

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d)**  
**of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): January 24, 2023**

**UNITIL CORPORATION**

(Exact name of registrant as specified in its charter)

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

**1-8858**  
(Commission  
File Number)

**02-0381573**  
(IRS Employer  
Identification No.)

**6 Liberty Lane West, Hampton, New Hampshire**  
(Address of principal executive offices)

**03842-1720**  
(Zip Code)

**Registrant's telephone number, including area code: (603) 772-0775**

**N/A**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange of which registered
Common Stock, no par value	UTL	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## Item 1.01 Entry into a Material Definitive Agreement

The disclosure required by this item is included in Item 5.02 and is incorporated herein by reference.

## Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

### New Equity Compensation Practices

On January 24, 2023, the Compensation Committee (the “Compensation Committee”) of the Board of Directors of Unitil Corporation (the “Company”) approved and adopted amendments to the Company’s practices relating to the grant to the Company’s executive officers and other senior management participants (collectively, “Participants”) of restricted stock awards (the “New Equity Compensation Practices”). The New Equity Compensation Practices include:

(i) a revised form of restrictive stock agreement relating to awards of restricted shares of the Company’s common stock that vest over time (“Time Restricted Shares”); and

(iii) a form of restricted stock agreement relating to awards of restricted shares of the Company’s common stock that vest based on the satisfaction of certain performance metrics (“Performance Restricted Shares”).

As disclosed in the Company’s proxy statement dated March 29, 2022 relating to the Company’s 2022 annual meeting of shareholders, in general, the Company previously granted to Participants, on an annual basis, Time Restricted Shares that vest over a four-year period subject to continued employment. Participants were selected by the Compensation Committee. The number of such awards was based upon the Company’s achievement of key performance metrics under the Management Incentive Plan for the prior calendar year, which were approved by the Compensation Committee. Each Participant’s target restricted stock award was based on market data for the median of the broad-based published compensation survey group grant at peer group and other comparable companies minus anticipated Federal and Medicare taxes on the Participant’s award. In addition, the Company’s Chief Executive Officer’s and Chief Financial Officer’s target restricted stock award was based in part on information from the proxy statements of the Company’s peer group, at the 25th percentile target.

Under the New Equity Compensation Practices, in general, the Company will grant to its Participants, on an annual basis, (i) Time Restricted Shares and (ii) Performance Restricted Shares. Participants will continue to be selected by the Compensation Committee. The number of such awards is no longer based upon the Company’s achievement of key performance metrics under the Management Incentive Plan for the prior calendar year. Instead, the number of each Participant’s Time Restricted Shares and Performance Restricted Shares, in the aggregate (the “Total Number”), is based upon (A) (i) the midpoint of the Participant’s salary range multiplied by (ii) the Participant’s multiplier minus (B) anticipated Federal and Medicare taxes on the Participant’s award. The number of each of the Time Restricted Shares and the Performance Restricted Shares is 50% of the Total Number.

The following table summarizes the current multiplier for each Participant that is the Chief Executive Officer, the Chief Financial Officer or a named executive officer of the Company.

<u>Name</u>	<u>Principal Position</u>	<u>Multiplier</u>
Thomas P. Meissner, Jr.	Chairman of the Board of Directors, Chief Executive Officer and President	135%
Robert B. Hevert	Senior Vice President, Chief Financial Officer and Treasurer	70%
Todd R. Black	Senior Vice President, External Affairs and Customer Relations	45%
Justin Eisfeller	Vice President & Chief Technology Officer	45%
Christopher J. Leblanc	Vice President, Gas Operations	45%

### ***Time Restricted Shares***

Time Restricted Shares generally vest over a period of four years at a rate of 25% each year. Prior to the end of the vesting period, Time Restricted Shares are subject to forfeiture if the Participant ceases to be employed by the Company other than due to the Participant's death, disability or retirement. During the vesting period, dividends on Time Restricted Shares generally are credited to a Participant's account.

### ***Performance Restricted Shares***

Performance Restricted Shares generally vest after a performance period of three years based on the attainment of certain performance thresholds of certain performance goals, each as set by the Compensation Committee towards the beginning of the performance period. The Compensation Committee has chosen two performance goals for the three-year performance period ending December 31, 2025:

1. three-year average return on common equity (the "ROE Goal"); and
2. three-year average growth in book value per share (the "Book Value Goal").

