



MIDDLESEX WATER COMPANY

*J. Cooper*  
8/6/18

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CASE MANAGEMENT

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BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

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AUG 02 2018

BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

August 1, 2018

Via Federal Express

Aida Camacho-Welch  
Secretary of the Board  
New Jersey Board of Public Utilities  
44 South Clinton Avenue  
3<sup>rd</sup> Floor, Suite 314  
Trenton, NJ 08625-0350

Re: In the Matter of the Application of Middlesex Water Company  
For Authority to Borrow up to \$10.0 Million and to Issue Evidences  
Of Indebtedness Pursuant to the Environmental Infrastructure Trust  
Financing Program  
BPU Docket No.: WF16111106

Dear Secretary Camacho-Welch:

Pursuant to the Order Authorizing Borrowing and Issuance of Indebtedness issued by the Board of Public Utilities in connection with the above matter; enclosed please find one copy of the Fifty-First Supplemental Indenture and Fifty-Second Supplemental Indenture. Also, in accordance with the order, enclosed please find a schedule of the issuance costs associated with this matter.

Sincerely,

A. Bruce O'Connor  
Vice President, Treasurer and Chief Financial  
Officer

ABO:as  
Enclosures  
cc: Jay L. Kooper (w/o enclosures)

*EMS*  
*Legal*  
*C. Pacheco*  
*M. Moran*  
*Economics*

**Middlesex Water Company**  
**BPU Docket No. WF16111106**  
**Issuance Costs**  
**First Mortgage Bonds Series 2018A & 2018B**

Legal Fees	\$22,006
NJDEP Fees	188,684
Bond Issuance Premium	(109,182)
Underwriter's Discount	17,599
Other	3,848
Total	<u>\$122,955</u>

MORTGAGE

FIFTY-FIRST SUPPLEMENTAL INDENTURE

MIDDLESEX WATER COMPANY

TO

U.S. BANK NATIONAL ASSOCIATION  
Trustee

Dated as of May 1, 2018

Record and Return to:

Douglas R. Brown, Esq.  
Norris, McLaughlin & Marcus, P.A.  
400 Crossing Blvd, 8<sup>th</sup> Floor  
P.O. Box 5933  
Bridgewater, NJ 08807-5933  
(908)722-0700

THIS FIFTY-FIRST SUPPLEMENTAL INDENTURE, dated as of the 1st day of May, 2018, between MIDDLESEX WATER COMPANY, a corporation organized and existing under the laws of the State of New Jersey, having its principal office in the Township of Woodbridge, New Jersey (herein called the "Water Company"), and U.S. BANK NATIONAL ASSOCIATION (as successor to Wachovia Bank, National Association, the successor to First Union National Bank, the successor to Meridian Bank, the successor to United Counties Trust Company, in turn the successor to the Union County Trust Company), a corporation organized and existing under the laws of the United States, having a New Jersey corporate trust office in the Town of Morristown, New Jersey, as Trustee under the Indenture of Mortgage hereinafter mentioned (herein called the "Trustee"):

WHEREAS, on April 1, 1927, Water Company executed and delivered to the Trustee an Indenture of Mortgage (herein called the "Mortgage") to secure its First and Refunding Mortgage Gold Bonds, Series A, 5-1/2%, which bonds have since been redeemed by Water Company, and which Mortgage provides that bonds of other series may be issued under and pursuant to an indenture supplemental thereto; and

WHEREAS, on May 14, 1935, Water Company executed and delivered to the Trustee a Supplemental Indenture to secure its First and Refunding Mortgage Bonds, Series B, 4-1/2%, which Supplemental Indenture, prior to the execution and delivery hereof, was satisfied and discharged of record, no bonds having been issued thereunder; and

WHEREAS, as of October 1, 1939, Water Company executed and delivered to the Trustee a Second Supplemental Indenture of Mortgage (herein called the "Second Supplemental Indenture") to secure its First and Refunding Mortgage 3-3/4% Bonds, Series C (herein called the "Series C Bonds"), which bonds were paid at maturity by Water Company, and otherwise modifying, amending and supplementing the Mortgage; and

WHEREAS, as of April 1, 1946, Water Company executed and delivered to the Trustee a Third Supplemental Indenture of Mortgage (herein called the "Third Supplemental Indenture") to secure its First and Refunding Mortgage 3% Bonds, Series D (herein called the "Series D Bonds"), which bonds were paid at maturity by Water Company, and otherwise modifying, amending and supplementing the Mortgage; and

WHEREAS, as of April 1, 1949, Water Company executed and delivered to the Trustee a Fourth Supplemental Indenture of Mortgage (herein called the "Fourth Supplemental Indenture") to secure its First Mortgage 3-1/2% Bonds, Series E (herein called the "Series E Bonds"), which bonds were paid at maturity by Water Company, and otherwise modifying, amending and supplementing the Mortgage; and

WHEREAS, as of February 1, 1955, Water Company executed and delivered to the Trustee a Fifth Supplemental Indenture of Mortgage (herein called the "Fifth Supplemental Indenture") to secure its First Mortgage 3-5/8% Bonds, Series F (herein called the "Series F Bonds"), which bonds were paid at maturity by Water Company, and otherwise supplementing the Mortgage; and

