer and/or other officers of Pennichuck Water Works, Inc. (the “Company”) and as referenced in resolutions of the Board dated February 28, 2020 for (i) the refinancing of the Business Finance Authority of the State of New Hampshire Water Facility Revenue Bonds (Pennichuck Water Works, Inc. Project) Series 2014A, the Business Finance Authority of the State of New Hampshire Water Facility Revenue Bonds (Pennichuck Water Works, Inc. Project) Series 2015A (AMT) and the Business Finance Authority of the State of New Hampshire Water Facility Revenue Bonds (Pennichuck Water Works Inc. Project) Series 2015B (Non-AMT), (ii) the replenishment of the Company’s Material Operating Expense Revenue Requirement – Rate Stabilization Fund (MOERR-RSF) and (iii) the refinance of a certain loan to the Company from American United Life Insurance Company dated March 1, 1996 and due March 1, 2021, such plan to consist of the entering into of the following credit facilities:

Taxable Bonds in one Series plus the cost of issuance of such bonds in the aggregate amount of:	<u>\$ 75,000,000</u>
Total 2020 Financing Plan:	\$ 75,000,000

(the “2020 Financing Plan”), be and it is hereby confirmed and approved.

Further

Resolved: That a Pricing Committee of the Board (the "Pricing Committee"), consisting of the following Board members: C. George Bower, James P. Dore, H. Scott Flegal, Jay N. Lustig, and Preston J. Stanley, Jr., and alternate Elizabeth A. Dunn, 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 bonds, in one series or other credit facilities, necessary and appropriate to implement the 2020 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 B.C. Ziegler and Company ("Ziegler") as the underwriter for any public offering of securities in connection with the 2020 Financing Plan and to negotiate the terms of a Bond Purchase Agreement or similar agreements with Ziegler and the Business Finance Authority of the State of New Hampshire ("BFA"), relating to the 2020 Financing Plan (the "Bond Purchase Agreement"), substantially in the form provided to the Board 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 any 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 any 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 2020 Financing Plan (the "Loan and Trust Agreement"), substantially in the form provided to the Board 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 any such Loan and Trust Agreement, as may be determined to be necessary or advisable by any Authorized Officer, and the execution of any 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 2020 Financing Plan (the “Continuing Disclosure Agreement”), substantially in the form provided to the Board and with such changes and additional terms, including any exhibits and schedules to any such Continuing Disclosure Agreement, as may be determined to be necessary or advisable by any Authorized Officer, and the execution of any 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 enter into a Refunding Trust Agreement with the Trustee relating to the 2020 Financing Plan (the “Refunding Trust Agreement”), substantially in the form provided to the Board and with such changes and additional terms, including any exhibits and schedules to any such Refunding Trust Agreement, as may be determined to be necessary or advisable by any Authorized Officer, and the execution of any such Refunding 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 cause to be prepared, executed and distributed by Ziegler a Preliminary Official Statement(s) relating to any bonds to be issued under any respective Bond Purchase Agreement and Loan and Trust Agreement to effect the 2020 Financing Plan (the “Preliminary Official Statement”), such Preliminary Official Statement to be substantially in the form provided to the Board and with such changes and additional terms, including any exhibits and schedules to any such Preliminary Official Statement, as may be determined to be necessary or advisable by any Authorized Officer, and the execution of any 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 Ziegler an Official Statement(s) relating to any bonds to be issued under any Bond Purchase Agreement and Loan and Trust Agreement to effect the 2020 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 any 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 2020 Financing Plan, the Authorized Officers are hereby authorized, empowered and directed to finalize the terms of the 2020 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 2020 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 any actions taken by the Authorized Officers in obtaining 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, as previously approved in resolutions of the Board dated February 28, 2020 are hereby confirmed and approved as actions of the Company.

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 10:40 a.m.

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