In general:

- 25% of Performance Restricted Shares will vest if the Company attains the minimum ROE Goal;
- 50% of Performance Restricted Shares will vest if the Company attains the target ROE Goal; and
- 75% of Performance Restricted Shares will vest if the Company attains the maximum ROE Goal.

Also, in general, an additional:

- 25% of Performance Restricted Shares will vest if the Company attains the minimum Book Value Goal;
- 50% of Performance Restricted Shares will vest if the Company attains the target Book Value Goal; and
- 75% of Performance Restricted Shares will vest if the Company attains the maximum Book Value Goal.

If the Company's level of attainment of the ROE Goal or the Book Value Goal exceeds the minimum but is less than the target, then the amount of vesting or forfeiture will be determined on a straight-line basis between the minimum and the target. If the level of achievement of the ROE Goal or the Book Value Goal exceeds the target but is less than the maximum, then the amount of vesting or forfeiture will be determined on a straight-line basis between the target and the maximum.

Furthermore, if the number of a Participant's Performance Restricted Shares that would vest exceeds 100% of such Participant's Performance Restricted Shares, then the Company will issue additional shares ("Additional Shares") to the Participant in an amount equal to the vesting percentage in excess of 100% multiplied by the number of the Participant's Performance Restricted Shares.

Prior to the end of the performance period, the Performance Restricted Shares are subject to forfeiture if the Participant ceases to be employed by the Company other than due to the Participant's death, disability or retirement. If a Participant dies, becomes disabled, or retires during the performance period, then vesting will be pro-rated based on the number of months of service before the Participant's death, disability, or retirement during the performance period.

During the performance period, dividends on Performance Restricted Shares generally are credited to a Participant's account. No dividends on Additional Shares will be credited to a Participant's account until the Company issues the Additional Shares to the Participant.

### Summary of Time Restricted Shares and Performance Restricted Shares

The following table summarizes certain terms of the Time Restricted Shares and the Performance Restricted Shares.

<u>Award</u>	<u>Number of Awards</u>	<u>Vesting Description</u>	<u>Performance Threshold (1)</u>	<u>Amount of Award Vested (2)</u>
Time Restricted Shares	50% of Total Number	Award vests over a four-year period at a rate of 25% per year, generally subject to continued employment.	n/a	Award vests over a four-year period at a rate of 25% per year, generally subject to continued employment.
Performance Restricted Shares	50% of Total Number	50% of Performance Restricted Shares will vest if Company achieves its target ROE Goal	minimum	25% vesting of Performance Restricted Shares
			target	50% vesting of Performance Restricted Shares
		maximum	75% vesting of Performance Restricted Shares	
		50% of Performance Restricted Shares will vest if Company achieves its target Book Value Goal	minimum	25% vesting of Performance Restricted Shares
target	50% vesting of Performance Restricted Shares			
			maximum	75% vesting of Performance Restricted Shares

- (1) If the Company's level of attainment of the ROE Goal or the Book Value Goal exceeds the minimum but is less than the target, then the amount of vesting or forfeiture will be determined on a straight-line basis between the minimum and the target. If the level of achievement of the ROE Goal or the Book Value Goal exceeds the target but is less than the maximum, then the amount of vesting or forfeiture will be determined on a straight-line basis between the target and the maximum.
- (2) If the number of a Participant's Performance Restricted Shares that would vest exceeds 100% of such Participant's Performance Restricted Shares, then the Company will issue Additional Shares to the Participant in an amount equal to the vesting percentage in excess of 100% multiplied by the number of the Participant's Performance Restricted Shares

The foregoing description of Time Restricted Shares is qualified in its entirety by reference to the full text of the form of Restricted Stock Agreement (Time Vesting), which is filed herewith as Exhibit 10.1 to this Current Report on Form 8-K and (ii) the Company's Second Amended and Restated 2003 Stock Plan, which is incorporated by reference herewith as Exhibit 10.3 to this Current Report on Form 8-K. The foregoing description of Performance Restricted Shares is qualified in its entirety by reference to the full text of the form of Restricted Stock Agreement (Performance Vesting), which is filed herewith as Exhibit 10.2 to this Current Report on Form 8-K and (ii) the Company's Second Amended and Restated 2003 Stock Plan, which is incorporated by reference herewith as Exhibit 10.3 to this Current Report on Form 8-K.

