

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM S-8

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

UNITIL CORPORATION

(Exact name of registrant as specified in its charter)

New Hampshire
(State or other jurisdiction of
incorporation or organization)

02-0381573
(I.R.S. Employer
Identification No.)

6 Liberty Lane West, Hampton, New Hampshire
03842 (Address of principal executive office,
including zip code)

UNITIL CORPORATION
1998 STOCK OPTION PLAN
(Full title of the plan)

Anthony J. Baratta, Jr.
Senior Vice President and
Chief Financial Officer
UNITIL CORPORATION
6 Liberty Lane West
Hampton, New Hampshire 03842
(603) 772-0775
(Name, address, and telephone number, including area code,
of agent for service)

Copies to:
David S. Balabon, Esq.
LEBOEUF, LAMB, GREENE & MACRAE, L.L.P.
260 Franklin Street
Boston, Massachusetts 02110
(617) 439-9500

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered ¹	Proposed maximum offering price per share ²	Proposed maximum aggregate offering price ²	Amount of registration fee
Common Stock, no par value	350,000 shares	\$22.875	\$8,006,250	\$2,225.74

1 In addition, pursuant to Rule 416(a) under the Securities Act of 1933, this Registration Statement also covers any additional securities to be offered or issued in connection with a stock split, stock dividend or similar transaction.

2 Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(h) under the Securities Act of 1933 on the basis of the average of the high and low prices of the Common Stock as reported by

the American Stock Exchange on February 25, 1999, which date is within five (5) business days of the filing hereof.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents, which have heretofore been filed by Unitil Corporation (the "Company") with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended (the "1934 Act"), are hereby incorporated by reference in this Registration Statement:

(a) The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1997.

(b) The Company's Quarterly Report on Form 10-Q for the quarters ended March 31, 1998, June 30, 1998 and September 30, 1998.

(c) The Company's Current Report on Form 8-K filed with the Commission on January 29, 1999.

(d) The description of the Company's Common Stock contained in the Company's Registration Statement on Form 8-A dated February 6, 1985, filed with the Commission pursuant to Section 12 of the 1934 Act, and any amendment or report filed with the Commission for the purpose of updating such description.

All documents subsequently filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the 1934 Act, prior to the filing of a post-effective amendment that indicates that all securities offered hereby have been sold or that deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be a part hereof from the date of filing of such documents.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

No material interests.

Item 6. Indemnification of Directors and Officers.

The Company is organized under the laws of the State of New Hampshire. The New Hampshire Business Corporation Act (the "Act") provides that a corporation may indemnify an individual made a party to a proceeding because he is or was a director, officer, employee or agent of the corporation against liability incurred in the proceeding if: (1) he conducted himself in good faith; and (2) he reasonably believed (i) in the case of conduct in his official capacity with

the corporation, that his conduct was in its best interests; and (ii) in all other cases, that his conduct was at least not opposed to its best interests; and (3) in the case of any criminal proceeding, he had no reasonable cause to believe his conduct was unlawful. A corporation may not indemnify a director (x) in connection with a proceeding by or in the right of the corporation in which the director was adjudged liable to the corporation; or (y) in connection with any other proceeding charging improper personal benefit to him, whether or not involving action in his official capacity, in which he was adjudged liable on the basis that personal benefit was improperly received by him. Unless limited by its articles of incorporation, a corporation shall indemnify a director or officer who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he was a party because he is or was a director or officer of the corporation against reasonable expenses incurred by him in connection with the proceeding. A corporation may purchase and maintain insurance on behalf of an individual who is or was a director, officer, employee, or agent of the corporation, or who, while a director, officer, employee or agent of the corporation, is or was serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against liability asserted against or incurred by him in that capacity or arising from his status as a director, officer, employee, or agent, whether or not the corporation would have power to indemnify him against the same liability under the Act.

Article X of the Company's By-Laws provides that the Company shall indemnify any person who was or is a party or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the person's having served as, or by reason of the person's alleged acts or omissions while serving as a director, officer, employee or agent of the Company, or while serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorney's fees, judgments, fines and amounts paid in settlement or otherwise actually and reasonably incurred by him in connection with the action, suit or proceeding, if the person acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful, said indemnification to be to the full extent permitted by law under the circumstances, including, without limitation, by all applicable provisions of the Act. Any indemnification under this Article shall be made by the Company with respect to Directors or other persons after a determination that the person to be indemnified has met the standards of conduct set forth in the Act, such determination to be made by the Board of Directors, by majority vote of a quorum, or by other persons authorized to make such a determination under the Act.

The right of indemnification arising under this Article is adopted for the purpose of inducing persons to serve and to continue to serve the Company without concern that their service may expose them to personal financial harm. It shall be broadly construed, applied and implemented in light of this purpose. It shall not be exclusive of any other right to which any such person is entitled under any agreement, vote of the stockholders or the Board of Directors, statute, or as a matter of law, or otherwise, nor shall it be construed to limit or confine in any

respect the power of the Board of Directors to grant indemnity pursuant to any applicable statutes or laws of the State of New Hampshire. The provisions of this Article are separable, and, if any provision or portion hereof shall for any reason be held inapplicable, illegal or ineffective, this shall not affect any other right of indemnification existing under this Article or otherwise. As used herein, the term "person" includes heirs, executors, administrators or other legal representatives. As used herein, the terms "Director" and "officer" include persons elected or appointed as officers by the Board of Directors, persons elected as Directors by the stockholders or by the Board of Directors, and persons who serve by vote or at the request of the Company as directors, officers or trustees of another organization in which the Company has any direct or indirect interest as a shareholder, creditor or otherwise.

