

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): June 8, 2010

MIDDLESEX WATER COMPANY
(Exact name of registrant as specified in its charter)

NEW JERSEY
(State or other jurisdiction of
incorporation or organization)

0-422
(Commission
File Number)

22-1114430
(I.R.S. Employer
Identification No.)

1500 RONSON ROAD, P.O. BOX 1500, ISELIN, NEW JERSEY 08830
(Address of principal executive offices, including zip code)

(732)-634-1500
(Registrant's telephone number, including area code)

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))
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Item 8.01 – Other Events

On June 8, 2010, Middlesex Water Company (the “Company”) entered into an Underwriting Agreement with Janney Montgomery Scott LLC on behalf of itself and Edward D. Jones & Co., L.P. (the “Underwriters”), which provides for the issuance and sale by the Company (the “Offering”) and the purchase by the Underwriters of 1,700,000 shares (the “Firm Shares”) of the Company’s common stock, no par value. The Company also granted to the Underwriters an option to purchase up to 255,000 additional shares of its common stock (collectively with the Firm Shares, the “Shares”), to cover over-allotments, if any. The sale of the Firm Shares will result in net proceeds to the Company, after underwriting commissions and offering expenses, of approximately \$24.6 million. A copy of the Underwriting Agreement is filed as Exhibit 1.1 to this Current Report on Form 8-K. A copy of the opinion of Norris, McLaughlin & Marcus, P.A. relating to the legality of the issuance and sale of the Shares in the Offering is filed as Exhibit 5.1 to this Current Report on Form 8-K.

On June 9, 2010, the Company issued a press release announcing the sale of the Firm Shares pursuant to the Underwriting Agreement.

Item 9.01 - Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
1.1	Underwriting Agreement, dated June 8, 2010, among the Registrant and the underwriters named in Schedule I thereto.
5.1	Opinion of Norris, McLaughlin & Marcus, P.A. as to the validity of the shares of Common Stock.
99.1	Press Release dated June 9, 2010

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

MIDDLESEX WATER COMPANY
(Registrant)

By: /s/ Kenneth J. Quinn

Kenneth J. Quinn
Vice President, General Counsel,
Secretary and Treasurer

Dated: June 9, 2010

1,700,000 SHARES

MIDDLESEX WATER COMPANY

COMMON STOCK

UNDERWRITING AGREEMENT

Philadelphia, Pennsylvania
June 8, 2010

JANNEY MONTGOMERY SCOTT LLC
EDWARD D. JONES & CO., LP
As Representatives of the Several Underwriters Named in Schedule I hereto
c/o Janney Montgomery Scott LLC
1801 Market Street
Philadelphia, PA 19103

Ladies and Gentlemen:

Middlesex Water Company, a New Jersey corporation (the "Company"), proposes, subject to the terms and conditions stated herein, to sell to the several Underwriters named in Schedule I hereto (the "Underwriters"), for whom Janney Montgomery Scott LLC and Edward D. Jones & Co., LP are serving as Representatives (the "Representatives"), an aggregate of 1,700,000 shares of the Company's Common Stock, no par value (the "Common Shares"). The 1,700,000 Common Shares to be sold to the Underwriters by the Company are referred to herein as the "Firm Shares." The respective amounts of the Firm Shares to be purchased by the several Underwriters are set forth opposite their names in Schedule I hereto. The Firm Shares shall be offered to the public at a public offering price of \$15.21 per Firm Share (the "Offering Price").

In order to cover over-allotments in the sale of the Firm Shares, the Underwriters may, at the Underwriters' election and subject to the terms and conditions stated herein, purchase ratably in proportion to the amounts set forth opposite their respective names in Schedule I hereto, for the Underwriters' own accounts up to 255,000 additional Common Shares from the Company. Such 255,000 additional Common Shares are referred to herein as the "Optional Shares." If any Optional Shares are purchased, the Optional Shares shall be purchased for offering to the public at the Offering Price and in accordance with the terms and conditions set forth herein. The Firm Shares and the Optional Shares are referred to collectively herein as the "Shares."

