

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.