The Company may purchase and maintain insurance on behalf of any person who was or is a Director, officer or employee of the Company or any of its subsidiaries, or who was or is serving at the request of the Company as a fiduciary of any employee benefit plan of the Company or any subsidiary, against any liability asserted against, and incurred by, such person in any such capacity, or arising out of such person's status as such, whether or not the Company would have the power to indemnify such person against such liability under the provisions of the Act. The obligation to indemnify and reimburse such person under this Article, if applicable, shall be reduced by the amount of any such insurance proceeds paid to such person, or the representatives or successors of such person.

The Company holds a directors and officers liability and corporate indemnification policy to protect itself and its directors, officers, employees and agents against any expense, liability or loss, subject to certain limits in coverage and deductibles, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under the Act.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

Exhibit No.

4.1 Unutil Corporation 1998 Stock Option Plan.

4.2 Articles of Incorporation of the Company, as amended (filed as Exhibit 3.1 to the Company's Registration Statement on Form S-14, No. 2-93769, and incorporated herein by reference).

4.3 Articles of Amendment to the Articles of Incorporation of the Company (filed as Exhibit 3.2 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1992, and incorporated herein by reference).

4.4 By-Laws of the Company.

5 Opinion of LeBoeuf, Lamb, Greene & MacRae, L.L.P.

23.1 Consent of LeBoeuf, Lamb, Greene & MacRae, L.L.P. (included in Exhibit 5).

23.2 Consent of Grant Thornton LLP.

24 Power of Attorney (included in Part II under the caption "Signatures").

Item 9. Undertakings.

(a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement.

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the Registration Statement is on Form S-3, Form S-8 or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered that remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the Registration Statement shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

The Registrant. Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the Town of Hampton, the State of New Hampshire, on this 4th day of March, 1999.

UNITIL CORPORATION

By: /s/ Anthony J. Baratta, Jr.
Anthony J. Baratta, Jr.
Senior Vice President and
Chief Financial Officer

Each person whose signature appears below constitutes and appoints Anthony J. Baratta, Jr. and Mark H. Collin, and each of them individually, his or her true and lawful attorney-in-fact and agent with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement on Form S-8 to be filed by Unitil Corporation, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the date indicated.

Signature	Title	Date
/s/ Michael J. Dalton ----- Michael J. Dalton	Director, President and Chief Operating Officer	March 4, 1999
/s/ Bruce W. Keough ----- Bruce W. Keough	Director	March 4, 1999
/s/ Douglas K. Macdonald ----- Douglas K. Macdonald	Director	March 4, 1999
/s/ M. Brian O'Shaughnessy ----- M. Brian O'Shaughnessy	Director	March 4, 1999
/s/ J. Parker Rice, Jr. ----- J. Parker Rice, Jr.	Director	March 4, 1999

Signature	Title	Date
/s/ Robert G. Schoenberger ----- Robert G. Schoenberger	Director, Chairman of the Board and Chief Executive Officer	March 4, 1999
/s/ Charles H. Tenney, II ----- Charles H. Tenney, II	Director	March 4, 1999
/s/ Charles H. Tenney, III ----- Charles H. Tenney, III	Director	March 4, 1999
/s/ William W. Treat ----- William W. Treat	Director	March 4, 1999
/s/ W. William VanderWolk, Jr. ----- W. William VanderWolk, Jr.	Director	March 4, 1999
/s/ Joan D. Wheeler ----- Joan D. Wheeler	Director	March 4, 1999
/s/ Franklin Wyman, Jr. ----- Franklin Wyman, Jr.	Director	March 4, 1999
/s/ Ross B. George ----- Ross B. George	Director	March 4, 1999
/s/ Albert H. Elfner, III ----- Albert H. Elfner, III	Director	March 4, 1999

EXHIBIT INDEX

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5	Opinion of LeBoeuf, Lamb, Greene & MacRae, L.L.P.
23.1	Consent of LeBoeuf, Lamb, Greene & MacRae, L.L.P. (included in Exhibit 5).
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UNITIL CORPORATION
1998 STOCK OPTION PLAN

I. ESTABLISHMENT OF PLAN; DEFINITIONS

1. Purpose. The purpose of the Unitil Corporation 1998 Stock Option Plan is to provide an incentive to key Employees and Directors of Unitil Corporation and its Affiliates who are in a position to contribute materially to the long-term success of the Corporation and/or its Affiliates, to increase their interest in the welfare of the Corporation and its Affiliates and to aid in attracting and retaining Employees and Directors of outstanding ability.