In consideration of the mutual agreements contained herein, the Company and the Underwriters, intending to be legally bound, confirm their agreement as follows:

1. **Representations and Warranties of the Company.** The Company represents and warrants to, and agrees with, the several Underwriters that:

(a) The Company has prepared and filed with the Securities and Exchange Commission (the "SEC"), in accordance with the provisions of the Securities Act of 1933, as amended (the "Act"), and the rules and regulations thereunder (the "Regulations"), a registration statement on Form S-3 (File No. 166425), including a prospectus, relating to the Shares, which was declared effective by the SEC as of 5:00 p.m. on May 19, 2010 (the "Effective Time"). The term "Registration Statement" as used herein means such registration statement (including all exhibits and information incorporated by reference therein) as amended to the date of this Agreement, and includes information (if any) contained in a form of prospectus or prospectus supplement that is deemed retroactively to be part of the Registration Statement pursuant to Rule 430B under the Act, to be part of the registration statement as of the time specified in Rule 430B. If it is contemplated, at the time this Agreement is executed, that a post-effective amendment to the Registration Statement will be filed and must be declared effective before the offering of the Shares may commence, the term "Registration Statement" as used herein shall mean the Registration Statement as amended by such post-effective amendment. If the Company has filed or files on or after the date of this Agreement a registration statement to register additional Common Shares pursuant to Rule 462(b) under the Act (the "Rule 462(b) Registration Statement"), then any reference herein to the term "Registration Statement" shall be deemed to include such Rule 462(b) Registration Statement. The term "Base Prospectus" shall mean the base prospectus filed as part of the Registration Statement in the form in which it has most recently been filed with the SEC on or prior to the date of this Agreement, and not including any prospectus supplement filed relating to the offering of the Shares. The term "Preliminary Prospectus" shall mean any preliminary prospectus supplement relating to the Shares, together with the Base Prospectus, and filed with the SEC pursuant to Rule 424(a) of the Regulations. The term "Statutory Prospectus" shall mean the Preliminary Prospectus, as amended or supplemented, immediately prior to the Initial Sale Time (as defined below), including any document incorporated by reference therein. The term "Prospectus" shall mean the final prospectus supplement relating to the Shares, together with the Base Prospectus, that is first filed pursuant to Rule 424(b) after the Effective Time. The term "Issuer Free Writing Prospectus" shall have the meaning ascribed to it in Rule 433 of the Regulations relating to the Shares, in the form filed or required to be filed with the SEC or, if not required to be filed, in the form retained in the Company's records pursuant to Rule 433(g) of the Regulations. The term "Disclosure Package" shall mean (i) the Statutory Prospectus, (ii) the Issuer Free Writing Prospectus, if any, identified in Schedule II hereto, and (iii) any other free writing prospectus defined in Rule 405 of the Regulations that is required to be filed by the Company with the SEC or retained by the Company under Rule 433 of the Regulations and that all parties hereto expressly agree to treat as part of the Disclosure Package (the "Other Free Writing Prospectus"). For purposes of this Agreement, the "Initial Sale Time" shall mean 5:00 p.m. (Eastern Time) on the date of this Agreement. All references in this Agreement to the Registration Statement, the Rule 462(b) Registration Statement, the Base Prospectus, a Preliminary Prospectus, the Statutory Prospectus, the Prospectus, the Issuer Free Writing Prospectus, the Other Free Writing Prospectus or any amendments or supplements to any of the foregoing, shall include any copy thereof filed with the SEC pursuant to its Electronic Data Gathering, Analysis and Retrieval System ("EDGAR").

