

R-23-110



## RESOLUTION

### AUTHORIZING PENNICHUCK CORPORATION AND PENNICHUCK EAST UTILITY, INC. TO ENTER INTO A TERM LOAN AND RENEW A FIXED ASSET LINE OF CREDIT WITH COBANK, ACB

### *CITY OF NASHUA*

*In the Year Two Thousand and Twenty-Three*

**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, 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 (1) the loan to Pennichuck East Utility, Inc. from CoBank, ACB, in an amount of \$800,000, with an up to 25-year amortization schedule; (2) the renewal and expansion of the 3-year revolving line of credit to Pennichuck East Utility, Inc. from CoBank, ACB, in an amount up to \$4,000,000; and (3) the guarantee by Pennichuck Corporation of the payment by Pennichuck East Utility, Inc. of said loan and revolving line of credit.