2. Definitions. Unless the context clearly indicates otherwise, the following terms shall have the meanings set forth below:

a. "Affiliate" shall mean any parent or subsidiary of the Corporation which meets the requirements of Section 425 of the Code.

b. "Board" shall mean the Board of Directors of the Corporation.

c. "Cause" shall mean conviction of a felony, or any fraudulent or dishonest act which has resulted or is likely to result in material economic damage to the Corporation or an Affiliate, as determined in good faith by the Board at a Board meeting at which the Employee or Director, as applicable, was provided with an opportunity to be heard by the Board.

d. "Change of Control" shall mean the satisfaction of any one or more of the following conditions (and the "Change of Control" shall be deemed to have occurred as of the first day that any one or more of the following conditions shall have been satisfied):

(i) the Corporation receives a report on Schedule 13D filed with the Securities and Exchange Commission pursuant to Section 13(d) of the Exchange Act, disclosing that any person, group, corporation or other entity is the beneficial owner, directly or indirectly, of 25% or more of the outstanding Stock;

(ii) any "person" (as such term is defined in Section 13(d) of the Exchange Act), group, corporation or other entity other than the Corporation or a wholly-owned subsidiary of the

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Corporation, purchases shares pursuant to a tender offer or exchange offer to acquire any Stock (or securities convertible into Stock) for cash, securities or any other consideration, provided that after consummation of the offer, the person, group, corporation or other entity in question is the "beneficial owner" (as such term is defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of 25% or more of the outstanding Stock (calculated as provided in paragraph (d) of Rule 13d-3 under the Exchange Act in the case of rights to acquire Stock);

(iii) the stockholders of the Corporation approve (A) any consolidation or merger of the Corporation in which the Corporation is not the continuing or surviving corporation or pursuant to which shares of Stock would be converted into cash, securities or other property (except where the Corporation's shareholders before such transaction will be the owners of more than 75% of all classes of voting stock of the surviving entity), or (B) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all the assets of the Corporation; or

(iv) there shall have been a change in a majority of the members of the Board within a 25-month period unless the election or nomination for election by the Corporation's stockholders of each new director was approved by the vote of two-thirds of the directors then still in office who were in office at the beginning of the 25-month period.

e. "Code" shall mean the Internal Revenue Code of 1986, as it may be amended from time to time.

f. "Committee" shall mean the Compensation Committee of the Board, or such other committee appointed by the Board and consisting of not less than 2 non-Employee directors, which Committee shall administer the Plan as set forth in Section 4 of this Article I.

g. "Corporation" shall mean Unutil Corporation, a New Hampshire corporation.

h. "Director" shall mean a member of the Board or a member of the board of directors of an Affiliate.

i. "Disability" shall mean a medically determinable physical or mental condition which prevents an Employee from performing the material and substantial duties

of the Employee's regular occupation for a period of 180 consecutive days, and (B) results in a 20% or greater loss to the Employee of the Employee's indexed monthly earnings; provided, however, that a 180 consecutive-day period shall not be treated as interrupted if the Employee's inability to so perform should cease for a period of 30 days or less during the 180-day period.

j. "Employee" shall mean any employee, including officers, of the Corporation or any of its Affiliates.

k. "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

l. "Fair Market Value" shall mean, on any date, the average of the high and low trade prices of the Stock reported on the composite tape for issues listed on the American Stock Exchange on such date, or, if no trades shall have been reported for such date, on the next preceding date on which there were trades reported.

m. "Grantee" shall mean an Employee or a Director who has been granted a Stock Option under the Plan.

n. "Option Period" shall mean the term of a Stock Option as fixed by the Committee.

o. "Plan" shall mean the Unital Corporation 1998 Stock Option Plan as set forth herein and as amended from time to time.

p. "Stock" shall mean shares of the Common Stock, no par value, of the Corporation.

q. "Stock Option" shall mean a non-qualified option granted pursuant to the Plan to purchase shares of Stock.

r. "Stock Option Agreement" shall mean the written instrument evidencing the grant of one or more Stock Options under the Plan and which shall contain the terms and conditions applicable to such grant.

3. Shares of Stock Subject to Plan. There are hereby reserved for issuance under the Plan 350,000 shares of Stock. If a Stock Option shall expire and terminate for any reason, in whole or in part, without being exercised, the number of shares of Stock as to which such expired or terminated Stock Option shall not have been exercised may again become available for the grant of new Stock Options hereunder.

4. Administration of Plan. The Plan shall be administered by the Committee. Subject to the express provisions

of the Plan, the Committee shall have authority to determine the eligibility of Employees and Directors to participate in the Plan, to grant Stock Options under the Plan, to interpret the Plan, to prescribe, amend, and rescind rules and regulations relating to the Plan, to determine the terms and provisions of Stock Option Agreements and to make all other determinations necessary or advisable for the administration of the Plan. Any controversy or claim arising out of or related to the Plan shall be determined unilaterally by and in the sole discretion of the Committee. Any determination, decision or action of the Committee in connection with the construction, interpretation, administration, implementation or maintenance of the Plan shall be final, conclusive and binding upon all Grantees and all person(s) claiming under or through any Grantees. Notwithstanding anything contained in this Section 4 to the contrary, no member of the Committee shall have the authority to render any decision with respect to his or her participation in or entitlement to benefits under the Plan.

5. Amendment or Termination. The Board may, at any time, alter, amend, suspend, discontinue, or terminate the Plan; provided, however, that no such action shall adversely affect the right of any Grantee under any Stock Option previously granted thereto hereunder.

