



RESOLUTION

APPROVING THE PROPOSAL OF PENNICHUCK CORPORATION TO ENTER INTO
A REPLACEMENT LINE OF CREDIT WITH TD BANK, N.A.

CITY OF NASHUA

In the Year Two Thousand and Seventeen

WHEREAS, the City of Nashua is the sole shareholder of Pennichuck Corporation (“Pennichuck”) and each of its subsidiaries;

WHEREAS, Article IX (3) of the Articles of Incorporation of Pennichuck and Article V §2 of the by-laws of Pennichuck require the approval of the sole shareholder (the City of Nashua) for Pennichuck to create, incur or assume any indebtedness for borrowed money, which includes contracting a loan or line of credit on behalf of Pennichuck or its subsidiaries; and

WHEREAS, Pennichuck is proposing to replace its current \$10,000,000 line of credit which expires February 28, 2018, with a new \$4,000,000 line of credit, with a term of one year, but reviewable annually for renewal and extension. The proposed replacement line of credit at the reduced principal amount will be used for working capital purposes.

NOW, THEREFORE, BE IT RESOLVED by the Board of Aldermen of the City of Nashua that the City approves Pennichuck Corporation’s proposal to replace Pennichuck Corporation’s existing line of credit facility, allowing for borrowing by Pennichuck Corporation under a new line of credit, in the aggregate principal amount of up to \$4,000,000 from TD Bank, N.A., pursuant to a senior line of credit facility, for the purpose of providing advances to be used for general corporate purposes.

LEGISLATIVE YEAR 2017

RESOLUTION: R-17-156

PURPOSE: Approving the proposal of Pennichuck Corporation to enter into a replacement line of credit with TD Bank, N.A.

ENDORSERS: Alderman-at-Large Brian S. McCarthy

**COMMITTEE
ASSIGNMENT:**

FISCAL NOTE: None.

ANALYSIS

This resolution approves the proposal by Pennichuck Corporation to replace their existing line of credit with TD Bank, N.A. as described in the resolution.

Pennichuck has provided additional information on the proposal to the Board of Alderman.

Article IX (3) of Pennichuck Corporation's Articles of Incorporation and Article V §2 of the Pennichuck Corporation's by-laws requires City approval for the borrowing.

Approved as to form: Office of Corporation Counsel

By: Douglas Clarke

Date: November 13, 2017