(b) The Registration Statement has become effective under the Act, and the SEC has not issued any stop order suspending the effectiveness of the Registration Statement or preventing or suspending the use of the Statutory Prospectus or the Prospectus, nor has the SEC instituted or threatened to institute proceedings with respect to such an order. No stop order suspending the sale of the Shares in any jurisdiction designated by the Representatives as provided for in Section 5(f) of this Agreement has been issued, and no proceedings for that purpose have been instituted or threatened. The Company has complied in all material respects with all requests of the SEC, or requests of which the Company has been advised of any state or foreign securities commission in a state or foreign jurisdiction designated by the Representatives as provided for in Section 5(f) of this Agreement, for additional information to be included in the Registration Statement, the Disclosure Package or the Prospectus.

(c) (i) The Registration Statement complied at the Effective Time and, as amended or supplemented, complies on the date hereof and will comply on the Closing Date (as defined below) and any Option Closing Date (as defined below), in all material respects, with the requirements of the Act and the Regulations, (ii) the Registration Statement, at the Effective Time, did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (iii) the Disclosure Package, at the time it was filed and as of the Initial Sale Time, complied in all material respects with the requirements of the Act and the Regulations, (iv) the Disclosure Package at the time it was filed and as of the Initial Sale Time, did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, (v) the Prospectus complied at the time it is filed and, as amended or supplemented, will comply as of the Closing Date and any Option Closing Date, in all material respects with the requirements of the Act and the Regulations, and the Prospectus, as so amended or supplemented, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however that the representations and warranties set forth in this paragraph do not apply to omissions from or statements in the Registration Statement, the Disclosure Package or the Prospectus based upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only information furnished in writing by any Underwriter for use in the Registration Statement, the Disclosure Package and the Prospectus is the information as set forth in Section 13 of this Agreement, and (vi) the statistical and market-related data included or incorporated by reference in the Registration Statement, the Disclosure Package and the Prospectus are based on or derived from sources that the Company believes to be reliable and accurate.

(d) As of the Initial Sale Time, the Disclosure Package complied in all material respects with the Act and the Regulations and, if filed by electronic transmission pursuant to EDGAR (except as may be permitted by Regulation S-T under the Act), was identical to the copy thereof delivered to the Underwriters for use in connection with the offer and sale of the Shares. The Disclosure Package, at the Initial Sale Time, did not, and at the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to omissions from or statements in the Disclosure Package based upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter for use in the Disclosure Package is the information as set forth in Section 13 of this Agreement.

(e) The Company (including its agents and representatives, other than the Underwriters in their capacity as such) has not used, authorized, approved or referred to and will not use, authorize, approve or refer to any Issuer Free Writing Prospectus, other than the documents listed on Schedule II hereto. Each such Issuer Free Writing Prospectus complied in all material respects with the Act and the Regulations and has been filed in accordance with the Act and the Regulations (to the extent required thereby). Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Shares or until any earlier date of which the Company notified or notifies the Representatives as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Registration Statement. If at any time following issuance of an Issuer Free Writing Prospectus, there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information then contained in the Registration Statement or included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances prevailing at that subsequent time, not misleading, (i) the Company has promptly notified or will promptly notify the Representatives and (ii) the Company has promptly amended or will promptly amend or supplement such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission. The foregoing sentences do not apply to omissions from or statements in any Issuer Free Writing Prospectus based upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter for use in any Issuer Free Writing Prospectus is the information as set forth in Section 13 of this Agreement.

(f) The Company has not distributed and will not distribute, prior to the later of the last Option Closing Date (as defined below) and the completion of the Underwriters' distribution of the Shares, any offering material in connection with the offering and sale of the Shares other than the Registration Statement, the Disclosure Package or the Prospectus.

(g) The documents incorporated by reference into the Prospectus pursuant to Item 12 of Form S-3 under the Act, at the time they were filed with the SEC, complied in all material respects with the requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and with the rules and regulations promulgated under or pursuant to the Exchange Act, and did not contain any untrue statement of material fact or omit to state a material fact required to be stated therein, or necessary to make the statements therein not misleading.