6. Effective Date of Plan. The Plan shall become effective on December 11, 1998.

II. GRANTS AND EXERCISE OF STOCK OPTIONS

1. Granting of Stock Options.

a. The Committee shall determine and shall designate from time to time those Employees and Directors who are to be granted Stock Options and shall specify the number of shares of Stock subject to each Stock Option; provided, however, that Stock Options for not more than 5% of the outstanding Stock may be issued in any one year to officers, Directors and/or key employees of the Corporation.

b. The Committee may grant at any time new Stock Options to an Employee or a Director who has previously received Stock Options, whether such prior Stock Options are still outstanding, have previously been exercised in whole or in part or are canceled in connection with the issuance of new Stock Options.

c. When granting a Stock Option, the Committee shall determine the purchase price of the Stock subject thereto and specify such price in the applicable Stock Option Agreement.

d. The Committee, in its sole discretion, shall determine whether any particular Stock Option shall become

exercisable in one or more installments, specify the installment dates and, within the limitations herein provided, determine the total period during which the Stock Option is exercisable. Further, the Committee may make such other provisions as may appear generally acceptable or desirable to the Committee.

2. Exercise of Stock Options. The purchase price of Stock subject to a Stock Option shall be payable upon exercise of the Option in cash or by check, bank draft or postal or express money order, or pursuant to a "cashless exercise" utilizing a brokerage firm. The Committee, in its discretion, may permit a Grantee to make partial or full payment of the purchase price by the surrender of Stock owned by the Grantee prior to the date of exercise. Shares of Stock surrendered in payment of the purchase price as provided above shall be valued at the Fair Market Value thereof on the date of exercise. Surrender of such Stock shall be evidenced by delivery of the certificates(s) representing such shares in such manner, and endorsed in such form, or accompanied by stock powers endorsed in such form, as the Committee may determine or by attestation.

3. Termination of Employment or Director Status. Except as provided otherwise in the applicable Stock Option Agreement (in which case the provisions of the Stock Option Agreement shall control over the provisions of this Section 3):

a. Except as provided in paragraphs b and c below, if a Grantee's employment or status as a Director with the Corporation or an Affiliate is terminated voluntarily by the Grantee or by the Corporation or an Affiliate other than for Cause, only those Stock Options held by the Grantee which were immediately exercisable at the termination of the Grantee's employment or status as a Director shall be exercisable by the Grantee following the termination of the Grantee's employment or status as a Director. Such Stock Options must be exercised within 3 months after such termination of employment or status as a Director (but in no event after expiration of the Option Period) or they shall be forfeited.

b. Notwithstanding anything to the contrary contained in paragraph a above, if a Grantee's employment with the Corporation or an Affiliate or status as a Director is terminated by the Corporation or an Affiliate for Cause, all then outstanding Stock Options held by the Grantee shall expire immediately and such Stock Options shall not be exercisable after the termination of the Grantee's employment or status as a Director.

c. Notwithstanding anything to the contrary contained in paragraphs a and b above, if a Grantee's employment with the Corporation or an Affiliate or status as a Director is terminated on account of the Grantee's death or,

if the Grantee is an Employee, on account of the Grantee's Disability, only those Stock Options held by the Grantee which were immediately exercisable at the date of the Grantee's death or Disability shall be exercisable by the Grantee, the Grantee's guardian or legal representative, or, if the Grantee is not then living, by the representative of the Grantee's estate or beneficiaries thereof to whom the Stock Options have been transferred. Such Stock Options must be exercised by the earlier of (i) 12 months from the date of the Grantee's death or Disability, or (ii) the expiration of the Option Period, or they shall be forfeited.

III. GENERAL PROVISIONS

1. Recapitalization Adjustments.

a. In the event of any change in capitalization affecting the Stock, including, without limitation, a stock dividend or other distribution, stock split, reverse stock split, recapitalization, consolidation, subdivision, split-up, spin-off, split-off, combination or exchange of shares or other form of reorganization or recapitalization, or any other change affecting the Stock, the Committee shall authorize and make such proportionate adjustments, if any, as the Committee shall deem appropriate to reflect such change, including, without limitation, with respect to the aggregate number of shares of Stock for which Stock Options in respect thereof may be granted under the Plan, the number of shares of Stock covered by each outstanding Stock Option, and the purchase price per share of Stock in respect of outstanding Stock Options.

b. Any provision hereof to the contrary notwithstanding, in the event the Corporation is a party to a merger or other reorganization, outstanding Stock Options shall be subject to the agreement of merger or reorganization. Such agreement may provide, without limitation, for the assumption of outstanding Stock Options by the surviving corporation or its parent, for their continuation by the Corporation (if the Corporation is a surviving corporation) for accelerated vesting and accelerated expiration or for settlement in cash.

