
Amended and Restated
Cash Pooling and Loan Agreement

Dated as of December 1, 2008

This Amended and Restated Cash Pooling and Loan Agreement ("Cash Pooling Agreement") is dated as of December 1, 2008.

WHEREAS, Unitil Corporation, a New Hampshire corporation ("Unitil"), Unitil Energy Services, Inc., a New Hampshire corporation ("UES"), Fitchburg Gas and Electric Light Company, d/b/a Unitil, a Massachusetts corporation ("FG&E"), Unitil Power Corp., a New Hampshire corporation ("UPC"), Unitil Realty Corp., a New Hampshire corporation ("Unitil Realty"), Unitil Resources, Inc., a New Hampshire corporation ("URI"), and Unitil Service Corp., a New Hampshire corporation ("Service Corp."), are parties to a Cash Pooling and Loan Agreement dated as of February 1, 1985, which has been amended five times by amendments dated December 15, 1986, April 29, 1992, June 1, 1993, December 2, 2002, and August 12, 2005;

WHEREAS, effective December 1, 2008, Unitil acquired Northern Utilities, Inc., a New Hampshire corporation ("Northern"), and Granite State Gas Transmission, Inc. a New Hampshire corporation ("Granite"); and

WHEREAS, Unitil, UES, FGE, UPC, Unitil Realty, URI, Service Corp., Northern and Granite are hereinafter sometimes referred to individually as a "Party" and collectively as the "Parties,"

NOW, THEREFORE in consideration of the foregoing, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency is hereby acknowledged by each Party to the others, the Parties hereto agree as follows:

Section 1. Certain Defined Terms. As used in this Cash Pooling Agreement and unless otherwise expressly indicated herein, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"Advance" means an advance from the Cash Pool pursuant to Section 3 hereof and refers to a Bank Advance or a Surplus Advance.

"Bank Advance" means an Advance of Bank Borrowings.

"Bank Borrowings" means bank borrowings made by Unitil and contributed to the Cash Pool.

"Business Day" means a day of the year on which banks are not required or authorized to close in Boston, Massachusetts.

"Cash Pool" means the pool of cash, comprising Surplus Funds and Bank Borrowings, from which Advances are made.

"Surplus Advance" means an Advance of Surplus Funds.

"Surplus Funds" means surplus funds contributed to the Cash Pool by the Parties.

Section 2. Contributions to the Cash Pool. Funds contributed to the Cash Pool will be deposited in one or more common bank deposit accounts established and maintained for the Cash Pool. Each Party shall have an independent withdrawal authority with respect to the funds which it has contributed to the Cash Pool and any earnings attributable to such funds which are not funding an outstanding Advance.

Section 3. Advances. (a) Each Party, except Unitil, may request Advances from the Cash Pool from time to time during the period from the date hereof until this Cash Pooling Agreement is terminated by written agreement of the Parties; provided, however, that the aggregate amount of all Advances to be requested by any Party hereunder shall not exceed the applicable borrowing limits, if any, established by such Party's Board of Directors and any regulatory authority having jurisdiction over such Party or established pursuant to any agreement binding upon such Party.

(b) To the extent possible, Advances will be made first from Surplus Funds and second from Bank Borrowings.

(c) Surplus Advances will be made on a pro rata basis from the Surplus Funds contributed to the Cash Pool by each Party in the proportion which each Party's Surplus Funds in the Cash Pool bear to the total amount of Surplus Funds in the Cash Pool.

Section 4. Interest on Advances. (a) Each Party receiving an Advance shall pay interest on the unpaid principal amount of such Advance to the Cash Pool from the date of such Advance until such principal amount shall be paid in full. The interest rate applicable on any day to Surplus Advances shall be the daily rate of interest applicable to loans to Unitil by the bank designated from time to time by Unitil as its "lead bank". The interest rate applicable on any day to Bank Advances shall be calculated to produce an aggregate interest charge on all such Bank Advances, at a rate which shall be uniform for all such Bank Advances, equal to the net cost to Unitil of the Bank Borrowings used to fund such Bank Advances on such day.

(b) The benefits, and/or costs and fees, of any hedging instrument(s) entered into by a lending Party with respect to funds contributed to the Cash Pool hereunder will be passed through to each Party borrowing those funds through the Cash Pool as part of, and pursuant to the same allocation method as, interest charges calculated hereunder. Therefore, on a monthly basis, the income and/or costs and fees of the hedging instrument(s) shall be allocated to each Party on a pro rata basis in the proportion which each Party's aggregate principal amount of Advances during the calendar month bore to the aggregate principal amount of all Advances for such calendar month.

