

PENNICHUCK EAST UTILITY, INC.

BOARD OF DIRECTORS  
MINUTES OF FEBRUARY 23, 2024 MEETING

A regular meeting of the Board of Directors of Pennichuck East Utility, Inc. (the “Company”) was held on Friday, February 23, 2024 at 8:12 a.m. at the Company’s offices at 25 Walnut Street, Nashua, 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 for the start of the meeting, constituting a quorum:

C. George Bower, Chairman  
Elizabeth A. Dunn  
H. Scott Flegal  
Thomas J. Leonard III  
Steve D. Genest  
Jay N. Lustig  
John D. McGrath  
Deborah B. Novotny  
Brian H. Law  
Sarah Pillsbury (via Microsoft Teams)  
David P. Bernier (via Microsoft Teams)  
Ralph Jenkins (via Microsoft Teams)  
Amy R. Corriveau (via Microsoft Teams)

Attending all or a portion of the meeting from the Company were:

John J. Boisvert, Chief Executive Officer and Chief Engineer  
Donald L. Ware, Chief Operating Officer  
Mary V. DeRoche, Human Resources Director  
George Torres, Chief Financial Officer and Treasurer  
Carol Ann Howe, Assistant Treasurer and Corporate Secretary  
Steven Greenwood, IT Director  
Tara King, Revenue and Customer Operations Director  
Christopher J. Countie, Director, Water Supply and Community Systems  
Alan D. Brown, Manager, Distribution  
Lori Douglas, Corporate Controller  
Jay Kerrigan, Manager Regulatory Affairs, Internal Control and Business Services

C. Howe recorded the minutes of the meeting.

The Chairman called the meeting to order.

Approval of Minutes

There being no comments on the draft minutes of the December 15, 2023 Board meeting, on motion duly made by D. Novotny and seconded by S. Genest, all of the Directors then voting by roll call, it was unanimously

Resolved: that the draft minutes of the December 15, 2023 meeting of the Board of Directors are hereby approved.

Dividend to Pennichuck Corporation

G. Torres stated that management is seeking approval of the annual distribution from the Company to Pennichuck Corporation in the amount of \$572,799.16 to fund Pennichuck Corporation's payment of the City's acquisition debt.

There being no further comments, on motion duly made by S. Genest and seconded by T. Leonard all of the Directors then voting by roll call, it was unanimously

Resolved: that a distribution in the amount of \$572,799.16 from additional paid in capital be recorded to Pennichuck Corporation on February 29, 2024.

2024 Annual Meeting of Shareholder "Pennichuck Corporation" and  
2024 Annual Meeting of the Board of Directors

J. Boisvert stated the resolution we are asking the Board to vote on is related to the timing of the 2024 Annual Meeting of Shareholder "Pennichuck Corporation", and the 2024 Annual Meeting of the Board of Directors. He noted the timing of the 2024 Annual Meeting of the Board of Directors is different than it has been in the most recent years when it was previously held at the end of May. Therefore, we are asking for a Board resolution to approve the revised timing of the meeting.

There being no further comments, on motion duly made by S. Genest D. Novotny and seconded by E. Dunn, all of the Directors then voting by roll call, it was unanimously

Resolved: that the Pennichuck East Utility, Inc. 2024 Annual Meeting of Shareholder be held on Saturday, May 4, 2024, at the Pennichuck Distribution Facility at 16 Daniel Webster Highway in Merrimack, NH, immediately following the Pennichuck Corporation Annual Meeting of the Board of Directors.

Resolved: that the Pennichuck East Utility, Inc. 2024 Annual Meeting of the Board of Directors be held on Saturday, May 4, 2024, at the Pennichuck Distribution Facility at 16 Daniel Webster Highway in Merrimack, NH, immediately following the 2024 Annual Meeting of Shareholder.

## CoBank Loan

G. Torres indicated we are requesting approval from the Board to finance an annual event to paydown the Fixed Asset Line of Credit (FALOC) at Pennichuck East Utility, Inc. He also noted that we do have the ability to draw upon the current year's capital as there is no required paydown but we do this every year and pay off the current FALOC and then issue a new loan.