2. General.

a. Each Stock Option shall be evidenced by a Stock Option Agreement.

b. The granting of a Stock Option in any year shall not give the Grantee any right to similar grants in future years or any right to be retained as an Employee or as a Director, and all Grantees shall remain subject to discharge

or removal to the same extent as if the Plan were not in effect.

c. No Grantee, and no beneficiary or other person claiming under or through him or her, shall have any right, title or interest by reason of any Stock Option to any particular assets of the Corporation, or any shares of Stock allocated or reserved for the purposes of the Plan or subject to any Stock Option except as set forth herein.

d. No Stock Option shall or may be sold, exchanged, assigned, pledged, encumbered, or otherwise hypothecated or disposed of except (i) by will or the laws of descent and distribution, or (ii) subject to Committee approval, by gift to any member of the Grantee's immediate family, to a trust for the benefit of such an immediate family member or to a partnership in which such immediate family members are the sole partners. A Stock Option may be exercisable during the Grantee's lifetime only by the Grantee or by the Grantee's guardian or legal representative unless it has been transferred by gift to a member of the Grantee's immediate family, to a trust for the benefit of such an immediate family member or to a partnership described in the immediately preceding sentence, in which case it shall be exercisable solely by such transferee. For purposes of this paragraph d, a Grantee's "immediate family" shall mean the Grantee's spouse, children and grandchildren. Notwithstanding any such transfer, the Grantee will continue to be subject to the income tax withholding requirements of paragraph f of this Section 2.

e. Notwithstanding any other provision of the Plan or agreements made pursuant hereto, the Corporation's obligation to issue or deliver any certificate or certificates for shares of Stock under a Stock Option, and the transferability of Stock acquired by exercise of a Stock Option, shall be subject to all of the following conditions:

(i) Any registration or other qualification of such shares under any state or federal law or regulation, or the maintaining in effect of any such registration or other qualification which the Committee shall, in its absolute discretion upon the advice of counsel, deem necessary or advisable;

(ii) The obtaining of any other consent, approval, or permit from any state or federal governmental agency which the Committee shall, in its absolute discretion upon the advice of counsel, determine to be necessary or advisable; and

(iii) Each stock certificate issued pursuant to a Stock Option shall bear such legends which the

Committee shall determine, in its absolute discretion, are necessary or advisable, or which in the opinion of counsel to the Corporation are required under applicable federal or state securities laws.

f. All payments to Grantees or to their legal representatives shall be subject to any applicable tax, community property, or other statutes or regulations of the United States or of any state having jurisdiction thereof. The Grantee may be required to pay to the Corporation or an Affiliate the amount of any withholding taxes which the Committee, in its sole discretion, deems necessary to be withheld in order to comply with any applicable statutes or regulations with respect to a Stock Option or its exercise. In the event that such payment is not made when due, the Corporation or Affiliate shall have the right to deduct, to the extent permitted by law, from any payment or settlement of any kind otherwise due to such person all or part of the amount required to be withheld. The Grantee may use Stock to satisfy the Grantee's income tax obligation with respect to a Stock Option or its exercise. If Stock is to be used to satisfy any such tax withholding, such Stock shall be valued based upon the Fair Market Value of such Stock as of the date the tax withholding is required to be made, such date to be determined by the Committee. The Corporation shall not be required to issue Stock until such obligations are satisfied.

g. A Grantee entitled to Stock as a result of the exercise of an Option shall not be deemed for any purpose to be, or have rights as, a shareholder of the Corporation by virtue of such exercise, except to the extent a Stock certificate is issued therefor and then only from the date such certificate is issued. No adjustments shall be made for dividends or distributions or other rights for which the record date is prior to the date such Stock certificate is issued, except as otherwise provided herein. The Corporation shall issue any Stock certificates required to be issued in connection with the exercise of a Stock Option with reasonable promptness after such exercise.

h. The Plan and the grant or exercise of Stock Options granted under the Plan shall be subject to, and shall in all respects comply with, applicable New Hampshire law.

i. Upon the occurrence of a Change of Control, all outstanding Stock Options shall automatically become 100% vested and fully exercisable.

BY-LAWS
OF
UNITIL CORPORATION

ARTICLE I * * * STOCKHOLDERS' MEETINGS

The annual meeting of the stockholders of UNITIL Corporation shall be held on the third Thursday in April of each year; and special meetings of the stockholders shall be held whenever the Chairman of the Board of Directors, the President or a majority of the Board of Directors, in their discretion, shall order the same, or whenever one or more stockholders, holding in the aggregate not less than one-tenth (1/10) of the capital stock of the Corporation entitled to vote at such meeting, shall so request the Secretary in writing, which writing shall indicate the purposes for which said meeting is to be called.

All such meetings, both annual and special, may be held at such time and in such place within or without The State of New Hampshire as the call therefor shall specify, and notice of every such meeting shall be given to each stockholder of record entitled to vote at the meeting by mailing a notice not less than ten (10) nor more than fifty (50) days before the day named for the meeting. Notices of all meetings of stockholders shall state the purposes for which the meetings are called.

In the event of the annual meeting, by mistake or otherwise, not being called and held as herein provided, a special meeting of the stockholders may be called and held in lieu of and for the purposes of the annual meeting. Any such special meeting may be called in the same manner as other special meetings or as provided by statute, Any election had or business done at any special meeting shall be as valid and effectual as of had or done at a meeting called as an annual meeting and duly held on said date.

At any meeting, the holders of record of a majority of the shares entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum but less than a quorum may adjourn the meeting, either sine die or to a date certain.