## **Grants of Time Restricted Shares and Performance Restricted Shares**

On January 24, 2023, the Company granted Time Restricted Shares and Performance Restricted Shares to the Chief Executive Officer, the Chief Financial Officer and the named executive officers of the Company as follows:

<b>Name</b>	<b>Principal Position</b>	<b>Amount of Time Restricted Shares</b>	<b>Amount of Performance Restricted Shares</b>
Thomas P. Meissner, Jr.	Chairman of the Board of Directors, Chief Executive Officer and President	6,820	6,820
Robert B. Hevert	Senior Vice President, Chief Financial Officer and Treasurer	2,020	2,020
Todd R. Black	Senior Vice President, External Affairs and Customer Relations	970	970
Justin Eisfeller	Vice President & Chief Technology Officer	970	970
Christopher J. Leblanc	Vice President, Gas Operations	970	970

The Company has entered into, or will enter into, agreements with each recipient named in the table above in the forms filed herewith as Exhibit 10.1 (form of Restricted Stock Agreement (Time Vesting)) and Exhibit 10.2 (form of Restricted Stock Agreement (Performance Vesting)) to this Current Report on Form 8-K.

### **Item 9.01 Financial Statements and Exhibits**

#### (d) Exhibits

<b>Number</b>	<b>Exhibit</b>	<b>Reference*</b>
10.1**	<a href="#">Form of Restricted Stock Agreement (Time Vesting)</a>	Filed herewith
10.2**	<a href="#">Form of Restricted Stock Agreement (Performance Vesting)</a>	Filed herewith
10.3**	<a href="#">Unitil Corporation Second Amended and Restated 2003 Stock Plan</a>	Appendix 1 to the Proxy Statement filed on Schedule 14A dated March 13, 2012 (SEC File No. 1-8858)
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)	

\* The exhibits referred to in this column by specific designations and dates have heretofore been filed with or furnished to the Securities and Exchange Commission under such designations and are hereby incorporated by reference.

\*\* These exhibits represent a management contract or compensatory plan.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UNITIL CORPORATION

By:

/s/ Robert B. Hevert

Robert B. Hevert

Senior Vice President, Chief Financial Officer and  
Treasurer

Date: January 30, 2023

**RESTRICTED STOCK AGREEMENT  
(TIME VESTING)**

This Restricted Stock Agreement (the “**Agreement**”), dated as of \_\_\_\_\_, 20\_\_ (the “**Grant Date**”), between Unitil Corporation (the “**Company**”) and \_\_\_\_\_ (the “**Employee**”), an employee of the Group (as defined in the Plan).

WITNESSETH THAT:

WHEREAS, the Company maintains the Unitil Corporation Amended and Restated 2003 Stock Plan (the “**Plan**”); and

WHEREAS, the Compensation Committee (the “**Committee**”) of the Board of Directors of the Company has approved the grant of an Award of Restricted Stock to the Employee upon the terms and subject to the conditions of the Plan and this Agreement;

NOW, THEREFORE, IT IS AGREED, by and between the Company and the Employee as follows:

1. Grant of Award. As of the Grant Date, the Company grants to the Employee an Award of \_\_\_\_\_ shares (the “**Time Restricted Shares**”) of the Company’s common stock, no par value (the “**Shares**”), upon the terms and subject to the conditions set forth in this Agreement and the Plan. The Plan is hereby incorporated herein by reference as a part of this Agreement.

2. Representations of Employee. The Employee hereby (i) accepts the award of the Time Restricted Shares described in paragraph 1; (ii) agrees that the Time Restricted Shares will be held by the Employee and the Employee’s successors, assigns and heirs subject to (and will not be disposed of except in accordance with) all of the restrictions, terms and conditions contained in this Agreement; (iii) represents that the Employee is acquiring the Time Restricted Shares for investment and not with a view to or for resale or distribution thereof; and (iv) agrees that any certificates issued for the Time Restricted Shares may bear the following legend or such other legend as the Company, from time to time, deems appropriate:

“The transfer of the Shares represented by this certificate is restricted by the terms of a Restricted Stock Agreement dated as of \_\_\_\_\_, 20\_\_, a copy of which is on file at the Company’s principal office; no transfer of the Shares represented by this certificate shall be valid or effective until the conditions with respect to such transfer contained in the Agreement have been met.”