WHEREAS, as of December 1, 1959, Water Company executed and delivered to the Trustee a Sixth Supplemental Indenture of Mortgage (herein called the "Sixth Supplemental Indenture") to secure its First Mortgage 5-3/4% Bonds, Series G (herein called the "Series G Bonds"), which bonds have since been redeemed by Water Company, and otherwise supplementing the Mortgage; and

WHEREAS, as of January 15, 1963, Water Company executed and delivered to the Trustee a Seventh Supplemental Indenture of Mortgage (herein called the "Seventh Supplemental Indenture") to secure its First Mortgage 4-1/2% Bonds, Series H (herein called the "Series H Bonds"), which bonds were paid at maturity by Water Company and otherwise supplementing the Mortgage; and

WHEREAS, as of July 1, 1964, Water Company executed and delivered to the Trustee, an Eighth Supplemental Indenture of Mortgage (herein called the "Eighth Supplemental Indenture") to secure its First Mortgage 4 3/4% Bonds, Series I (herein called the "Series I Bonds"), which bonds have since been redeemed by Water Company, and otherwise supplementing the Mortgage; and

WHEREAS, as of June 1, 1965, Water Company executed and delivered to the Trustee a Ninth Supplemental Indenture of Mortgage (herein called the "Ninth Supplemental Indenture") to secure its First Mortgage 4-3/4% Bonds, Series J (herein called the "Series J Bonds"), which bonds have since been redeemed by Water Company, and otherwise supplementing the Mortgage; and

WHEREAS, as of February 1, 1968, Water Company executed and delivered to the Trustee a Tenth Supplemental Indenture of Mortgage (herein called the "Tenth Supplemental Indenture") to secure its First Mortgage 6-3/4% Bonds, Series K (herein called the "Series K Bonds"), and otherwise supplementing the Mortgage; and

WHEREAS, as of December 1, 1968, Water Company executed and delivered to the Trustee an Eleventh Supplemental Indenture of Mortgage (herein called the "Eleventh Supplemental Indenture") to secure its First Mortgage 6-7/8% Bonds, Series L (herein called the "Series L Bonds"), which bonds have since been redeemed by Water Company, and otherwise supplementing the Mortgage; and

WHEREAS, as of December 1, 1970, Water Company executed and delivered to the Trustee a Twelfth Supplemental Indenture of Mortgage (herein called the "Twelfth Supplemental

Indenture") to secure its First Mortgage 10% Bonds, Series M (herein called the "Series M Bonds"), which bonds have since been redeemed by Water Company, and otherwise supplementing the Mortgage; and

WHEREAS, as of December 1, 1972, Water Company executed and delivered to the Trustee a Thirteenth Supplemental Indenture of Mortgage (herein called the "Thirteenth Supplemental Indenture") to secure its First Mortgage 8-1/8% Bonds, Series N (herein called the "Series N Bonds"), which bonds have since been redeemed by Water Company, and otherwise supplementing the Mortgage; and

WHEREAS, as of April 1, 1979, Water Company executed and delivered to the Trustee a Fourteenth Supplemental Indenture of Mortgage (herein called the "Fourteenth Supplemental Indenture") to secure its First Mortgage 7% Bonds, Series O (herein called the "Series O Bonds"), which bonds have since been redeemed by Water Company, and otherwise supplementing the Mortgage; and

WHEREAS, as of April 1, 1983, Water Company executed and delivered to the Trustee a Fifteenth Supplemental Indenture of Mortgage (herein called the "Fifteenth Supplemental Indenture") to secure its First Mortgage 10-1/2% Bonds, Series P (herein called the "Series P Bonds"), which bonds have since been redeemed by Water Company, and otherwise supplementing the Mortgage; and

WHEREAS, as of August 1, 1988, Water Company executed and delivered to the Trustee a Sixteenth Supplemental Indenture of Mortgage (herein called the "Sixteenth Supplemental Indenture") to secure its First Mortgage 8% Bonds, Series Q (herein called the "Series Q Bonds"), which bonds have since been redeemed by Water Company, and otherwise supplementing the Mortgage; and

WHEREAS, as of June 15, 1991, Water Company executed and delivered to the Trustee a Seventeenth Supplemental Indenture of Mortgage (herein called the "Seventeenth Supplemental Indenture") to secure its First Mortgage 7.25% Bonds, Series R (herein called the "Series R Bonds"), which bonds have since been redeemed by Water Company, and otherwise supplementing the Mortgage; and

WHEREAS, as of March 1, 1993, Water Company executed and delivered to the Trustee a Supplementary Indenture of Mortgage to the Fifteenth Supplemental Indenture of Mortgage (herein called the "Supplementary Indenture to the Fifteenth Supplemental Indenture") to secure its First Mortgage 2 7/8%, Series P-1 (herein called the "Series P-1 Bonds"), which bonds have since been redeemed by Water Company, and otherwise supplementing the Mortgage.