At any meeting, each stockholder of the Corporation entitled to vote at such meeting shall have one vote in person or by proxy for each share of stock having voting rights registered in his name on the books of the Corporation. A stockholder may vote through a proxy authorized by a written instrument signed by the stockholder or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution.

ARTICLE II * * * BOARD OF DIRECTORS

The property, business and affairs of the Corporation shall be managed by a Board of Directors, and they are hereby vested in such management with all the powers which the Corporation itself possess so far as such delegation of power is not incompatible with the provisions of these By-Laws or the statutes of The State of New Hampshire. No Director need be a stockholder of the Corporation.

The Corporation shall have such number of Directors as shall be fixed by the Board of Directors from time to time, provided, that such number shall be not less than nine (9) nor more than fifteen (15). The Directors shall be divided into three (3) classes, each class to be as nearly equal in number as possible as determined by the Board of Directors, with their respective terms of office arranged so that the term of office of one class expires in each year. The Directors comprising each class shall be elected by ballot for a term of three (3) years, or in the event that a Director is being elected to a class the term of office of which expires in less than three (3) years, then for the remaining term of such class, and until their successors are elected and qualified.

Any vacancy occurring in the Board, whether due to the death, resignation or other inability to serve of any Director previously elected, or due to an increase in the number of Directors comprising the Board, may be filled by the affirmative vote of a majority of the remaining Directors, though less than a quorum of the Board. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. In the event that the number of Directors comprising the Board is increased by the Board and directorships created thereby filled by the Board, then the Directors so elected by the Board shall be assigned by the Board to each class in such manner so that the number of Directors comprising each class is as nearly equal as possible, and each such Director elected by the Board shall serve until the next meeting of shareholders at which Directors are elected and until his successor is elected and qualified.

The Directors may appoint and remove at pleasure such subordinate officers and employees as may seem to them wise.

They shall have access to the books, vouchers and funds of the Corporation; shall determine upon the forms of certificates of stock and of the corporate seal; shall fix all salaries and fees; may fill all vacancies that may occur at

any time during the year in any office; and shall declare dividends from time to time as they may deem best.

Meetings of the Board of Directors may be held at any time and place within The State of New Hampshire or elsewhere within the United States on notice of the Secretary, who may and on request of the Chairman of the Board of Directors, the President or any two Directors shall call any such meeting, twenty-five hours notice thereof being given. Any such meeting, however, and all business transacted thereat, shall be legal and valid without notice if all the members of the Board are present in person or participating therein, or if the members who are absent waive notice by a signed written instrument filed with the records of the meeting or assent in writing to the action taken or to be taken.

A majority of the Board of Directors shall constitute a quorum for the transaction of business, but a lesser number may adjourn any meeting from time to time, and the meeting may be held as adjourned without further notice. When a quorum is present at or participating in any meeting, a majority of the members in attendance thereat or participating therein shall decide any question brought before such meeting, unless otherwise required by statute, the Articles of Incorporation or these By-Laws.

Members of the Board of Directors shall be entitled to such reasonable compensation for their services as Directors as shall be fixed from time to time by vote of the Board of Directors and shall also be entitled to reimbursement for any reasonable expenses incurred in connection with attendance at meetings thereof. The compensation of Directors may be on such basis as shall be determined in the vote of the Board relating thereto.

ARTICLE III * * * COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors, by vote or votes duly adopted, may appoint such committees as said Board may deem appropriate. Each committee shall consist of three (3) or more members of the Board of Directors and shall have and may exercise such powers and authority as shall be conferred or authorized by the vote(s) establishing it. The existence of any committee may be terminated, or its powers and authority modified, at any time by vote of the Board of Directors. Members of each committee shall be entitled to receive a fee for attendance at meetings thereof as shall be provided or authorized by the vote(s) establishing it, and all members of each committee shall be entitled to reimbursement for expenses incurred in connection with attendance at meetings thereof.

Each committee shall keep regular minutes of its proceedings and report the same to the Board of Directors when required. Unless otherwise determined by the Board of Directors, each committee may appoint a chairman and a secretary and such other officers of the committee as it may deem r advisable and may determine (a) the time and place of holding each meeting thereof, (b) the notice of meetings to be given to members and (c) all other procedural questions which may arise in connection with the work of such committee.

ARTICLE IV * * * OFFICERS

The officers of the Corporation shall be a Chairman of the Board of Directors, a President, one or more Vice Presidents, a Treasurer, one or more Assistant Treasurers, a Secretary and such other officers and agents as the Directors may from time to time authorize. No officer need be a stockholder of the Corporation.

All officers of the Corporation shall be elected, chosen or appointed by the Board of Directors at its first meeting after the annual meeting of stockholders, or special meeting held in lieu thereof. Each of said officers so elected, chosen or appointed shall hold his office until the first meeting of Directors after the next annual meeting of stockholders, or special meeting in lieu thereof, and until his successor shall have been chosen and qualified, or until his death, resignation or removal.

Any officer may be removed from office, with or without cause, at any time by the affirmative vote of a majority of the Board of Directors.

ARTICLE V * * * CHAIRMAN OF THE BOARD OF DIRECTORS & PRESIDENT

The Chairman of the Board of Directors and the President shall be chosen from among the members of the Board of Directors.