3. Vesting. 25% of the Time Restricted Shares shall become fully vested and nonforfeitable on each of \_\_\_\_\_, 20\_\_, \_\_\_\_\_, 20\_\_, \_\_\_\_\_, 20\_\_, and \_\_\_\_\_, 20\_\_, provided the Employee still is, and since the date of this Agreement has continuously been, employed by the Company as of such dates. In addition, upon the Employee’s termination of employment with the Company solely on account of death, Retirement or Disability, the Time Restricted Shares shall become fully vested and nonforfeitable. For purposes of this Agreement, “**Retirement**” means termination of employment with the Group (i) on or after age 55 with at least 15 years of employment with the Group or (ii) on or after age 65 with at least five years of employment with the Group.

4. Restrictions. The Employee may not sell, assign, transfer, pledge or otherwise dispose of or encumber any of the Time Restricted Shares, or any interest therein, and the Time Restricted Shares shall be subject to forfeiture, until the Employee's rights in such Shares have vested in accordance with this Agreement (the period of time until the Time Restricted Shares have vested is referred to as the "**Period of Restriction**"). Any purported sale, assignment, transfer, pledge or other disposition or encumbrance in violation of this Agreement will be void and of no effect.

5. Voting and Dividends. Except as provided in this paragraph, with respect to the Time Restricted Shares, the Employee shall have all of the rights of a shareholder of the Company, including the right to vote the Time Restricted Shares during the Period of Restriction. Any cash dividends paid on any Time Restricted Shares during the Period of Restriction shall not be contingent upon vesting of the Time Restricted Shares to which they relate. In the event any non-cash dividends or other distributions, whether in property, or stock of another company, are paid on any Time Restricted Shares during the Period of Restriction, such non-cash dividends or other distributions payable to the Employee shall be retained by the Company and not delivered to the Employee until such time, if any, as the Period of Restriction on the shares with respect to which such non-cash dividends or other distributions have been paid shall have lapsed and such shares become fully vested and not subject to forfeiture to the Company. Such non-cash dividends or distributions with respect to the Time Restricted Shares shall be paid to the Employee upon the lapse of the restrictions or retained by the Company in the event the Time Restricted Shares on which such non-cash dividends or other distributions were paid are forfeited and returned to the Company. Any Shares issued pursuant to Section 4.2 of the Plan with respect to the Time Restricted Shares shall be treated as additional Time Restricted Shares and shall be subject to the same restrictions and other terms and conditions that apply with respect to, and shall vest or be forfeited at the same time as, the Time Restricted Shares with respect to which such Shares are issued.

6. Forfeiture. Upon termination of employment with the Company for any reason except death, Retirement or Disability, the Employee shall forfeit all unvested Time Restricted Shares, and shall not receive any compensation for such forfeited Time Restricted Shares. The Employee shall have no further rights as a shareholder of the Company with respect to forfeited Time Restricted Shares under this Agreement, including, without limitation, any right to receive any distribution payable to shareholders of record on or after the date of such forfeiture.

7. Registration and Stock Power. As soon as practicable after the date of this Agreement, the Company shall issue the Time Restricted Shares (in certificated or uncertificated form), which shall be registered in the Employee's name and shall bear whatever legend the Committee shall determine, including, but not limited to, the legend set forth in paragraph 2. The Employee shall execute appropriate stock powers in blank and such other documents as the Company shall prescribe.



8. Withholding and Notification of Section 83(b) Election. The Company shall have the right to deduct or withhold, or require the Employee to remit to the Company, an amount in cash (or in Shares, subject to Section 15.2 of the Plan) sufficient to cover any tax, including any Federal, state or local income or employment tax, required to be withheld or otherwise deducted and paid with respect to the Time Restricted Shares or the vesting thereof. The Employee agrees to notify the Company if the Employee makes the election provided for in Section 83(b) of the Internal Revenue Code of 1986, as amended, with respect to the Time Restricted Shares.