There were a few questions from the Board related to this process as well as this loans impact on any future potential entity consolidation activity. G. Torres provided response to each of the questions. G. Bower noted that the loan had been reviewed and recommended for approval by the Audit, Finance and Risk Committee on February 22, 2024.

There being no further comments, on motion duly made by J. McGrath and seconded by J. Lustig all of the Directors then voting by roll call, it was unanimously

### Resolved:

WHEREAS, reference is made to that certain Master Loan Agreement, dated as of February 9, 2010, between Pennichuck East Utility, Inc. (the "Corporation"), as borrower, and CoBank, ACB ("CoBank"), as lender (the "Original MLA");

WHEREAS, by resolutions taken on February 4, 2010, the directors of the Corporation, as existed and were seated at that time, approved the Original MLA, transactions related to loans dated February 9, 2010, and future loans;

WHEREAS, the Corporation and CoBank entered into a First Amendment to the Original MLA as of April 25, 2018 to amend a certain debt service coverage ratio required of the Corporation (the "First Amendment");

WHEREAS, the Corporation and CoBank entered into a Second Amendment to the Original MLA as of July 22, 2019 to amend annual financial statement obligations of the Corporation and Pennichuck Corporation (the "Guarantor"), to apply a debt service coverage ratio to the Guarantor and amend certain related definitions, and to eliminate a total debt to total capitalization ratio (the "Second Amendment"); and

WHEREAS, the Corporation finds it beneficial that the Corporation take out an additional loan under the terms and conditions of the Original MLA, as amended by the First Amendment and Second Amendment (the "MLA") (such New Loan further described below), for the purposes of financing 2022 used and useful capital expenditures paid for with the CoBank Fixed Asset Line of Credit during 2022, including interest accrued thereupon.

NOW, THEREFORE, be it hereby:

Resolved: to authorize and approve that the Corporation enter into a term loan (the "New Loan") to be advanced under and subject to the terms and conditions of the MLA and a new Promissory Note and Supplement thereto, as follows: up to Two Million, Two Hundred Thousand Dollars and No Cents (\$2,200,000.00) with an up to 25 year amortization

schedule; at a rate of interest based on one of two interest rate options: a weekly quoted variable rate option or a quoted fixed rate option, each of which would be determined at closing on the New Loan.

Further

Resolved: to approve the other resolutions set forth in Exhibit A relating to said MLA and the New Loan, as proposed by CoBank and recommended by management, including without limitation that the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, the Treasurer and the Assistant Treasurer of the Corporation are, and each is, authorized to act as the Corporation's representative for the purposes of executing and administering documents necessary to effecting the above-

referenced loan subject to the MLA, and/or executing any other related documents, certificates and undertakings on behalf of the Corporation with respect to said New Loan.

Further

Resolved: that the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, the Treasurer and the Assistant Treasurer of the Corporation are hereby authorized and directed to take any and all actions to obtain all necessary approvals for the New Loan from the New Hampshire Public Utilities Commission, the City of Nashua, in its capacity as the sole shareholder of Pennichuck Corporation (the Corporation's parent corporation), and any other authority determined, as a requirement, by such officers relating to the New Loan.

## EXHIBIT A

### RESOLUTIONS OF THE BOARD OF DIRECTORS of PENNICHUCK EAST UTILITY, INC. Nashua, New Hampshire

**WHEREAS**, Pennichuck East Utility, Inc. ("Borrower"), under its articles of incorporation, bylaws, or other organizational documents has full power and authority to borrow money and to secure the same with its own property and property delivered to it for marketing or otherwise; and

**WHEREAS**, all prerequisite acts and proceedings preliminary to the adoption of these Resolutions have been taken and done in due and proper form, time and manner;