WHEREAS, as of September 1, 1993, Water Company executed and delivered to the Trustee an Eighteenth Supplemental Indenture of Mortgage (herein called the "Eighteenth

Supplemental Indenture") to secure its First Mortgage 5.20% Bonds, Series S (herein called the "Series S Bonds"), and otherwise supplementing the Mortgage; and

WHEREAS, as of September 1, 1993, Water Company executed and delivered to the Trustee a Nineteenth Supplemental Indenture of Mortgage (herein called the "Nineteenth Supplemental Indenture") to secure its First Mortgage 5.25% Bonds, Series T (herein called the "Series T Bonds"), and otherwise supplementing the Mortgage; and

WHEREAS, as of January 1, 1994, Water Company executed and delivered to Trustee a Twentieth Supplemental Indenture of Mortgage (herein called the "Twentieth Supplemental Indenture") to secure its First Mortgage 6.4% Bonds, Series U (herein called the "Series U Bonds"), and otherwise supplementing the Mortgage; and

WHEREAS, as of January 1, 1994, Water Company executed and delivered to Trustee a Twenty-First Supplemental Indenture of Mortgage (herein called the "Twenty-First Supplemental Indenture") to secure its First Mortgage 5.25% Bonds, Series V (herein called the "Series V Bonds"), and otherwise supplementing the Mortgage; and

WHEREAS, as of March 1, 1998, Water Company executed and delivered to Trustee a Twenty-Second Supplemental Indenture of Mortgage (herein called the "Twenty-Second Supplemental Indenture") to secure its First Mortgage 5.35% Bonds, Series W (herein called the "Series W Bonds"), and otherwise supplementing the Mortgage; and

WHEREAS, as of October 15, 1998, Water Company executed and delivered to Trustee a Twenty-Third Supplemental Indenture of Mortgage (herein called the "Twenty-Third Supplemental Indenture") to secure its First Mortgage 0% Bond, Series X (herein called the "Series X Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of October 15, 1998, Water Company executed and delivered to Trustee a Twenty-Fourth Supplemental Indenture of Mortgage (herein called the "Twenty-Fourth Supplemental Indenture") to secure its First Mortgage Scheduled Interest Rate Bond, Series Y (herein called the "Series Y Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of October 15, 1999, Water Company executed and delivered to Trustee a Twenty-Fifth Supplemental Indenture of Mortgage (herein called the "Twenty-Fifth Supplemental Indenture") to secure its First Mortgage 0% Bond, Series Z (herein called the "Series Z Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of October 15, 1999, Water Company executed and delivered to Trustee a Twenty-Sixth Supplemental Indenture of Mortgage (herein called the "Twenty-Sixth Supplemental Indenture") to secure its First Mortgage Scheduled Interest Rate Bond, Series AA (herein called the "Series AA Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of October 15, 2001, Water Company executed and delivered to Trustee a Twenty-Seventh Supplemental Indenture of Mortgage (herein called the "Twenty-Seventh Supplemental Indenture") to secure its First Mortgage 0% Bond, Series BB (herein called the "Series BB Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of October 15, 2001, Water Company executed and delivered to Trustee a Twenty-Eighth Supplemental Indenture of Mortgage (herein called the "Twenty-Eighth Supplemental Indenture") to secure its First Mortgage Scheduled Interest Rate Bond, Series CC (herein called the "Series CC Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of January 15, 2002, Water Company executed and delivered to Trustee a Twenty-Ninth Supplemental Indenture of Mortgage (herein called the "Twenty-Ninth Supplemental Indenture") to secure its First Mortgage 5.10% Bonds, Series DD (herein called the "Series DD Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of October 15, 2004, Water Company executed and delivered to Trustee a Thirtieth Supplemental Indenture of Mortgage (herein called the "Thirtieth Supplemental Indenture") to secure its First Mortgage 0% Bond, Series EE (herein called the "Series EE Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of October 15, 2004, Water Company executed and delivered to Trustee a Thirty-First Supplemental Indenture of Mortgage (herein called the "Thirty-First Supplemental Indenture") to secure its First Mortgage Scheduled Interest Rate Bond, Series FF (herein called the "Series FF Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of October 15, 2006, Water Company executed and delivered to Trustee a Thirty-Second Supplemental Indenture of Mortgage (herein called the "Thirty-Second Supplemental Indenture") to secure its Non-Negotiable First Mortgage 0% Bond, Series GG (herein called the "Series GG Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of October 15, 2006, Water Company executed and delivered to Trustee a Thirty-Third Supplemental Indenture of Mortgage (herein called the "Thirty-Third Supplemental Indenture") to secure its Non-Negotiable First Mortgage Scheduled Interest Rate Bond, Series HH (herein called the "Series HH Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of October 15, 2007, Water Company executed and delivered to the Trustee a Thirty-Fourth Supplemental Indenture of Mortgage (herein called the "Thirty-Fourth Supplemental Indenture") to secure its First Mortgage 0% Bond, Series II (herein called the "Series II Bond"), and otherwise supplementing the Mortgage; and



