

PENNICHUCK WATER WORKS, INC.

PRICING COMMITTEE
MINUTES OF MARCH 29-30, 2021 NON-PUBLIC SESSIONS

Non-public sessions of the Pricing Committee (“Committee”) of the Board of Directors of Pennichuck Water Works, Inc. (“Company”) were held beginning on Monday, March 29, 2021 at 4:41 p.m. by conference call and ending on Tuesday, March 30, 2021.

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

The following persons were present for the 4:41 p.m. call on March 29, 2021:

Committee Members:	James P. Dore H. Scott Flegal Thomas J. Leonard Deborah Novotny Preston J. Stanley, Jr.
Company:	Larry D. Goodhue, Chief Executive Officer Suzanne L. Ansara, Corporate Secretary George Torres, Corporate Controller and Treasurer Jay Kerrigan, Treasury/Regulatory Analyst Elizabeth A. Dunn, Director and Committee Alternate
Rath, Young & Pignatelli:	Attorney Paul Burkett Attorney Alexandria Russell
Hilltop Securities:	Ike Papadopoulos, Managing Director Casey Fox William Evans David Orise
NH Business Finance Authority:	James Key-Wallace

Pre-Pricing Call

Mr. Papadopoulos stated that the purpose of the meeting was to review preliminary pricing for the issuance of approximately \$5.9 million in bonds to fund Pennichuck Water Works’ 2020 capital expenditures. There was a discussion regarding the pre-pricing analysis document (marked “Mar 29, 2021 4:22 pm Prepared by Hilltop Securities Inc. (CMF)”), which was provided to the Committee members prior to the meeting.

Mr. Evans then discussed current market conditions.

It was agreed to reconvene the non-public session on Tuesday, March 30, 2021 at 9:00 a.m. for the pricing call. The non-public session was recessed at 4:54 p.m.

Pricing Call

The non-public session was reconvened on Tuesday, March 30, 2021 at 9:00 a.m.

Present from the Pricing Committee were J. Dore, T. Leonard, D. Novotny, and P. Stanley; and Committee alternate, E. Dunn; from the Company were L. Goodhue, S. Ansara, G. Torres, Carol Ann Howe (Assistant Treasurer), and J. Kerrigan; from Rath, Young & Pignatelli were Attorney Burkett and Attorney Russell; from Hilltop Securities were I. Papadopoulos, C. Fox and W. Evans; and from NH Business Finance Authority was James Key-Wallace.

Mr. Evans reported that market conditions were weaker this morning than yesterday and that the market is off by 2 basis points. He indicated that trades are getting done and the strategy is to go out to the market over a 90 minute order period with the scale of numbers that were discussed during yesterday's call. He said that there is a possibility that they would have to go back out to the marketplace with some adjusted levels.

L. Goodhue said that although he does not like to see a movement of 2 basis points, management can accept it. He said that it is important to issue the bonds to derive the project funds that the Company needs at this time. The Committee members agreed.

Mr. Papadopoulos indicated that they will contact L. Goodhue if it is necessary to reconvene the Committee prior to the 12:00 p.m. call.

There being no further discussion, on a motion duly made by T. Leonard and seconded by J. Dore, all of the Committee members present then voting by roll call, the Committee members gave their verbal unanimous consent to Hilltop Securities to enter the market with the pricing as presented to the Committee yesterday.

The Committee agreed to reconvene the non-public session on Tuesday, March 30, 2021 at 12:00 p.m. for the award call. The non-public session was recessed at 9:08 a.m.

Award Call

The non-public session was reconvened on Tuesday, March 30, 2021 at 12:00 p.m.

Present from the Pricing Committee were J. Dore, S. Flegal, T. Leonard, D. Novotny, and P. Stanley; Committee Alternate E. Dunn; from the Company were L. Goodhue, S. Ansara, G. Torres, C. Howe and J. Kerrigan; from Rath, Young & Pignatelli were Attorney Burkett and Attorney Russell; and from Hilltop Securities were I. Papadopoulos, C. Fox and W. Evans.

Mr. Evans reported that the marketing of the bonds was successful in spite of a volatile market. The Committee was provided with revised pricing information following the morning's order period (marked "Mar 30, 2021 11:45 am Prepared by Hilltop Securities Inc. (CMF)" and then a revised document marked "Mar 30, 2021 12:14 pm Prepared by Hilltop Securities Inc. (CMF)."

He said that orders were received from 5 separate accounts, including an individual retail account, an insurance company, and a municipality. Mr. Evans said that all of the longer maturities (years 2032-2051) have been spoken for. No orders have been received for the smaller maturities (years 2023-2031), which he said are tough to sell in a 90 minute order period. Mr. Evans indicated that Hilltop is fully prepared to underwrite those maturities to take the risk off the table and to make sure a deal is completed. For the taxable portion, an order has been received for the 2022, 2023 and 2024 maturities.

A discussion ensued relative to the All-In TIC. The All-In TIC for the entire deal is 3.400339%, inclusive of the cost of issuance.

Mr. Evans asked the Committee for a verbal award to proceed with closing on the pricing.

On motion duly made by T. Leonard and seconded by J. Dore, all of the Pricing Committee Members then voting by roll call, the Committee Members gave their unanimous verbal consent to Hilltop Securities to finalize the pricing of the bonds as presented.

Mr. Papadopoulos accepted the verbal award on behalf of Hilltop Securities and will proceed to close on the pricing. He indicated that the closing for the bonds will take place on April 1. He congratulated all on the outcome.

The conference call ended at 12:15 p.m.

At 12:17 p.m., the non-public session was reconvened via Microsoft Teams. Present were Committee Members J. Dore, S. Flegal, T. Leonard, D. Novotny, P. Stanley, and Committee Alternate, E. Dunn; from the Company were L. Goodhue, S. Ansara, G. Torres and C. Howe; and from Rath, Young & Pignatelli were Attorney Burkett and Attorney Russell.

Attorney Russell referred the Committee to the draft resolutions in the Agenda. She said that the Committee needs to adopt the resolutions to bind the activities that have taken place. Attorney Russell provided the final pricing numbers for the resolutions.

There being no further discussion, on motion duly made by T. Leonard and seconded by J. Dore, all of the members of the Pricing Committee then voting by roll call, 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 \$5,065,000.00 (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 \$5,729,114.20 (such purchase price being the original principal amount of the Tax-Exempt Bonds plus a premium of \$704,634.20 on the Tax-Exempt Bonds and minus an Underwriters' discount of \$40,520.00).

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 T. Leonard and seconded by J. Dore, all of the members of the Pricing Committee then voting by roll call, 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 \$125,000.00 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 \$124,000.00 (such purchase price being the original principal amount of the Taxable Bonds minus an Underwriters’ discount of \$1,000.00).

Further

Resolved: That the Official Statement for the Taxable Bonds and Tax-Exempt Bonds (as defined in Pennichuck Water Works, Inc. – Pricing Committee Resolutions dated March 30, 2021), dated March 30, 2021 (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 J. Dore and seconded by D. Novotny, all of the Committee Members then voting by roll call, it was unanimously agreed to end the non-public session at 12:35 p.m.

/s/ Suzanne L. Ansara

Suzanne L. Ansara
Corporate Secretary