(h) There are no legal or governmental proceedings pending or, to the knowledge of the Company, threatened to which the Company or any of its Subsidiaries is a party or to which any of the properties of the Company or any Subsidiary are subject that are required to be described in the Registration Statement, the Disclosure Package or the Prospectus and are not so described or any statutes, regulations, contracts or other documents that are required to be described in the Registration Statement, the Disclosure Package or the Prospectus or to be filed as exhibits to the Registration Statement that are not described or filed as required.

(i) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of New Jersey, with all necessary power and authority, corporate or otherwise, and all required licenses, permits, certifications, registrations, approvals, consents and franchises to own or lease and operate its properties and to conduct its current business as described in the Registration Statement, the Disclosure Package and the Prospectus, and to execute, deliver and perform this Agreement. Each of Tidewater Utilities, Inc., a Delaware corporation (“Tidewater”), Tidewater Environmental Services, Inc., a Delaware corporation, Pinelands Water Company, a New Jersey corporation, Pinelands Wastewater Company, a New Jersey corporation, Utility Services Affiliates, Inc., a New Jersey corporation, Utility Services Affiliates (Perth Amboy), Inc., a New Jersey corporation, and Twin Lakes Utilities, Inc., a Pennsylvania corporation, is a wholly owned subsidiary of the Company and together with each of Southern Shores Water Company, LLC (“Southern Shores”), a Maryland limited liability company and wholly owned subsidiary of Tidewater, and White Marsh Environmental Systems, Inc. (“White Marsh”), a Delaware corporation and wholly owned subsidiary of Tidewater, collectively, shall herein be referred to individually as a “Subsidiary” and collectively as the “Subsidiaries.” Each Subsidiary of the Company has been duly incorporated or formed and is a validly existing corporation or limited liability company, as the case may be, in good standing under the laws of the jurisdiction of its incorporation or formation, and has the power and authority, corporate or otherwise, and all required licenses, permits, certifications, registrations, approvals, consents and franchises to own or lease and operate its properties and to conduct its current business. The Company and the Subsidiaries are duly qualified to do business as foreign entities, and are in good standing, in all jurisdictions in which such qualification is required, except where the failure to so qualify would not have a material adverse effect on the general affairs, properties, assets, operations, condition (financial or otherwise), results of operations, stockholders’ equity, business or prospects (collectively, the “Business Conditions”) of the Company and the Subsidiaries taken as a whole. References in this Agreement to materiality as applicable to the Subsidiaries shall mean material to the Business Conditions of the Company and the Subsidiaries taken as a whole.

(j) All of the outstanding shares of capital stock of each of the Subsidiaries have been duly authorized and validly issued, are fully paid and non-assessable and are owned by the Company or Tidewater, as the case may be, free and clear of all liens, encumbrances and security interests; and no options, warrants or other rights to purchase, agreements or other obligations to issue, or other rights to convert any obligations into shares of capital stock or ownership interests in each of the Subsidiaries or securities convertible into or exchangeable for capital stock of, or other ownership interests in any of the Subsidiaries are outstanding, except as disclosed in the Registration Statement, the Disclosure Package and the Prospectus. Neither the Company nor the Subsidiaries owns any stock or other interest whatsoever, whether equity or debt, in any corporation, partnership or other entity other than the Company’s and Tidewater’s ownership of the Subsidiaries.

(k) This Agreement has been duly authorized, executed and delivered by the Company and constitutes its legal, valid and binding obligation, enforceable against the Company in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally and subject to applicability of general principles of equity and except, as to this Agreement, as rights to indemnity and contribution may be limited by federal and state securities laws or principles of public policy.