9. No Right to Employment. Nothing in this Agreement shall confer upon the Employee any right to continue in the employ of the Group or shall interfere with or restrict in any way the rights of the Group to terminate the Employee's employment.

10. Additional Restrictions Applicable to Public Offering. In the event that the Company files a registration statement under the Securities Act of 1933 with respect to an underwritten public offering of any Shares, the Company (or a representative of the underwriters in such offering) may require that the Employee not sell or otherwise transfer or dispose of any Shares during a period (not to exceed 180 days) following the effective date of such registration statement (the "**Lock-Up Restrictions**"). At the Company's request, the Employee shall execute and deliver to the Company and such representative of the underwriters an agreement in customary form relating to the Lock-Up Restrictions.

11. Amendment. This Agreement may be amended or supplemented at any time by the mutual written consent of the parties hereto.

12. Governing Law; Forum. The laws of the State of New Hampshire shall govern the interpretation, validity and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflict of laws. Each of the Company and the Employee irrevocably and unconditionally agrees that it will not commence any action, litigation, or proceeding of any kind whatsoever against the other party in any way arising from or relating to this Agreement and all contemplated transactions, including, but not limited to, contract, equity, tort, fraud, and statutory claims, in any forum other than the state or federal courts of the State of New Hampshire, and any appellate court from any thereof. Each of the Company and the Employee irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and agrees to bring any such action, litigation, or proceeding only in such courts. Each of the Company and the Employee agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

13. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

14. Notices. All notices and other communications required or permitted under this Agreement shall be written and shall be delivered personally or sent by registered or certified first-class mail, postage prepaid and return receipt required, addressed as follows: if to the Company, to the Company's executive offices at 6 Liberty Lane West, Hampton, NH 03842-1720, attention: Corporate Secretary, and if to the Employee or the Employee's successors, assigns or heirs, to the address last furnished by the Employee to the Group. Each notice and communication shall be deemed to have been given when received by the Company or the Employee.

15. No Waiver. The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver thereof or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

16. Titles and Defined Terms. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of the Agreement. The singular shall include the plural, when the context so indicates. Unless otherwise defined or indicated in this Agreement, terms with initial capital letters shall have the meanings given to them in the Plan.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have duly executed this Restricted Stock Agreement as of the day and year first above written.

**UNITIL CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EMPLOYEE**

By: \_\_\_\_\_  
Name: \_\_\_\_\_

**RESTRICTED STOCK AGREEMENT  
(PERFORMANCE VESTING)**

This Restricted Stock Agreement (the “**Agreement**”), dated as of \_\_\_\_\_, 20\_\_ (the “**Grant Date**”), between Unital Corporation (the “**Company**”) and \_\_\_\_\_ (the “**Employee**”), an employee of the Group (as defined in the Plan).

WITNESSETH THAT:

**WHEREAS**, the Company maintains the Unital Corporation Amended and Restated 2003 Stock Plan (the “**Plan**”); and

**WHEREAS**, the Compensation Committee (the “**Committee**”) of the Board of Directors of the Company has approved the grant of an Award of Restricted Stock to the Employee upon the terms and subject to the conditions of the Plan and this Agreement;

**NOW, THEREFORE, IT IS AGREED**, by and between the Company and the Employee as follows:

1. Grant of Award. As of the Grant Date, the Company grants to the Employee an Award of \_\_\_\_\_ shares (the “**Performance Restricted Shares**”) of the Company’s common stock, no par value (the “**Shares**”), upon the terms and subject to the conditions set forth in this Agreement and the Plan. The Plan is hereby incorporated herein by reference as a part of this Agreement.

2. Performance Vesting. Vesting of the Performance Restricted Shares is determined in part based on the achievement of performance goals described in Exhibit A of this Agreement (each, a “**Performance Goal**”) measured as of the last day (the “**Determination Date**”) of the Performance Period. The “**Performance Period**” means the [•]-month performance period applicable to the Performance Restricted Shares commencing on January 1, 20\_\_, and ending on December 31, 20\_\_.

