RESOLUTION

AUTHORIZING PENNICHUCK CORPORATION AND PENNICHUCK EAST UTILITY, INC. TO ENTER INTO A TERM LOAN WITH COBANK, ACB

CITY OF NASHUA

In the Year Two Thousand and Nineteen

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, assume, or guarantee any indebtedness for borrowed money, which includes contracting a loan on behalf of Pennichuck or its subsidiaries; and

WHEREAS, Pennichuck East Utility, Inc. is a regulated New Hampshire public water utility corporation providing retail water service to New Hampshire customers, and is a wholly owned subsidiary of Pennichuck which, in turn, is wholly owned by the City of Nashua.

NOW, THEREFORE, BE IT RESOLVED by the Board of Aldermen of the City of Nashua that the City approves the term loan to Pennichuck East Utility, Inc. from CoBank, ACB, in an amount up to $1,450,000, with an amortization period of up to 25 years; and

FURTHER RESOLVED by the Board of Aldermen of the City of Nashua that the City approves the guaranty by Pennichuck of the payment by Pennichuck East Utility, Inc. of the term loan described above.
LEGISLATIVE YEAR 2019

RESOLUTION: R-19-119

PURPOSE: Authorizing Pennichuck Corporation and Pennichuck East Utility, Inc., to enter into a term loan with CoBank, ACB

ENDORSERS: Alderman-at-Large Lori Wilshire

COMMITTEE ASSIGNMENT:

FISCAL NOTE: None.

ANALYSIS

This resolution approves the proposal by Pennichuck Corporation and one of their regulated public water subsidiaries to enter into a term loan with CoBank, ACB as described in the resolution.

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

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: [Signature]

Date: March 5, 2019