(l) The execution, delivery and performance of this Agreement and the transactions contemplated herein, do not and will not, with or without the giving of notice or the lapse of time, or both, (i) conflict with any term or provision of the Company's or any Subsidiary's respective charter documents or Bylaws; (ii) result in a breach of, constitute a default under, result in the termination or modification of, result in the creation or imposition of any lien, security interest, charge or encumbrance upon any of the properties of the Company or the Subsidiaries or require any payment by the Company or any of the Subsidiaries or impose any liability on the Company or any of the Subsidiaries pursuant to, any contract, indenture, mortgage, deed of trust, commitment or other agreement or instrument to which the Company or any of the Subsidiaries is a party or by which any of their respective properties are bound or affected other than this Agreement; (iii) assuming compliance with Blue Sky laws and the rules of the Financial Industry Regulatory Authority, Inc. ("FINRA") applicable to the offer and sale of the Shares, violate any law, rule, regulation, judgment, order or decree of any government or governmental agency, instrumentality or court, domestic or foreign, having jurisdiction over the Company or the Subsidiaries or any of their respective properties or businesses; or (iv) result in a breach, termination or lapse of the Company's or the Subsidiaries' corporate power and authority to own or lease and operate their respective properties and conduct their respective businesses.

(m) At the date or dates indicated in the Registration Statement, the Disclosure Package or the Prospectus, the Company had or will have the capitalization set forth in the Registration Statement, the Disclosure Package and the Prospectus under the caption "Capitalization" and will have, as of the issuance of the Firm Shares on the Closing Date, the as-adjusted capitalization set forth in the Prospectus as of the date indicated therein under the caption "Capitalization." At the Effective Time and on the Closing Date and any Option Closing Date, there were no and will be no options or warrants or other outstanding rights to purchase, agreements or obligations to issue or agreements or other rights to convert or exchange any obligation or security into, capital stock of the Company or securities convertible into or exchangeable for capital stock of the Company, except as described in the Registration Statement, the Disclosure Package or the Prospectus or the grant of options after the date of the Registration Statement, the Disclosure Package or the Prospectus under option plans of the Company. The information in the Registration Statement, the Disclosure Package and the Prospectus, insofar as it relates to all outstanding options and other rights to acquire securities of the Company as of the dates referred to in the Registration Statement, the Disclosure Package and the Prospectus, is true and correct in all material respects.

(n) The currently outstanding shares of the Company's capital stock have been duly authorized and are validly issued, fully paid and non-assessable, and none of such outstanding shares of the Company's capital stock has been issued in violation of any preemptive rights or similar rights of any security holder of the Company. The holders of the outstanding shares of the Company's capital stock are not subject to personal liability solely by reason of being such holders. All previous offers and sales of the outstanding shares of the Company's capital stock, whether described in the Registration Statement, the Disclosure Package or the Prospectus were made in compliance with applicable federal, state and foreign securities laws. The authorized capital stock of the Company, including, without limitation, the outstanding Common Shares and the Shares being issued, conform in all material respects with the descriptions thereof in the Registration Statement, the Disclosure Package and the Prospectus, and such descriptions conform in all material respects with the instruments defining the same. The description of the Company's stock plans, equity compensation plans and other equity arrangements, and the rights granted thereunder, set forth in the Registration Statement, the Disclosure Package and the Prospectus accurately and fairly presents, in all material respects, the information required to be shown with respect to such plans, arrangements and rights.

(o) There are no contracts, agreements or understandings between the Company or any of its Subsidiaries and any person granting such person the right to require the Company to file a registration statement under the Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in the securities registered pursuant to the Registration Statement or in any securities being registered pursuant to any other registration statement filed by the Company under the Act.

(p) The Shares have been duly and validly authorized, and, when issued and delivered against payment therefor as contemplated by this Agreement, the Shares will be validly issued, fully paid and non-assessable, and the holders thereof will not be subject to personal liability solely by reason of being such holders. The certificates, if any, representing the Shares are in proper legal form under, and conform in all respects to the requirements of, the New Jersey Business Corporation Act, as amended. Neither the filing of the Registration Statement or the Prospectus nor the offering or sale of Shares as contemplated by this Agreement gives any security holder of the Company any rights for or relating to the registration of any Common Shares or any other capital stock of the Company or any rights to convert or have redeemed or otherwise receive anything of value with respect to any other security of the Company.