**NOW, THEREFORE, BE IT RESOLVED**, that the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, the Treasurer and the Assistant Treasurer ("Officers") of the Borrower are jointly and severally authorized and empowered to obtain for and on behalf of the Borrower from time to time, from CoBank, ACB ("CoBank"), a loan or loans or other financial accommodations (including, without limitation, letters of credit, note purchase agreements and bankers acceptances) (collectively, a "Loan") under these Resolutions; and for such purposes: (1) to execute such application or applications (including exhibits, amendments and/or supplements thereto) as may be required for all borrowings; (2) to obligate the Borrower to pay such rate or rates of interest as the Officers so acting shall deem proper, and in connection therewith to purchase such interest rate risk management products as may be offered from time to time by CoBank; (3) to obligate the Borrower to make such investments in CoBank as required by CoBank and to obligate the Borrower to such other terms and conditions as the Officers so acting shall deem proper; (4) to execute and deliver to CoBank or its nominee all such written loan agreements, documents and instruments as may be required by CoBank in regard to or as evidence of any Loan made pursuant to the terms of this Resolution; (5) to pledge, grant a security interest or lien in, or assign property of the Borrower or property of others on which it is entitled to borrow, of any kind and in any amount as security for any or all obligations (past, present and/or future) of the Borrower to CoBank; (6) to execute and deliver to CoBank an Electronic Commerce Master Service Agreement, a separate Service Agreement for each different service requested by the Borrower, and such other agreements, addenda, documents or instruments as may be required by CoBank in the event that the Borrower elects to use CoBank's electronic banking system (the "System"); (7) to execute and deliver to CoBank any agreements, addenda, authorization forms and other documents or instruments as may be required by CoBank in the event that the Borrower elects to use any services or products related to the Loan that are offered by CoBank now or in the future, including without limitation an automated clearing house (ACH) service; (8) from time to time amend any such Loan; (9) to direct and delegate to designated employees of the Borrower the authority to direct, by written or telephonic instructions or electronically, if the Borrower has agreed to use the System for such purpose, the disposition of the proceeds of any Loan authorized herein or any property of the Borrower at any time held by CoBank; and (10) to delegate to designated employees of the Borrower the authority to request by telephonic or written means or electronically, if the Borrower has agreed to use the System for such purpose, loan advances and/or other financial accommodations, and in connection therewith, to fix rates and agree to pay fees. In the absence of any direction or delegation authorized in (9) or (10) above, all existing directions and/or delegations shall remain in full force and effect and shall be applicable to any Loan authorized herein.

(Exhibit A)

**RESOLVED FURTHER,** That each of the Officers are hereby jointly and severally authorized to: (1) establish a Cash Investment Services Account at CoBank; (2) make such investments therein as any Officer shall deem proper; (3) direct by written or telephonic instructions or electronically, if the Borrower has agreed to use the System for such purposes, the disposition of the proceeds therein; (4) delegate to designated employees of the Borrower the authority set forth in (2) and (3) above; and (5) execute and deliver all documents and agreements necessary to carry out this authority.

**RESOLVED FURTHER,** That each of the Officers are hereby jointly and severally authorized and directed to do and/or cause to be done, from time to time, all things which may be necessary and/or proper for the carrying out of the terms of these Resolutions.

**RESOLVED FURTHER,** That all prior acts by the Officers or other employees or agents of the Borrower to accomplish the purposes of these Resolutions are hereby approved and ratified.

**RESOLVED FURTHER,** That any Officer of the Borrower is hereby authorized and directed to cast the ballot of the Borrower in any and all proceedings in which the Borrower is entitled to vote for the selection of a member of CoBank's board of directors or for any other purpose.

**RESOLVED FURTHER,** That these Resolutions shall remain in full force and effect until a certified copy of a duly adopted resolution effecting a revocation or amendment, as the case may be, shall have been received by CoBank. The authority hereby granted shall apply with equal force and effect to the successors in office of the Officers herein named.

**RESOLVED FURTHER,** That effective on the date when the Loan under these Resolutions becomes available, the following listed Resolutions are hereby revoked:  N/A .

**RESOLVED FURTHER,** That the Secretary or any Assistant Secretary of the Borrower is hereby authorized and directed to certify to CoBank a copy of these Resolutions, the names and specimen signatures of the present Officers above referred to, and if and when any change is made in the personnel of any said Officers, the fact of such change and the name and specimen signatures of the new Officers. CoBank shall be entitled to rely on any such certification until a new certification is actually received by CoBank.

There being no further business to come before the Board, the Chairman adjourned the meeting at 8:21 a.m.

*Carol Ann Howe*

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Carol Ann Howe, CPA  
Assistant Treasurer & Corporate Secretary