

PENNICHUCK CORPORATION

COMPENSATION AND BENEFITS COMMITTEE
MINUTES OF SEPTEMBER 14, 2020 MEETING

A meeting of the Compensation and Benefits Committee (“Committee”) of the Board of Directors of Pennichuck Corporation (“Company”) was held on Monday, September 14, 2020, at 4:00 p.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 Committee 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 Committee members for their review prior to the meeting.

The following persons were in attendance for the meeting:

Committee Members: Stephen D. Genest, Chairman
 David P. Bernier
 C. George Bower
 Thomas J. Leonard
 John D. McGrath

Pennichuck Corporation: Larry D. Goodhue, Chief Executive Officer *
 Donald L. Ware, Chief Operating Officer
 Mary V. DeRoche, HR Director *
 Suzanne L. Ansara, Corporate Secretary
 George Torres, Corporate Controller *
 Carol Ann Howe, Assistant Treasurer *

* Member of the Pension and 401(k) Investment Committees

S. Ansara recorded the minutes of the meeting.

Approval of Minutes

There being no comments on the draft minutes of the July 20, 2020 Committee meeting, on motion duly made by G. Bower and seconded by D. Bernier, all of the Committee members present then voting by roll call, it was unanimously

Resolved: that the minutes of the July 20, 2020 meeting of the Compensation and Benefits Committee are hereby approved.

MassMutual – Empower Retirement

L. Goodhue reported that MassMutual has issued a press release indicating that they are selling their retirement plan business to Empower Retirement. A copy of the press release was included in the written materials to the Committee. MassMutual provides record keeping services to Pennichuck for its pension and 401(k) plans. L. Goodhue said that after the transition, the Company could choose to go out to the market and look at other record keeping providers for its retirement plans. The transition is scheduled to close sometime in the 4th quarter of 2020.

2021 Insurance Premiums

M. DeRoche reported that a 4% increase in the premium for medical insurance has been agreed to with Harvard Pilgrim for 2021. A 5% increase in the premium for dental insurance has been agreed to with MetLife for 2021, with a cap of no more than 9% in 2022.

PWW Section 125 Cafeteria Plan – Amendment (CARES Act)

M. DeRoche reported that under the CARES Act, over the counter (OTC) drugs, which were not previously covered under the FSA, are now considered eligible expenses. She referred the Committee to the draft Amendment to the Section 125 Cafeteria Plan included in the written materials, which is needed to update the Cafeteria Plan to include over the counter drugs as an eligible expense.

On motion duly made by D. Bernier and seconded by J. McGrath, all of the Committee members present then voting by roll call, it was unanimously

Resolved: that the Compensation and Benefits Committee hereby recommends to the Pennichuck Water Works, Inc. Board of Directors that the Amendment to the Pennichuck Water Works, Inc. Section 125 Cafeteria Plan, as presented at this meeting, be approved.

Pension Plan / 401(k) Plan – Trustee Issue

L. Goodhue reported that the Investment Committee had asked the Company's attorney to review the requirements under sections of the pension and 401(k) plans relating to a trustee, plan administrator and co-fiduciary, and to review the Company's Investment Policy Statements. A discussion ensued relative to the attorney's comments. The Committee asked that management make sure that the Committee's Charter and the Investment Policy Statements reflect the actual steps that take place between the Investment Committee, the Compensation and Benefits Committee and the Board of Directors when reviewing and making decisions on issues related to the pension and 401(k) plans. L. Goodhue indicated that the Investment Committee will be meeting with the attorney once again to discuss his comments and the comments received from the Committee today, and will report back to the Committee at its next meeting.

There being no further business to come before the Committee, the Chairman adjourned the meeting at 4:25 p.m.

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