(q) No consent, approval, authorization, order, registration, license or permit of, or filing or registration with, any court, government, governmental agency, instrumentality or other regulatory body or official is required for the valid and legal execution, delivery and performance by the Company of this Agreement and the consummation of the transactions contemplated hereby or described in the Registration Statement, the Disclosure Package or the Prospectus, except (i) approval by the New Jersey Board of Public Utilities, which has been obtained, and (ii) such as may be required for the registration of the Shares under the Act, the Exchange Act, and for compliance with the applicable state securities or Blue Sky laws or the Bylaws, rules and other pronouncements of FINRA.

(r) The Common Shares (including the Shares) are registered pursuant to Section 12(b) of the Exchange Act. The issued and outstanding Common Shares are listed on the Nasdaq Global Select Market (“Nasdaq”). Neither the Company nor, to the Company’s knowledge, any other person has taken any action designed to cause, or likely to result in, the termination of the registration of the Common Shares under the Exchange Act. The Company has not received any notification that the SEC, Nasdaq or FINRA is contemplating terminating such registration or inclusion.

(s) The statements in the Registration Statement, the Disclosure Package and the Prospectus, insofar as they are descriptions of or references to contracts, agreements or other documents, are accurate in all material respects and present or summarize fairly, in all material respects, the information required to be disclosed under the Act or the Regulations, and there are no contracts, agreements or other documents, instruments or transactions of any character required to be described or referred to in the Registration Statement, the Disclosure Package or the Prospectus or to be filed as exhibits to the Registration Statement that have not been so described, referred to or filed, as required.

(t) Each contract or other instrument (however characterized or described) to which the Company or any of the Subsidiaries is a party or by which any of their respective properties or businesses is bound or affected and which is material to the conduct of the Company’s, or the Subsidiaries’ business has been duly and validly executed by the Company or the Subsidiaries, as applicable, and, to the knowledge of the Company, has been duly and validly executed by the other parties thereto. Each such contract or other instrument is in full force and effect and, to the Company’s knowledge, is enforceable against the parties thereto in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors’ rights generally and subject to applicability of general principles of equity, and neither the Company nor any of the Subsidiaries is, and to the Company’s knowledge no other party thereto is, in default thereunder, and no event has occurred that, with the lapse of time or the giving of notice, or both, would constitute a default under any such contract or other instrument. All necessary consents under such contracts or other instruments to the disclosure in the Registration Statement, the Disclosure Package or the Prospectus with respect thereto have been obtained.

(u) The consolidated financial statements of the Company (including the notes thereto) filed as part of, or incorporated by reference in, the Registration Statement, the Disclosure Package and the Prospectus present fairly, in all material respects, the financial position of the Company as of the respective dates thereof, and the results of operations and cash flows of the Company for the periods indicated therein, and have been prepared in conformity with generally accepted accounting principles. The financial information included in the Registration Statement, the Disclosure Package and the Prospectus fairly state in all material respects the information required to be stated therein in relation to the financial statements taken as a whole. The financial information included in the Registration Statement, the Disclosure Package or Prospectus under the captions “Prospectus Summary - Summary Consolidated Financial Data,” “Use of Proceeds” and “Capitalization” presents fairly the information shown therein and has been compiled on a basis consistent with that of the financial statements included or incorporated by reference in the Registration Statement, the Disclosure Package and the Prospectus. The unaudited pro forma adjustments to financial information in the Registration Statement, the Disclosure Package and the Prospectus have been properly applied to the historical amounts in the compilation of that information to reflect the sale by the Company of the Shares offered thereby at an assumed offering or actual price set forth in the Registration Statement, the Disclosure Package or the Prospectus, as the case may be, and the application of the estimated net proceeds therefrom.