3. Representations of Employee. The Employee hereby (i) accepts the award of the Performance Restricted Shares described in paragraph 1; (ii) agrees that the Performance Restricted Shares will be held by the Employee and the Employee’s successors, assigns and heirs subject to (and will not be disposed of except in accordance with) all of the restrictions, terms and conditions contained in this Agreement; (iii) represents that the Employee is acquiring the Performance Restricted Shares for investment and not with a view to or for resale or distribution thereof; and (iv) agrees that any certificates issued for the Performance Restricted Shares may bear the following legend or such other legend as the Company, from time to time, deems appropriate:

“The transfer of the Shares represented by this certificate is restricted by the terms of a Restricted Stock Agreement dated as of \_\_\_\_\_, 20\_\_, a copy of which is on file at the Company’s principal office; no transfer of the Shares represented by this certificate shall be valid or effective until the conditions with respect to such transfer contained in the Agreement have been met.”

#### 4. Continued Employment to Determination Date for Vesting.

(a) If the Employee terminates employment with the Group for any reason other than solely on account of death, Disability or Retirement after the Grant Date and prior to the Determination Date, then (i) all of the Performance Restricted Shares will be immediately forfeited and returned to the Company and the Employee will receive no compensation or consideration for such forfeited Performance Restricted Shares and this Agreement will thereupon be cancelled and (ii) notwithstanding anything to the contrary contained in this Agreement, the Employee will receive no Additional Shares (if applicable).

(b) If the Employee terminates employment with the Group solely on account of death, Disability or Retirement after the Grant Date and prior to the Determination Date, then (i) no such forfeiture of the Performance Restricted Shares will occur prior to the Determination Date, and the provisions of paragraphs 5 and 6 of this Agreement will apply for purposes of determining the Employee's vested Performance Restricted Shares as of the Determination Date and (ii) notwithstanding anything to the contrary contained in this Agreement, the Employee will receive no Additional Shares (if applicable).

(c) For purposes of this Agreement, "**Retirement**" means termination of employment with the Group (i) on or after age 55 with at least 15 years of employment with the Group or (ii) on or after age 65 with at least five years of employment with the Group.

#### 5. Performance Vesting; Additional Shares.

(a) If the Employee has not previously forfeited the Performance Restricted Shares under paragraph 4 of this Agreement, then as of the Determination Date some or all of the Performance Restricted Shares may become vested or may be forfeited, and on or before the first March 15 after the Determination Date additional Shares ("**Additional Shares**") may be granted, based on the level of achievement of each Performance Goal for the Performance Period as described below in this paragraph 5, and subject to the proration provisions of paragraph 6 with respect to an Employee who terminated employment with the Group after the Grant Date and prior to the Determination Date solely on account of the Employee's death, Disability or Retirement.

(b) Exhibit A attached hereto specifies Minimum, Target and Maximum performance thresholds for each Performance Goal. The Committee will determine the achievement level attained with respect to each Performance Goal as of the Determination Date.

(c) The vesting or forfeiture of the Performance Restricted Shares, and the grant of Additional Shares (if applicable), will be determined according to Exhibit A.

The applicable vesting percentages for each Performance Goal will be determined separately, and the separate vesting percentages will be added together and applied to the Performance Restricted Shares. Accordingly, the Employee's vesting percentage in the Performance Restricted Shares may range from 0% to 150%.

- If the vesting percentage is less than 100%, then Performance Restricted Shares that are not vested will be forfeited as of the Determination Date and returned to the Company, and the Employee will receive no compensation or consideration for such forfeited Performance Restricted Shares.
- If the vesting percentage is 100%, then the Employee will become 100% vested in the Performance Restricted Shares as of the Determination Date.
- If the vesting percentage is greater than 100%, then Additional Shares will be issued to the Employee. The number of Additional Shares issued to the Employee will equal the number of the Performance Restricted Shares multiplied by the Employee's vesting percentage in excess of 100%.

*For example, if the Employee's vesting percentage is 125%, then the Employee will be issued a number of Additional Shares equal to 25% of the number of Performance Restricted Shares, and if the Employee's vesting percentage is 150%, then the Employee will be issued a number of Additional Shares equal to 50% of the number of Performance Restricted Shares.*

No partial Performance Restricted Share will be forfeited, and no partial Additional Share (if applicable) will be issued. For purposes of forfeitures and the issuance of Additional Shares (if applicable), and for purposes of proration under paragraph 6, the Committee will round up to the closest whole Share; *provided that* in no event shall the number of Additional Shares exceed 50% of the number of Performance Restricted Shares. Any Additional Shares to be issued under this paragraph will be issued no later than the first March 15 after the Determination Date.