Section 5. Repayment of Advances. Each Party receiving an Advance shall repay the principal amount of such Advance to the Cash Pool, together with all interest accrued thereon, within 365 days of the date on which such Advance was made, unless such day on which payment is due is not a Business Day, in which case such payment shall be made on the preceding Business Day.

Section 6. Bank Fees. During the first year of this Cash Pooling Agreement the costs of compensating balances, commitment fees and fees paid to banks to maintain bank accounts and

credit lines for purposes of Bank Advances shall be allocated provisionally among the Parties at the discretion of Service Corp. In each year thereafter such costs and fees shall be allocated provisionally to each Party on a pro rata basis in the proportion which each Party's aggregate principal amount of Advances for the prior calendar year bore to the aggregate principal amount of all Advances for such prior calendar year. Such costs and fees shall be retroactively reallocated at the end of each calendar year on a pro rata basis in the proportion which each Party's aggregate principal amount of Advances for such calendar year bore to the aggregate principal amount of all Advances for such calendar year.

Section 7. Event of Default. If any Party shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against any Party seeking to adjudicate it a bankrupt or insolvent, then the other parties may declare the unpaid principal amount of any Advances to such party, and all interest thereon, to be forthwith due and payable and all such amounts shall forthwith become due and payable.

Section 8. Amendments, Waivers. This Cash Pooling Agreement may not be modified or amended in any respect except in writing executed by the Parties. No provision of this Cash Pooling Agreement shall be deemed waived unless such waiver is set forth in writing and executed by the Party making such waiver.

Section 9. Legal Responsibility. Nothing herein contained shall render any Party liable for the obligations of any other Party hereunder and the rights, obligations and liabilities of the Parties are several in accordance with their respective obligations, and not joint.

Section 10. Records and Administration. Service Corp. shall be responsible for the administration of this Cash Pooling Agreement and for ensuring that all relationships and arrangements between the Parties hereunder are in compliance with the authorization and any applicable limitations of Report and Supplemental Order No. 17,373 and Order No. 18,416 of the NHPUC and such other order(s) which have or will be issued by the appropriate regulatory authorities having jurisdiction. Service Corp. shall further be responsible for the determination of all applicable interest rates and charges to be applied to Advances outstanding at any time hereunder, shall maintain records of all Advances, interest charges and accruals and interest and principal payments for purposes hereof, and shall prepare regular reports thereof for the Parties.

Section 11. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New Hampshire.

IN WITNESS WHEREOF, the parties have caused this Cash Pooling Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

UNITIL CORPORATION

By: 

Name: George R. Gantz, Senior Vice President

By: 

Name: Mark H. Collin, Sp. Vice President,
Chief Financial Officer & Treasurer

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY, d/b/a UNITIL

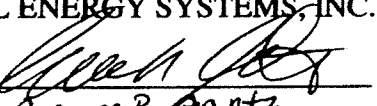
By: 

Name: George R. Gantz, Senior Vice President

By: 

Name: Mark H. Collin, Treasurer

UNITIL ENERGY SYSTEMS, INC.

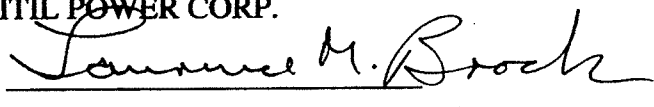
By: 

Name: George R. Gantz,
Senior Vice President

By: 

Name: Mark H. Collin, Treasurer

UNITIL POWER CORP.

By: 

Name: Laurence M. Brock, Controller

By: 

Name: Mark H. Collin, President & Treasurer

UNITIL REALTY CORP.

By: George E. Long, Jr.

Name: GEORGE E. LONG, JR., PRESIDENT

By: Mark H. Collin

Name: Mark H. Collin, Sr. Vice President & Treasurer

UNITIL RESOURCES, INC.

By: Todd R. Black

Name: Todd R. Black, President

By: George E. Long, Jr.

Name: GEORGE E. LONG, JR., VP + SECRETARY

UNITIL SERVICE CORP.

By: Mark H. Collin

Name: Mark H. Collin, President & Treasurer

By: Laurence M. Brock

Name: Laurence M. Brock, Vice President & Controller

NORTHERN UTILITIES, INC.

By: Mark H. Collin

Name: Mark H. Collin, Treasurer

By: George R. Brant

Name: George R. Brant, Senior Vice President

GRANITE STATE GAS TRANSMISSION, INC.

By: 

Name: George R. Gantz

By: 

Name: Mark H. Collin, Treasurer