(v) Since the respective dates as of which information is given, or incorporated by reference, in the Registration Statement, the Disclosure Package and the Prospectus, except as otherwise stated therein, there has not been (i) any material adverse change, or development involving a prospective material adverse change (including, whether or not insured against, any loss or damage to any assets that would constitute a material adverse change), in the Business Conditions of the Company; (ii) any material adverse change, loss, reduction, termination or non-renewal of any material contract to which the Company or any Subsidiary is a party; (iii) any transaction entered into by the Company or any of the Subsidiaries not in the ordinary course of its business that is material to the Company or any Subsidiary; (iv) any dividend or distribution of any kind declared, paid or made by the Company on its capital stock, except for and to the extent described in the Registration Statement, the Disclosure Package and the Prospectus; (v) any liabilities or obligations, direct or indirect, incurred by the Company or any of the Subsidiaries that are material to the Company or any Subsidiary; (vi) except for purchases of Common Shares by the Company Dividend Reinvestment Plan, any change in the capitalization of the Company or any of the Subsidiaries; or (vii) any change in the indebtedness of the Company or any of its Subsidiaries that is material to the Company or any Subsidiary. Neither the Company nor any of the Subsidiaries has any contingent liabilities or obligations that are material and that are not expressly disclosed in the Registration Statement, the Disclosure Package and the Prospectus.

(w) Neither the Company nor any of its officers, directors or affiliates has (i) taken, nor shall the Company or such persons take, directly or indirectly, any action designed to, or that might be reasonably expected to, cause or result in stabilization or manipulation of the price of the Common Shares, or (ii) since the filing of the Registration Statement (A) sold, bid for, purchased or paid anyone any compensation for soliciting purchases of, the Shares or (B) paid or agreed to pay to any person any compensation for soliciting another to purchase any other securities of the Company.

(x) The Company and the Subsidiaries have filed with the appropriate federal, state and local governmental agencies, and all foreign countries and political subdivisions thereof, all tax returns that are required to be filed or have duly obtained extensions of time for the filing thereof and have paid all taxes shown on such returns or otherwise due and all material assessments received by them to the extent that the same have become due. Neither the Company nor any of the Subsidiaries has executed or filed with any taxing authority, foreign or domestic, any agreement extending the period for assessment or collection of any income or other tax and none of them is a party to any pending action or proceeding by any foreign or domestic governmental agency for the assessment or collection of taxes, and no claims for assessment or collection of taxes have been asserted against the Company or any of the Subsidiaries that might materially adversely affect the Business Conditions of the Company or any of the Subsidiaries.

(y) ParenteBeard LLC, which has given its report on certain financial statements included as part of, or incorporated by reference in, the Registration Statement, the Disclosure Package and the Prospectus, is a firm of independent certified public accountants as required by the Act and the Regulations with respect to the Company.

(z) Neither the Company nor any of the Subsidiaries is in violation of, or in default under, any of the terms or provisions of (i) its charter documents or Bylaws or similar governing instruments and (ii) except where any such default would not reasonably be expected to have a material adverse effect on the Business Conditions of the Company or any of the Subsidiaries, (A) any indenture, mortgage, deed of trust, contract, commitment or other agreement or instrument to which it is a party or by which it or any of its assets or properties is bound or affected, (B) any law, rule, regulation, judgment, order or decree of any government or governmental agency, instrumentality or court, domestic or foreign, having jurisdiction over it or any of its properties or business, or (C) any license, permit, certification, registration, approval, consent or franchise.

