

MOTION OF SUPPORT

The Regional Water Charter Committee, which is in the process of creating the Pennichuck Regional Water District, supports the efforts of the City of Nashua to purchase the assets of the Pennichuck Corporation for the benefit of the District and all of its member municipalities. The Charter Committee contemplates that if the District is successful in its efforts, the District will be required to raise funds sufficient to fund Nashua's purchase of the Pennichuck assets or to reimburse Nashua for what it pays for those assets. Accordingly, the District has a direct interest in assuring that the price to be paid for the Pennichuck assets is fair and reasonable.

The Charter Committee has been informed that the City of Nashua has offered the Pennichuck Corporation the sum of \$121 million in cash for the purchase of all of its assets. The City of Nashua has also represented to the Charter Committee that this cash offer is the financial equivalent of the prior offer of \$106 million in Philadelphia Suburban stock that the Board of Directors of the Pennichuck Corporation had previously agreed to accept. Taking all of the foregoing into consideration, it is the opinion of the Charter Committee that the price offered by Nashua is in the best interests of the member municipalities of the proposed Water District, including the citizens of Nashua, and that it is fair and reasonable to the Pennichuck Corporation shareholders.

*Motion passed by Charter Committee, 7 in favor, 2 opposed, on November 20, 2003.