The Chairman of the Board of Directors shall be the chief executive officer of the Corporation and, subject to its Board of Directors, shall exercise general supervision of its affairs. He shall preside at all meetings of the stockholders and of the Directors when present.

The President, subject to the Board of Directors and its Chairman, shall have charge of the business of the Corporation relating to general operation and shall perform all the duties of his office prescribed by law or by vote of the Directors.

In the absence of the Chairman of the Board of Directors, the President shall, with like authority, preside at meetings both of the stockholders and of the Directors. In the absence of the Chairman of the Board of Directors and of the President, any Vice President shall preside with like authority. In the absence of the Chairman of the Board of Directors, the President and all the Vice Presidents, a President pro tempore shall be chosen.

ARTICLE VI * * * VICE PRESIDENTS

Any Vice President shall have, in addition to any duties and powers set forth in these By-Laws, such duties and powers as are usually incident to such office and as the Directors shall from time to time designate.

ARTICLE VII * * * SECRETARY

The Secretary, who shall be sworn, shall be the Secretary of the Corporation; and shall attend all meetings of the stockholders, keep accurate records thereof and perform all other duties incident to such office.

In the absence of the Secretary from any of such meetings, a Secretary pro tempore shall be chosen.

ARTICLE VIII * * * TREASURER

The Treasurer shall be responsible for the transfer of all of the capital stock of the Corporation, shall have custody of the corporate seal and of all the moneys, funds and valuable papers and documents of the Corporation. All property of the Corporation in the custody of the Treasurer shall be subject at all times to the inspection and control of the Board of Directors.

The Treasurer shall cause all the funds of the Corporation to be deposited in such bank or banks as the Directors may authorize or designate to the credit of the Corporation in its corporate name.

He shall have power to endorse for deposit or collection all checks, drafts, notes or other obligations for the payment of money on behalf of the Corporation or its order.

Except as the Directors may otherwise order or approve, all checks, drafts, notes or other obligations for the payment of money on behalf of the Corporations shall be signed by the Treasurer or, in case of his absence or inability to act, by an Assistant Treasurer. When signed by an Assistant Treasurer, however, they shall require as a condition precedent to their validity countersignature by such officer or agent as the Directors may by vote direct, except that dividend checks shall not require any countersignature.

The Treasurer shall cause accurate books of account of the Corporation's transactions to be kept, which books shall be the property of the Corporation and shall be subject at all times to the inspection and control of the Board of Directors. He shall be responsible for the preparation and filing of necessary statements and reports and shall perform such other duties as from time to time may be assigned by the Board of Directors.

The Treasurer shall cause notes to be issued and drafts to be accepted on behalf of the Corporation only when authorized thereto by the Directors.

ARTICLE IX * * * ASSISTANT TREASURERS

In case of the death, absence or inability to act of the Treasurer, any Assistant Treasurer may exercise any or all of the powers of the Treasurer, subject, however, to the limitation expressed in Article VII hereof and such further limitations as the Board of Directors may impose.

ARTICLE X * * * INDEMNIFICATION

The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the person's having served as, or by reason of the person's alleged acts or omissions while serving as a director, officer, employee or agent of the Corporation, or while serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorney's fees, judgments, fines and amounts paid in settlement or otherwise actually and reasonably incurred by him in connection with the action, suit or proceeding, if the person acted in good faith and in a manner he reasonable believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful, said indemnification to be to the full extent permitted by law under the circumstances, including, without limitation, by all applicable provisions of the New Hampshire Business Corporation Act ("the Act").

Any indemnification under this Article shall be made by the Corporation with respect to Directors or other persons after a determination that the person to be indemnified has met the standards of conduct set forth in the Act, such determination to be made by the Board of Directors, by majority vote of a quorum, or by other persons authorized to make such a determination under the Act.

The right of indemnification arising under this Article is adopted for the purpose of inducing persons to serve and to continue to serve the Corporation without concern that their service may expose them to personal financial harm. It shall be broadly construed, applied and implemented in light of this purpose. It shall not be exclusive of any other right to which any such person is entitled under any agreement, vote of the stockholders or the Board of Directors, statute, or as a matter of law, or otherwise, nor shall it be construed to limit or confine in any respect the power of the Board of Directors to grant indemnity pursuant to any applicable statutes or laws of The State of New Hampshire. The provisions of this Article are separable, and, if any provision or portion hereof shall for any reason be held inapplicable, illegal or ineffective, this shall not affect any other right of indemnification existing under this Article or otherwise. As used herein, the term "person: includes heirs, executors, administrators or other legal representatives. As used herein, the terms "Director" and "officer" include persons elected or appointed as officers by the Board of Directors, persons elected as Directors by the stockholders or by the Board of Directors, and persons who serve by vote or at the request of the Corporation as directors, officers or trustees of another organization in which the Corporation has any direct or indirect interest as a shareholder, creditor or otherwise.

The Corporation may purchase and maintain insurance on behalf of any person who was or is a Director, officer or employee of the Corporation or any of its subsidiaries, or who was or is serving at the request of the Corporation as a fiduciary of any employee benefit plan of the Corporation or any subsidiary, against any liability asserted against, and incurred by, such person in any such capacity, or arising out of such person's status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of the Act. The obligation to indemnify and reimburse such person under this Article, if applicable, shall be reduced by the amount of any such insurance proceeds paid to such person, or the representatives or successors of such person.