WHEREAS, as of October 15, 2007, Water Company executed and delivered to the Trustee a Thirty-Fifth Supplemental Indenture of Mortgage (herein called the "Thirty-Fifth Supplemental Indenture") to secure its First Mortgage Scheduled Interest Rate Bond, Series JJ (herein called the "Series JJ Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of November 1, 2008, Water Company executed and delivered to the Trustee a Thirty-Sixth Supplemental Indenture of Mortgage (herein called the "Thirty-Sixth Supplemental Indenture") to secure its First Mortgage 0% Bond, Series KK (herein called the "Series KK Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of November 1, 2008, Water Company executed and delivered to the Trustee a Thirty-Seventh Supplemental Indenture of Mortgage (herein called the "Thirty-Seventh Supplemental Indenture") to secure its First Mortgage Scheduled Interest Rate Bond, Series LL (herein called the "Series LL Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of December 1, 2010, Water Company executed and delivered to the Trustee a Thirty-Eighth Supplemental Indenture of Mortgage (herein called the "Thirty-Eighth Supplemental Indenture") to secure its First Mortgage 0% Bond, Series MM (herein called the "Series MM Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of December 1, 2010, Water Company executed and delivered to the Trustee a Thirty-Ninth Supplemental Indenture of Mortgage (herein called the "Thirty-Ninth Supplemental Indenture") to secure its First Mortgage Scheduled Interest Rate Bond, Series NN (herein called the "Series NN Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of May 1, 2012, Water Company executed and delivered to the Trustee a Fortieth Supplemental Indenture of Mortgage (herein called the "Fortieth Supplemental Indenture") to secure its First Mortgage 0% Bond, Series OO (herein called the "Series OO Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of May 1, 2012, Water Company executed and delivered to the Trustee a Forty-First Supplemental Indenture of Mortgage (herein called the "Forty-First Supplemental Indenture") to secure its First Mortgage Scheduled Interest Rate Bond, Series PP (herein called the "Series PP Bond"), and otherwise supplementing the Mortgage; and

WHEREAS, as of November 1, 2012, Water Company executed and delivered to the Trustee a Forty-Second Supplemental Indenture of Mortgage (herein called the "Forty-Second Supplemental Indenture") to secure its First Mortgage 5% Bond, Series QQ (herein called the "Series QQ Bond"), and otherwise supplementing the Mortgage;

WHEREAS, as of November 1, 2012, Water Company executed and delivered to the Trustee a Forty-Third Supplemental Indenture of Mortgage (herein called the "Forty-Third

Supplemental Indenture”) to secure its First Mortgage 3.80% Bond, Series RR (herein called the “Series RR Bond”), and otherwise supplementing the Mortgage; and

WHEREAS, as of November 1, 2012, Water Company executed and delivered to the Trustee a Forty-Fourth Supplemental Indenture of Mortgage (herein called the “Forty-Fourth Supplemental Indenture”) to secure its First Mortgage 4.25% Bond, Series SS (herein called the “Series SS Bond”), and otherwise supplementing the Mortgage; and

WHEREAS, as of May 1, 2013, Water Company executed and delivered to the Trustee a Forty-Fifth Supplemental Indenture of Mortgage (herein called the “Forty-Fifth Supplemental Indenture”) to secure its First Mortgage 0% Bond, Series TT (herein called the “Series TT Bond”), and otherwise supplementing the Mortgage; and

WHEREAS, as of May 1, 2013, Water Company executed and delivered to the Trustee a Forty-Sixth Supplemental Indenture of Mortgage (herein called the “Forty-Sixth Supplemental Indenture”) to secure its First Mortgage Scheduled Interest Rate Bond, Series UU (herein called the “Series UU Bond”), and otherwise supplementing the Mortgage; and

WHEREAS, as of May 1, 2014, Water Company executed and delivered to the Trustee a Forty-Seventh Supplemental Indenture of Mortgage (herein called the “Forty-Seventh Supplemental Indenture”) to secure its First Mortgage 0% Bond, Series VV (herein called the “Series VV Bond”), and otherwise supplementing the Mortgage; and

WHEREAS, as of May 1, 2014, Water Company executed and delivered to the Trustee a Forty-Eighth Supplemental Indenture of Mortgage (herein called the “Forty-Eighth Supplemental Indenture”) to secure its First Mortgage Scheduled Interest Rate Bond, Series WW (herein called the “Series WW Bond”), and otherwise supplementing the Mortgage; and

WHEREAS, as of November 1, 2017, Water Company executed and delivered to the Trustee a Forty-Ninth Supplemental Indenture of Mortgage (herein called the “Forty-Ninth Supplemental Indenture”) to secure its First Mortgage Scheduled Interest Rate Bond, Series 2018A (herein called the “Series 2018A Bond”), and otherwise supplementing the Mortgage; and

WHEREAS, as of November 1, 2017, Water Company executed and delivered to the Trustee a Fiftieth Supplemental Indenture of Mortgage (herein called the “Fiftieth Supplemental Indenture”) to secure its First Mortgage Scheduled Interest Rate Bond, Series YY (herein called the “Series YY Bond”), and otherwise supplementing the Mortgage; and

WHEREAS, the Mortgage, as supplemented by the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the

Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture, the Fifteenth Supplemental Indenture, the Sixteenth Supplemental Indenture, the Seventeenth Supplemental Indenture, the Supplementary Indenture to the Fifteenth Supplemental Indenture and the Eighteenth, the Nineteenth, the Twentieth, the Twenty-First, the Twenty-Second, the Twenty-Third, the Twenty-Fourth, the Twenty-Fifth, the Twenty-Sixth, the Twenty-Seventh, the Twenty-Eighth, the Twenty-Ninth, the Thirtieth, the Thirty-First, the Thirty-Second, the Thirty-Third, the Thirty-Fourth, the Thirty-Fifth, the Thirty-Sixth, the Thirty-Seventh, the Thirty-Eighth, the Thirty-Ninth, the Fortieth, the Forty-First, the Forty-Second, the Forty-Third, the Forty-Fourth, the Forty-Fifth, the Forty-Sixth, the Forty-Seventh, the Forty-Eighth, the Forty-Ninth and the Fiftieth Supplemental Indentures, shall hereinafter be called the "Mortgage as Supplemented"; and

