

PENNICHUCK WATER WORKS, INC.

PRICING COMMITTEE
MINUTES OF MARCH 27-28, 2019 NON-PUBLIC SESSIONS

Non-public sessions of the Pricing Committee (“Committee”) of the Board of Directors of Pennichuck Water Works, Inc. (“Company”) were held at the Company’s offices at 25 Manchester Street, Merrimack, New Hampshire, on Wednesday, March 27, 2019 beginning at 4:02 p.m. and continued on Thursday, March 28, 2019, beginning at 8:30 a.m.

Written materials relating to the items listed in the Agenda were provided to the Committee members prior to, or during, the non-public session.

The following persons were in attendance at the start of the non-public session beginning at 4:02 p.m.:

Committee Members:	C. George Bower Thomas J. Leonard Jay N. Lustig John M. Murphy Preston J. Stanley, Jr.
Company:	Larry D. Goodhue, Chief Executive Officer Donald L. Ware, Chief Operating Officer Suzanne L. Ansara, Corporate Secretary George Torres, Corporate Controller Carol Ann Howe, Assistant Treasurer Jay Kerrigan, Treasury/Regulatory Analyst
Rath, Young and Pignatelli, P.C.: (via telephone)	Attorney Paul A. Burkett
TD Securities (USA) LLC: (via telephone)	Ike Papadopoulos (4:15 p.m.) Jordan Sanchez Philip Wright

Approval of Minutes

There being no comments on the draft minutes of the Committee’s March 27-28, 2018 non-public sessions , on motion duly made by J. Lustig and seconded by P. Stanley, all of the Committee members then voting, it was unanimously

Resolved: that the minutes of the March 27-28, 2018 non-public sessions of the Pricing Committee are hereby approved.

J. Sanchez indicated that the purpose of the meeting was to review preliminary pricing of the tax-exempt and taxable bonds. A preliminary pricing scale sheet was handed out to the Committee members. P. Wright gave a market update. He then reviewed the preliminary pricing scale sheet and discussed the potential buyers of the bonds. He indicated that he would also be looking at the retail side this year. A discussion ensued.

It was agreed to meet again on Thursday, March 28, 2019 at 8:30 a.m.

The call ended at 4:25 p.m., and Attorney Burkett, I. Papadopoulos, J. Sanchez, and P. Wright left the meeting.

The Committee agreed to recess the non-public session until Thursday, March 28, 2019 at 8:30 a.m.

The non-public session was recessed at 4:30 p.m.

The non-public session was reconvened on Thursday, March 28, 2019 at 8:30 a.m.

Present from the Pricing Committee were G. Bower, T. Leonard, J. Lustig, J. Murphy and P. Stanley; from the Company were L. Goodhue, S. Ansara, G. Torres, C. Howe and J. Kerrigan; from Rath, Young & Pignatelli was Attorney Burkett; and from TD Securities (USA) LLC were: I. Papadopoulos, J. Sanchez, P. Wright, Bolanle Aroyewun and Eileen Solla-Diaz. Attendees from Rath, Young and Pignatelli and TD Securities (USA) LLC, were present by telephone.

P. Wright reported that there was no change with respect to market conditions from the prior day, and no changes to the preliminary pricing sheets reviewed at the March 27 non-public session. P. Wright indicated that he needs the Committee's consent to proceed.

After discussion, the Committee gave their consent to TD Securities to go out to the market with the preliminary pricing.

The call ended at 8:40 a.m., and Attorney Burkett, I. Papadopoulos, J. Sanchez, P. Wright, B. Aroyewun, and E. Solla-Diaz left the meeting.

At 8:41 a.m., the Committee agreed to recess the non-public session until 12:00 p.m.

The non-public session reconvened at 12:00 p.m. on Thursday, March 28, 2019.

Present from the Pricing Committee were G. Bower, T. Leonard, J. Lustig, J. Murphy and P. Stanley; from the Company were L. Goodhue, S. Ansara, G. Torres, C. Howe and J. Kerrigan; from Rath, Young & Pignatelli was: Attorney Burkett; and from TD Securities (USA) LLC were: J. Sanchez, B. Aroyewun and P. Wright. Attendees from Rath, Young and Pignatelli and TD Securities (USA) LLC were present by telephone.

A revised pricing scale sheet and Verbal Award Final Pricing Numbers document (marked Mar 28, 2019 11:12 am Prepared by TD Securities) were handed out to the Committee members.