**6. Proration Upon Termination for Death, Disability or Retirement.** If the Employee terminates employment with the Group after the Grant Date and prior to the Determination Date solely on account of death, Disability or Retirement, then (a) the number of Performance Restricted Shares, if any, that otherwise become vested under paragraph 5 will be multiplied by a fraction to determine the actual number of Performance Restricted Shares that become vested and (b) notwithstanding anything to the contrary contained in this Agreement, the Employee will receive no Additional Shares (if applicable). The numerator of such fraction is the number of the Employee's completed entire calendar months of employment with the Group during the Performance Period, and the denominator of such fraction is the number of months in the Performance Period. Any Performance Restricted Shares that are not otherwise forfeited under paragraph 5 and that are forfeited under this paragraph, will be forfeited as of the Determination Date and returned to the Company, and the Employee will receive no compensation or consideration for such forfeited Performance Restricted Shares.

7. **Restrictions.** The Employee may not sell, assign, transfer, pledge or otherwise dispose of or encumber any of the Performance Restricted Shares, or any interest therein, and the Performance Restricted Shares shall be subject to forfeiture, until the Employee's rights in such Shares have vested in accordance with this Agreement (the period of time until the Performance Restricted Shares have vested is referred to as the "**Period of Restriction**"). Any purported sale, assignment, transfer, pledge or other disposition or encumbrance in violation of this Agreement will be void and of no effect.

8. **Voting and Dividends.**

(a) Except as provided in this paragraph, with respect to the Performance Restricted Shares, the Employee shall have all of the rights of a shareholder of the Company, including the right to vote the Performance Restricted Shares during the Period of Restriction. Any cash dividends paid on any Performance Restricted Shares during the Period of Restriction shall not be contingent upon vesting of the Performance Restricted Shares to which they relate. In the event any non-cash dividends or other distributions, whether in property, or stock of another company, are paid on any Performance Restricted Shares during the Period of Restriction, such non-cash dividends or other distributions payable to the Employee shall be retained by the Company and not delivered to the Employee until such time, if any, as the Period of Restriction on the shares with respect to which such non-cash dividends or other distributions have been paid shall have lapsed and such shares become fully vested and not subject to forfeiture to the Company. Such non-cash dividends or distributions with respect to the Performance Restricted Shares shall be paid to the Employee upon the lapse of the restrictions or retained by the Company in the event the Performance Restricted Shares on which such non-cash dividends or other distributions were paid are forfeited and returned to the Company. Any Shares issued pursuant to Section 4.2 of the Plan with respect to the Performance Restricted Shares shall be treated as additional Performance Restricted Shares and shall be subject to the same restrictions and other terms and conditions that apply with respect to, and shall vest or be forfeited at the same time as, the Performance Restricted Shares with respect to which such Shares are issued.

(b) The Employee shall not have any of the rights of a shareholder of the Company with respect to any Additional Shares that the Company may issue to the Employee under this Agreement until the Company actually issues such Additional Shares to the Employee.

9. **Forfeiture.** The Employee shall have no further rights as a shareholder of the Company with respect to forfeited Performance Restricted Shares under this Agreement, including, without limitation, any right to receive any distribution payable to shareholders of record on or after the date of such forfeiture.

10. Registration and Stock Power. As soon as practicable after the date of this Agreement, the Company shall issue the Performance Restricted Shares (in certificated or uncertificated form), which shall be registered in the Employee's name and shall bear whatever legend the Committee shall determine, including, but not limited to, the legend set forth in paragraph 3. The Employee shall execute appropriate stock powers in blank and such other documents as the Company shall prescribe.

11. Withholding and Notification of Section 83(b) Election. The Company shall have the right to deduct or withhold, or require the Employee to remit to the Company, an amount in cash (or in Shares, subject to Section 15.2 of the Plan) sufficient to cover any tax, including any Federal, state or local income or employment tax, required to be withheld or otherwise deducted and paid with respect to the Performance Restricted Shares or the vesting thereof or with respect to Additional Shares, if any, issued under this Agreement. The Employee agrees to notify the Company if the Employee makes the election provided for in Section 83(b) of the Internal Revenue Code of 1986, as amended, with respect to the Performance Restricted Shares.