WHEREAS, Water Company deems it necessary to borrow money and to issue its bonds therefor, to be secured by the Mortgage as Supplemented and by this Fifty-First Supplemental Indenture;

WHEREAS, Water Company desires to authorize and create a series of bonds under which a single bond shall be issued, limited to an aggregate principal amount of \$7,075,616 designated Series 2018A and to be known as its "First Mortgage 0 % Bond, Series 2018A" (herein called the "Series 2018A Bond"), it being the intention of the parties that the Series 2018A Bond shall, together with all other Bonds issued under the Mortgage and all indentures supplemental thereto, be entitled to priority over all other obligations of the Water Company and shall be secured by a prior first lien on all the mortgaged property, subject only to the prior liens specifically permitted under the Mortgage or under any indenture supplemental thereto; and

WHEREAS, Water Company desires that the Series 2018A Bond shall be issued to fund payment of the principal of \$7,075,616, the amount of the Loan borrowed from the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection (the "State") under the Loan Agreement dated as of May 1, 2018 the "Loan Agreement") by and between the State and the Water Company, or such lesser amount as shall be determined in accordance with Section 3.01 of the Loan Agreement, plus any other amounts due and owing under the Loan Agreement at the time and in the amounts as provided therein, which principal amount is to be applied for the cleaning and lining of certain water mains and the spot replacement of water mains, hydrants, service lines and valves utilized by Water Company for the furnishing of water in the Woodbridge, New Jersey service area; and

WHEREAS, the State requires as a condition of making the loan documented by the Loan Agreement, that a single Series 2018A Bond be issued to the State, that such Bond evidence the payment obligations of the Water Company under Section 2.02(m) of the Loan Agreement, that payments under the Series 2018A Bond be made to the Trust's Trustee (as defined in the Loan Agreement) for the account of the State, that the Series 2018A Bond be subject to assignment or transfer in accordance with the terms of the Loan Agreement, that all of the terms, conditions and provisions of the Loan Agreement be expressly incorporated by reference into the Series 2018A

Bond, that the obligations of the Water Company under the Series 2018A Bond shall be absolute and unconditional, without any defense or right of set-off, counterclaim or recoupment by reason of default by the State under the Loan Agreement or under any other agreement between the Water Company and the State or out of any indebtedness or liability at any time owing to the Water Company or for any other reason, that the Series 2018A Bond be subject to optional prepayment under the terms and conditions and in the amounts provided in Section 3.07 of the Loan Agreement, and that the Series 2018A Bond may be subject to acceleration under the terms and conditions and in the amounts, provided in Section 5.03 of the Loan Agreement; and

WHEREAS, Water Company represents that all acts and proceedings required by law and by the Charter and By-Laws of Water Company, and by the Mortgage as Supplemented (to the extent applicable) necessary to make the Series 2018A Bond, when executed by Water Company, authenticated and delivered by the Trustee, and duly issued, the valid, binding and legal obligations of Water Company and to constitute this Fifty-First Supplemental Indenture a valid and binding supplement to the Mortgage as Supplemented in accordance with its and their terms, for the security of all bonds issued and which may hereafter be issued pursuant to the Mortgage and all indentures supplemental thereto, have been done and performed; and the execution and delivery of this Fifty-First Supplemental Indenture have been in all respects duly authorized;

NOW THEREFORE, THIS INDENTURE WITNESSETH, that for and in consideration of the premises, and of the sum of One Dollar (\$1.00), lawful money of the United States of America, by each of the parties paid to the other, at or before the delivery hereof, and for other valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, Water Company has executed and delivered this Fifty-First Supplemental Indenture, and has granted, bargained, sold, aliened, enfeoffed, conveyed and confirmed, and by these presents does grant, bargain, sell, alien, enfeoff, convey and confirm, unto to the Trustee, its successors and assigns forever, all real property of Water Company, together with all appurtenances and contracts, rights, privileges, permits and franchises used or useful in connection with the business of the Water Company as a water company or as a water utility or used directly for the purpose of supplying water, granted, bargained, sold, aliened, enfeoffed, conveyed and confirmed unto the Trustee by the Mortgage as Supplemented (including without limitation all such property acquired by Water Company since November 1, 2017, and all such property which Water Company may hereafter acquire), subject, however, to Permissible Encumbrances, and excepting all Property heretofore released from the lien of the Mortgage as Supplemented, and excepting all property of Water Company which is not used or useful in connection with its business as a water company or as a water utility as well as all personal property (both tangible and intangible) as to which a security interest may not be perfected by a filing under the Uniform Commercial Code as in effect in the State of New Jersey;

TO HAVE AND TO HOLD all and singular the above granted property, unto the Trustee, its successors and assigns forever, IN TRUST, nevertheless, for the equal and proportionate use, benefit, security and protection of those who from time to time shall hold any bonds which have

been or may be issued under the Mortgage or any indenture supplemental thereto, without any discrimination, preference or priority of any one bond over any other by reason of priority in the time of issue, sale or negotiation thereof or otherwise, except as otherwise in the Mortgage or in any indenture supplemental thereto provided; and in trust for enforcing the payment of the principal of and the interest on such bonds, according to the tenor, purport and effect of the bonds and of the Mortgage and all indentures supplemental thereto and for enforcing the terms, provisions, covenants and stipulations therein and in the bonds set forth; and upon the trust, uses and purposes and subject to the covenants, agreements and conditions set forth and declared in the Mortgage as modified, amended and supplemented by all indentures supplemental thereto;