Mr. Wright indicated that the marketing of the bonds was successful. There were no buyers from the retail side. He reviewed the revised pricing scale sheet and the pricing for the tax-exempt and taxable bonds set forth on pages 17 and 25 of the Verbal Award Final Pricing Numbers document. Mr. Wright indicated that the All-In True Interest Cost for the bonds is 4.263475% (as set forth on Page 3 of the Verbal Award Final Pricing Document). After discussion, the Committee gave TD Securities their consent to proceed to finalize the pricing as presented.

The call ended at 12:24 p.m., and Attorney Burkett, J. Sanchez, B. Aroyewun and P. Wright left the meeting.

Attorney Burkett rejoined the meeting at 12:25 p.m. by telephone.

Attorney Burkett referred the Committee to the draft resolutions provided to the Committee in the written materials. He indicated that the Committee needs to adopt the resolutions to bind the activities that have taken place. Attorney Burkett indicated that the resolutions need to be revised to reflect the amounts set forth on pages 17 and 25 of the Verbal Award Final Pricing document.

Attorney Burkett left the meeting at 12:31 p.m.

There being no further discussion relative to the resolutions, on motion duly made by G. Bower and seconded by P. Stanley, all of the Committee members then voting, it was unanimously

Resolved: That the Company shall enter into financing arrangements with the State of New Hampshire Business Finance Authority (“BFA”) under which the Company will borrow from the BFA the proceeds of the sale of unsecured tax-exempt bonds in an aggregate principal amount of \$8,405,990.35 (the “Tax-Exempt Bonds”).

Further

Resolved: That the Tax-Exempt Bonds will be dated the date of their original issue and will bear interest from the date of their initial delivery and thereafter from and including the most recent date to which interest has been paid.

Further

Resolved: That the Tax-Exempt Bonds shall be sold at a purchase price, shall bear interest at a rate, and shall have such other terms, as are provided in the pricing sheet attached hereto as Exhibit A (the “Pricing Sheet”).

Further

Resolved: That all (but not less than all) of the Tax-Exempt Bonds shall be sold to the Underwriters pursuant to a Bond Purchase Agreement at an aggregate purchase price equal to \$8,350,681.76 (such purchase price being the original principal amount of the Tax-Exempt Bonds plus the net original issue premium of \$325,990.35 on the Tax-Exempt Bonds and minus an Underwriters' discount of \$55,308.59).

Further

Resolved: That the officers of the Company are authorized, empowered and directed to take such other actions and to execute and deliver such other documents, instruments or agreements as in the opinion of the officer or officers so acting or in the opinion of counsel, are necessary or desirable to effect the borrowings contemplated by the foregoing resolutions and to carry out the purposes of such 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.

Further

Resolved: That any actions taken by the officers of the Company 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.

On motion duly made by J. Murphy and seconded by P. Stanley, all of the Committee members then voting, it was unanimously

Resolved: That the Company shall enter into financing arrangements with the State of New Hampshire Business Finance Authority ("BFA") under which the Company will borrow \$170,000.00 from BFA as the proceeds of the sale of a series of unsecured taxable bonds (the "Taxable Bonds").

Further

Resolved: That the Taxable Bonds will be dated the date of their original issue and will bear interest from the date of their initial delivery and thereafter from and including the most recent date to which interest has been paid.

Further

Resolved: That the Taxable Bonds shall be priced at par, shall bear interest at a rate specified in the pricing sheet attached hereto as Exhibit A (the "Pricing Sheet") from their date of issuance and shall have such other terms as are provided in the Official Statement (as defined below) and in the Pricing Sheet.

Further

Resolved: That all (but not less than all) of the Taxable Bonds shall be sold to the Underwriters pursuant to a Bond Purchase Agreement at an aggregate purchase price equal to \$134,263.74 (such purchase price being the original principal amount of the Taxable Bonds minus an Underwriters' discount of \$35,736.26).

Further

Resolved: That the Official Statement for the Taxable Bonds and Tax-Exempt Bonds, dated March 28, 2019 (the "Official Statement"), insofar as it relates to the Company and the transactions contemplated by the foregoing resolutions, be and they are hereby approved in substantially the form attached hereto as Exhibit B, and that the officers of the Company be and they are severally authorized and directed to approve, in the name and on behalf of the Company, the distribution of said Official Statements with such changes therein as may be approved by an officer of the Company.

Further

Resolved: That the officers of the Company are authorized, empowered and directed to take such other actions and to execute and deliver such other documents, instruments or agreements as in the opinion of the officer or officers so acting or in the opinion of counsel, are necessary or desirable to effect the borrowings contemplated by the foregoing resolutions and to carry out the purposes of such 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.

Further

Resolved: That any actions taken by the officers of the Company 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 discuss in non-public session, on motion duly made by G. Bower and seconded by P. Stanley, all of the Committee members then voting, it was agreed to end the non-public session at 12:33 p.m.

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