12. No Right to Employment. Nothing in this Agreement shall confer upon the Employee any right to continue in the employ of the Group or shall interfere with or restrict in any way the rights of the Group to terminate the Employee's employment.

13. Additional Restrictions Applicable to Public Offering. In the event that the Company files a registration statement under the Securities Act of 1933 with respect to an underwritten public offering of any Shares, the Company (or a representative of the underwriters in such offering) may require that the Employee not sell or otherwise transfer or dispose of any Shares during a period (not to exceed 180 days) following the effective date of such registration statement (the "**Lock-Up Restrictions**"). At the Company's request, the Employee shall execute and deliver to the Company and such representative of the underwriters an agreement in customary form relating to the Lock-Up Restrictions.

14. Power of Committee. The Committee, in its sole discretion, may adjust (i) the Minimum, Target or Maximum performance thresholds for each Performance Goal, (ii) the achievement level attained with respect to each Performance Goal, or (iii) the vesting provisions of paragraph 6, and any such adjustment shall be final, conclusive and binding.

15. Amendment. This Agreement may be amended or supplemented at any time by the mutual written consent of the parties hereto.

16. Governing Law; Forum. The laws of the State of New Hampshire shall govern the interpretation, validity and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflict of laws. Each of the Company and the Employee irrevocably and unconditionally agrees that it will not commence any action, litigation, or proceeding of any kind whatsoever against the other party in any way arising from or relating to this Agreement and all contemplated



transactions, including, but not limited to, contract, equity, tort, fraud, and statutory claims, in any forum other than the state or federal courts of the State of New Hampshire, and any appellate court from any thereof. Each of the Company and the Employee irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and agrees to bring any such action, litigation, or proceeding only in such courts. Each of the Company and the Employee agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

17. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

18. Notices. All notices and other communications required or permitted under this Agreement shall be written and shall be delivered personally or sent by registered or certified first-class mail, postage prepaid and return receipt required, addressed as follows: if to the Company, to the Company's executive offices at 6 Liberty Lane West, Hampton, NH 03842-1720, attention: Corporate Secretary, and if to the Employee or the Employee's successors, assigns or heirs, to the address last furnished by the Employee to the Group. Each notice and communication shall be deemed to have been given when received by the Company or the Employee.

19. No Waiver. The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver thereof or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

20. Titles and Defined Terms. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of the Agreement. The singular shall include the plural, when the context so indicates. Unless otherwise defined or indicated in this Agreement, terms with initial capital letters shall have the meanings given to them in the Plan.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have duly executed this Restricted Stock Agreement as of the day and year first above written.

**UNITIL CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EMPLOYEE**

By: \_\_\_\_\_  
Name: \_\_\_\_\_

**EXHIBIT A**

**Performance Goals; Thresholds; Vesting or Forfeiture of Performance Restricted Shares and Grant of Additional Shares**

<u>Performance Goal(s)</u>	<u>Performance Thresholds</u>	<u>Vesting or Forfeiture of Performance Restricted Shares and Grant of Additional Shares</u>			
		<u>Less than Minimum Performance Threshold</u>	<u>Minimum Performance Threshold</u>	<u>Target Performance Threshold</u>	<u>Maximum Performance Threshold</u>
[insert description of performance goal 1]	minimum: [•]% target: [•]% maximum: [•]%	0%	[•]%	[•]%	[•]%
[insert description of performance goal 2]	minimum: [•]% target: [•]% maximum: [•]%	0%	[•]%	[•]%	[•]%
<b>Total of Row(s) in Column</b>		<b>0%</b>	<b>50%</b>	<b>100%</b>	<b>150%</b>

If the level of achievement of a performance goal exceeds the Minimum but is less than the Target, then the amount of vesting or forfeiture will be determined on a straight-line basis between the Minimum and the Target.

If the level of achievement of a performance goal exceeds the Target but is less than the Maximum, then the amount of vesting or forfeiture will be determined on a straight-line basis between the Target and the Maximum.