AND the parties do hereby covenant and agree that the Mortgage as Supplemented be and hereby is supplemented as hereinafter provided, and that the above granted property is to be held and applied subject to the covenants, conditions, uses and trusts set forth in the Mortgage as Supplemented and this Fifty-First Supplemental Indenture; and Water Company for itself and its successors does hereby covenant and agree to and with the Trustee, and its successors in said trust, for the equal benefit of all present and future holders and registered owners of the bonds issued under the Mortgage and all indentures supplemental thereto, as follows:

ARTICLE I  
First Mortgage 0% Bond, Series 2018A

Section 1. Water Company hereby creates a series of bonds to be issued under and secured by the Mortgage as Supplemented by this Fifty-First Supplemental Indenture, and to be designated as, and to be distinguished from the bonds of all other series by the title, "First Mortgage 0% Bonds, Series 2018A". The Series 2018A Bond shall be issued only as a single registered bond without coupons in the principal amount of the Loan under the Loan Agreement; shall be dated as of May 22, 2018; and shall be issued in non-negotiable form to the State. The Series 2018A Bond shall bear interest from the date of issuance of the Series 2018A Bond, computed on the basis of a 360-day year composed of twelve 30-day months until the obligations of the Water Company with respect to the payment of principal shall be discharged, in the dollar amount set forth for each respective payment period under the column heading "Interest" in Exhibit A-2 to the Loan Agreement, shall be payable as set forth below, shall state that, subject to certain limitations, the Mortgage and all indentures supplemental thereto may be modified, amended or supplemented as provided in the Mortgage as heretofore supplemented; shall mature on \_\_\_\_\_1, 2047 and shall be earlier redeemable (i) under the terms and conditions and in the amounts provided in Section 3.07 of the Loan Agreement at the option of the Water Company with, to the extent required by the Order of the New Jersey Board of Public Utilities ("BPU") dated January 25, 2017 (Docket No. WF 16111106), as the same was amended by the Order of Amendment dated April 21, 2017, and/or required by then applicable law and regulations, the prior approval of the BPU, or (ii) as, when and to the extent mandated pursuant to subsection B of Section 4 of Article VIII of the Second Supplemental Indenture; and shall be subject to, entitled to the benefit of, and expressly incorporate by reference, all of the terms, conditions and provisions of the Loan Agreement.

The Series 2018A Bond shall evidence the obligation to pay to the order of the State the principal amount of the Loan (as defined in the Loan Agreement) made by the State under the Loan Agreement which shall be \$7,075,616 or such lesser amount as determined in accordance with Section 3.01 of the Loan Agreement, at the times and in the amounts determined as provided in the Loan Agreement, plus any other amounts due and owing under the Loan Agreement at the times and in the amounts as provided therein. The obligations of the Water Company to make payments under the Series 2018A Bond are absolute and unconditional, without any defense or right of set-off, counterclaim or recoupment by reason of any default by the State under the Loan Agreement or under any other agreement between the Water Company and the State or out of any indebtedness or liability at any time owing to the Water Company by the State or for any other reason. The Series 2018A Bond is subject to assignment or transfer in accordance with the terms of the Loan Agreement. The 2018A Bond is subject to acceleration under the terms and conditions, and in the amounts, provided in Section 5.03 of the Loan Agreement. Payments under the Series 2018A Bond shall, except as otherwise provided in the Loan Agreement, be made directly to the Trust's Trustee (as defined in the Loan Agreement), for the account of the State.

In addition to any other default provided for under the Mortgage as Supplemented, it shall be a default under this Fifty-First Supplemental Indenture if payment of any of the principal or of the Interest on the Loan constituting the Interest Portion, the Administrative Fee and any late charges incurred under the Loan Agreement (as such terms are defined in the Loan Agreement) is not made when the same shall become due and payable in installments, at maturity, upon redemption or otherwise.

Section 2. Disbursements of the proceeds of the Loan from the State under the Loan Agreement evidenced by the Series 2018A Bond shall be made by the State to the Water Company upon receipt by the State of requisitions from the Water Company executed and delivered in accordance with the requirements set forth in Section 3.02 of the Loan Agreement.

Section 3. The Series 2018A Bond and the certificate of authentication of the Trustee to be executed thereon shall be substantially in the form prescribed for registered bonds without coupons in the Second Supplemental Indenture (except that there may be deleted therefrom all references to the issuance of coupon bonds in exchange therefor); shall be in the form attached to this Fifty-First Supplemental Indenture as Exhibit A; and shall contain appropriate references to this Fifty-First Supplemental Indenture in addition to the Mortgage as Supplemented and appropriate changes with respect to the aggregate principal amount, interest rate, redemption dates and provisions, and maturity date of the Series 2018A Bond, and with appropriate reference to the provision of the Fourth Supplemental Indenture that, subject to certain limitations, the Mortgage and all indentures supplemental thereto may be modified, amended or supplemented only as provided in the Mortgage and except that the Series 2018A Bond shall not contain any references to a sinking fund.