ARTICLE XI * * * CERTIFICATES OF STOCK

Each stockholder shall be entitled to a certificate representing shares of the capital stock of the Corporation owned by him, in such form as shall, in conformity to law, be prescribed from time to time by the Board of Directors. Certificates of stock shall be signed by the Chairman or Vice Chairman of the Board of Directors or by the President or any Vice President and by the Secretary or any Assistant Secretary or the Treasurer or an Assistant Treasurer of the Corporation and may be sealed with the corporate seal. Such seal may be a facsimile, engraved or printed. When any such certificate is manually signed by a transfer agent and/or a registrar, the signatures of the duly authorized officers of the Corporation upon such certificate may be facsimiles, engraved or printed. In case any officer who has signed or whose facsimile signature has been placed upon any certificate shall have ceased to be such before the certificate is issued, it may be issued by the Corporation with the same effect as if such officer had not ceased to be such at the time of its issue.

Shares of stock of the Corporation may be transferred on the books of the Corporation by the registered owner thereof or by his duly authorized attorney by assignment thereof in writing, accompanied by delivery of the certificate. No such transfer of stock, however, shall affect the right of the Corporation to pay any dividend thereon or to treat the holder of record as the holder in fact until the transfer has been recorded upon the books of the Corporation or a new certificate has been issued to the person to whom the stock has been transferred.

In case of the loss of a certificate, a duplicate may be issued upon such reasonable terms as the Board of Directors shall prescribe.

The Board of Directors may appoint one or more transfer agents and registrars and may require all certificated representing shares of the Corporation's stock to bear the signature or signatures of any of them.

ARTICLE XII * * * CLOSING OF TRANSFER BOOKS

The transfer books of the Corporation may be closed for not exceeding fifteen (15) days next prior to any meeting of the stockholders, and at such other times and for such reasonable periods as may be determined by the Board of Directors. However, in the event dividends are declared, the stock transfer books of the Corporation will not be closed but record dates will be fixed by the Board of Directors, upon which the Corporation's transfer agent will take a record of all stockholders entitled to the dividends so declared without actually closing the books for transfers of stock of the Corporation.

ARTICLE XIII * * * FISCAL YEAR

The fiscal year of the Corporation shall end on the 31st day of December in each year.

ARTICLE XIV * * * AMENDMENTS

These By-Laws may, upon notice, be altered, amended or repealed at any meeting of the stockholders by vote of the holders of a majority or more of the stock entitled to vote at such meeting. Notwithstanding the foregoing, as provided by statute, a majority of the Board of Directors may make, amend or repeal these By-Laws in whole or in part, except with respect to any provision thereof which by statute or by the Articles of Incorporation requires action by the stockholders.

* * *

LETTERHEAD OF LEBOEUF, LAMB, GREENE & MACRAE, L.L.P.

March 4, 1999

Unitil Corporation
6 Liberty Lane West
Hampton, NH 03842

Ladies and Gentlemen:

We have acted as counsel to Unitil Corporation, a New Hampshire corporation (the "Company"), in connection with its Registration Statement on Form S-8 (the "Registration Statement") executed and filed for the purpose of registering under the Securities Act of 1933, as amended (the "1933 Act"), 350,000 shares of the Company's Common Stock, no par value (the "Common Stock"), to be issued pursuant to the Company's 1998 Stock Option Plan (the "Plan").

In connection with this opinion, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such instruments, certificates, records and documents, and have reviewed such questions of law, as we have deemed necessary or appropriate for purposes of this opinion. In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to the original documents of all documents submitted to us as copies and the authenticity of the originals of all such latter documents. As to any facts material to this opinion, we have relied upon the aforesaid instruments, certificates, records and documents and inquiries of Company representatives.

Based upon the foregoing examination, and subject to the limitations set forth below, we are of the opinion that the Common Stock, when issued by the Company upon exercise of the stock options pursuant to the Plan, will be validly issued, fully paid and nonassessable when:

(a) the Registration Statement shall have become, and for so long as it shall remain, effective for the purpose of the issuance of the Common Stock; and

(b) the consideration therefor provided for in the Plan has been received by the Company.

Unitil Corporation
March 4, 1999
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This opinion is rendered under and limited to the New Hampshire Business Corporation Act (without reference to "blue sky" matters) and the federal law of the United States. We consent to the filing of this opinion as Exhibit 5 to the Registration Statement and in any amendments thereto. In giving such consent, we do not thereby concede that we are within the category of persons whose consent is required under Section 7 of the 1933 Act, or the rules and regulations of the Securities and Exchange Commission thereunder.

Very truly yours,

/s/ LeBoeuf, Lamb, Greene & MacRae, L.L.P.

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We have issued our report dated February 10, 1998 accompanying the consolidated financial statements and schedule included in the Annual Report of Unital Corporation and subsidiaries on Form 10-K for the year ended December 31, 1997. We hereby consent to the incorporation by reference of said report in the Registration Statement of Unital Corporation on Form S-8, relating to the Unital Corporation 1998 Stock Option Plan.

/s/ Grant Thornton LLP
Grant Thornton LLP

Boston, Massachusetts
March 4, 1999