Section 4. Subject to the provisions of the Mortgage as Supplemented, forthwith upon the execution and delivery of this Fifty-First Supplemental Indenture, or from time to time

thereafter, Series 2018A Bonds in an aggregate principal amount of \$7,075,616 may be executed by Water Company and delivered to the Trustee for authentication and shall thereupon be authenticated and delivered by the Trustee upon the written order of Water Company, signed by its Vice President, Treasurer and Chief Financial Officer, and by its Vice President, General Counsel and Secretary, in such denominations and registered in such name or names as may be specified in such written order.

Section 5. Sections 4(A)(iii) and (iv) of Article VIII of the Second Supplemental Indenture shall not be available to the Water Company with respect to the Series 2018A Bond. The Water Company shall issue its written order under Section 4(a)(i) or (ii), as the case may be, reasonably promptly after receipt by the Trustee of proceeds of sale, eminent domain or insurance (not otherwise to be paid directly to the Company under the Mortgage as supplemented by the Supplemental Indentures including this Fifty-First Supplemental Indenture).

## ARTICLE II Miscellaneous

Section 1. The provisions of the Mortgage as Supplemented, as modified and extended by this Fifty-First Supplemental Indenture, are hereby reaffirmed. Except insofar as they are inconsistent with the provisions hereof, the provisions of the Mortgage as Supplemented, with respect to the Series C, Series D, Series E, Series F, Series G, Series H, Series I, Series J, Series K, Series L, Series M, Series N, Series O, Series P, Series Q, Series R, Series P-1, Series S, Series T, Series U, Series V, Series W, Series X, Series Y, Series Z, Series AA, Series BB, Series CC, Series DD, Series EE, Series FF, Series GG, Series HH, Series II, Series JJ, Series KK, Series LL, Series MM, Series NN, Series OO, Series PP, Series QQ, Series RR, Series SS, Series TT, Series UU, Series VV, Series WW Bonds, Series XX Bonds and Series YY Bonds shall apply to the Series 2018A Bond to the same extent as if they were set forth herein in full. Unless there is something in the subject or context repugnant to such construction, each reference in the Mortgage as Supplemented to the Mortgage as Supplemented shall be construed as also referring to this Fifty-First Supplemental Indenture. The Mortgage and all indentures supplemental thereto may be modified, amended or supplemented by Water Company with prior notice by the Water Company to but without the consent of any of the bondholders to accomplish any more of the following:

- (1) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Mortgage or any indenture supplemental thereto;
- (2) to cure any ambiguity, supply any omission, or cure or correct any defect in any description of the Mortgaged Property, if such action is not adverse to the interests of the bondholder;
- (3) to insert such provisions clarifying matters or questions arising under the Mortgage or any indenture supplemental thereto as are necessary or desirable and are not contrary to or inconsistent with the Mortgage or any indenture supplemental thereto as in effect; or

- (4) to restate the Mortgage as supplemented by the Supplemental Indentures as a single integrated document which may add headings, an index and other provisions aiding the convenience of use.

The terms and provisions of the Series 2018A Bond shall not be amended by, and the Series 2018A Bond shall not be entitled to the benefit of any covenant, term or condition contained in any subsequent supplemental indenture without the express written concurrence of the Water Company.

Section 2. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity and sufficiency of this Fifty-First Supplemental Indenture or the due execution hereof by Water Company or for the recitals contained herein, all of which recitals are made by Water Company solely..

Section 3. The Trustee hereby accepts the trusts hereby declared and provided and agrees to perform the same upon the terms and conditions in the Mortgage as Supplemented and this Fifty-First Supplemental Indenture.

Section 4. The Trustee hereby authorizes the I-Bank's Trustee (as defined in the Loan Agreement) to accept payments made by Water Company of principal of the Series 2018A Bond for the account of the State.

Section 5. This Fifty-First Supplemental Indenture has been executed simultaneously in several counterparts and all of said counterparts executed and delivered, each as an original, shall constitute one and the same instrument.

Section 6. Although this Fifty-First Supplemental Indenture, for convenience and for the purpose of reference, is dated as of May 1, 2018, the actual date of execution by Water Company and the Trustee is as shown by their respective acknowledgments hereto annexed, and the actual date of delivery hereof by Water Company and the Trustee is the date of the closing of the sale of the Series 2018A Bonds by Water Company.

Section 7. In any case where the payment of principal of the Series 2018A Bond or the date fixed for redemption of any Series 2018A Bond shall be a Saturday or Sunday or a legal holiday or a day on which banking institutions in the City of the principal corporate trust office of the I-Bank's Trustee (as defined in the Loan Agreement) is located are authorized by law to close, then payment of interest or principal or redemption price need not be made on such date but may be made on the next proceeding business day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest on such payment shall accrue after such date.

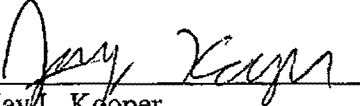


THE MORTGAGOR HEREBY DECLARES AND ACKNOWLEDGES THAT IT  
HAS RECEIVED, WITHOUT CHARGE, A TRUE COPY OF THIS MORTGAGE.

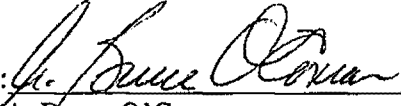
[remainder of page intentionally left blank]

IN WITNESS WHEREOF said MIDDLESEX WATER COMPANY has caused these presents to be signed by its Vice President, Treasurer and Chief Financial Officer and its corporate seal to be hereunto affixed, and duly attested by its Vice President, General Counsel and Secretary; and in testimony of its acceptance of the trusts created, U.S. BANK NATIONAL ASSOCIATION has caused these presents to be signed by its thereto duly authorized officer or corporate trust officer and duly attested by its thereto duly authorized officer or corporate trust officer, as of the day and year first above written.

ATTEST:

  
\_\_\_\_\_  
Jay L. Kooper  
Vice President, General Counsel  
and Secretary

MIDDLESEX WATER COMPANY

By:   
\_\_\_\_\_  
A. Bruce O'Connor  
Vice President, Treasurer and  
Chief Financial Officer

ATTEST:

\_\_\_\_\_  
Name: Rick Barnes  
Title: Authorized Officer

U.S. BANK NATIONAL ASSOCIATION

By: \_\_\_\_\_  
Name: Paul O'Brien  
Title: Authorized Officer

IN WITNESS WHEREOF said MIDDLESEX WATER COMPANY has caused these presents to be signed by its Vice President, Treasurer and Chief Financial Officer and its corporate seal to be hereunto affixed, and duly attested by its Vice President, General Counsel and Secretary; and in testimony of its acceptance of the trusts created, U.S. BANK NATIONAL ASSOCIATION has caused these presents to be signed by its thereto duly authorized officer or corporate trust officer and duly attested by its thereto duly authorized officer or corporate trust officer, as of the day and year first above written.

ATTEST:

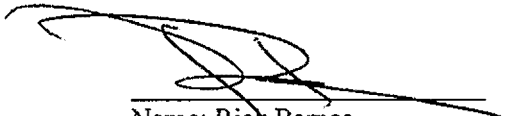
MIDDLESEX WATER COMPANY

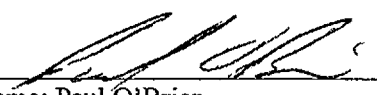
\_\_\_\_\_  
Jay L. Kooper  
Vice President, General Counsel  
and Secretary

By: \_\_\_\_\_  
A. Bruce O'Connor  
Vice President, Treasurer and  
Chief Financial Officer

ATTEST:

U.S. BANK NATIONAL ASSOCIATION

  
\_\_\_\_\_  
Name: Rich Barnes  
Title: Authorized Officer

By:   
\_\_\_\_\_  
Name: Paul O'Brien  
Title: Authorized Officer

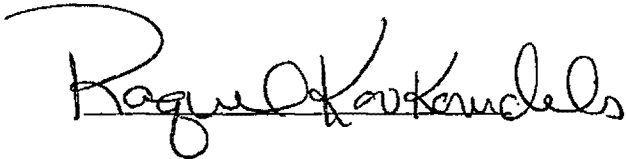
STATE OF NEW JERSEY:

: ss:

COUNTY OF MIDDLESEX:

BE IT REMEMBERED, that on this 9<sup>th</sup> day of March, 2018, before me, the subscriber, personally appeared Jay L. Kooper, who, being by me duly sworn according to law, on his oath deposes and says and makes proof to my satisfaction that he is the Vice President, General Counsel and Secretary of Middlesex Water Company, one of the corporations named in and which executed the foregoing Fifty-First Supplemental Indenture; that he is the attesting witness to said Fifty-First Supplemental Indenture; that he well knows the seal of said corporation and that the seal thereto affixed is the proper common or corporate seal of Middlesex Water Company; that A. Bruce O'Connor is Vice President, Treasurer and Chief Financial Officer of said corporation; that this deponent saw the said A. Bruce O'Connor as Vice President, Treasurer and Chief Financial Officer sign said Fifty-First Supplemental Indenture, and affix said seal thereto and heard him declare that he signed, sealed and delivered the same as the voluntary act and deed of the said corporation, for the uses and purposes therein expressed, he being duly authorized by resolution of the Board of Directors of the said corporation.

Sworn and subscribed to  
before me the day and year  
aforesaid.



RAQUEL KOUKOURDELIS  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires April 24, 2019

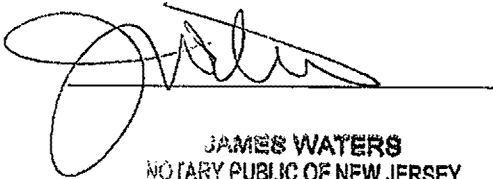
STATE OF NEW JERSEY:

: ss:

COUNTY OF MORRIS :

BE IT REMEMBERED, that on this 13 day of March, 2018, before me, the subscriber, personally appeared Rick Barnes who, being by me duly sworn according to law, on his oath deposes and says and makes proof to my satisfaction that he is an Authorized Officer of U.S. Bank National Association, one of the corporations named in and which executed the foregoing Fifty-First Supplemental Indenture; that he is the attesting witness to said Fifty-First Supplemental Indenture; that Paul O'Brien is an Authorized Officer of said corporation; that this deponent saw the said Paul O'Brien, as Authorized Officer sign said Fifty-First Supplemental Indenture, and heard him declare that he signed and delivered the same as the voluntary act and deed of the said corporation, for the uses and purposes therein expressed, he being duly authorized by said corporation.

Sworn and subscribed to  
before me the day and year  
aforesaid.

A handwritten signature in black ink, appearing to read 'James Waters', is written over a horizontal line.

**JAMES WATERS**  
NOTARY PUBLIC OF NEW JERSEY  
Comm. # 50067279  
My Commission Expires 8/30/2022

EXHIBIT A

FORM OF SERIES 2018A BOND