(aa) Except as expressly disclosed in the Registration Statement, the Disclosure Package and the Prospectus, there are no claims, actions, suits, protests, proceedings, arbitrations, investigations or inquiries pending before, or, to the Company's knowledge, threatened or contemplated by, any governmental agency, instrumentality, court or tribunal, domestic or foreign, or before any private arbitration tribunal to which the Company or any of the Subsidiaries is or may be made a party that could reasonably be expected to affect the validity of any of the outstanding Common Shares, or that, if determined adversely to the Company or any of the Subsidiaries would, in any case or in the aggregate, result in any material adverse change in the Business Conditions of the Company or any of the Subsidiaries, nor to the Company's knowledge is there any reasonable basis for any such claim, action, suit, protest, proceeding, arbitration, investigation or inquiry. Except as expressly disclosed in the Registration Statement, the Disclosure Package and the Prospectus, there are no outstanding orders, judgments or decrees of any court, governmental agency, instrumentality or other tribunal enjoining the Company or any of the Subsidiaries from, or requiring the Company or any of the Subsidiaries to take or refrain from taking, any action, or to which the Company or any of the Subsidiaries or their properties, assets or businesses are bound or subject.

(bb) Each of the Company and the Subsidiaries own, or possess adequate rights to use, all patents, patent applications, trademarks, trademark registrations, applications for trademark registration, trade names, service marks, licenses, inventions, copyrights, know-how (including any unpatented and/or unpatentable proprietary or confidential technology, information, systems, design methodologies and devices or procedures developed or derived from or for the Company's or the Subsidiaries' business), trade secrets, confidential information, processes and formulations and other proprietary information necessary for, used in, or proposed to be used in, the conduct of the business of the Company and the Subsidiaries as described in the Registration Statement, the Disclosure Package and the Prospectus (collectively, the "Intellectual Property"). To the Company's knowledge, neither the Company nor any of the Subsidiaries has infringed, is infringing or has received any notice of conflict with, the asserted rights of others with respect to the Intellectual Property that, individually or in the aggregate, if the subject of an unfavorable decision, ruling or finding, could materially adversely affect the Business Conditions of the Company or any of the Subsidiaries. To the knowledge of the Company, no other parties have infringed upon or are in conflict with any Intellectual Property. Neither the Company nor any of the Subsidiaries is a party to, or bound by, any agreement pursuant to which royalties, honorariums or fees are payable by the Company or any of the Subsidiaries to any person by reason of the ownership or use of any Intellectual Property, except for such royalties, honorariums or fees associated with commercially available software and computer applications.

(cc) Each of the Company and the Subsidiaries has good and marketable title to all property described in the Registration Statement, the Disclosure Package and the Prospectus as being owned by it, free and clear of all liens, security interests, charges or encumbrances and the like, except such as are expressly described or referred to in the Registration Statement, the Disclosure Package or the Prospectus or such as do not materially adversely affect the Business Conditions or the conduct of the business of the Company and the Subsidiaries as described in the Registration Statement, the Disclosure Package and the Prospectus. Each of the Company and the Subsidiaries has insured its property against loss or damage by fire or other casualty, in amounts reasonably believed by the Company to be adequate, and maintains insurance against such other risks as management of the Company deems appropriate. All real and personal property leased by the Company and the Subsidiaries, as described or referred to in the Registration Statement, the Disclosure Package and the Prospectus, is held by the Company or the Subsidiaries, as applicable, under valid and enforceable leases. The executive offices and facilities of the Company and the Subsidiaries (the "Premises"), and all operations presently or formerly conducted thereon by the Company and the Subsidiaries or any predecessors thereof, are now and, since the Company and the Subsidiaries began to use such Premises, always have been and, to the knowledge of the Company prior to when the Company or the Subsidiaries began to use such Premises, always had been in compliance with all federal, state and local statutes, ordinances, regulations, rules, standards and requirements of common law concerning or relating to industrial hygiene and the protection of health and the environment (collectively, the "Environmental Laws"), except to the extent that any failure in such compliance would not materially adversely affect the Business Conditions of the Company and the Subsidiaries. To the knowledge of the Company, the facilities of the Company and the Subsidiaries produce water of sufficient quality and quantity to supply the current and planned customers and service areas of the Company and the Subsidiaries, and are not subject to any restriction on groundwater withdrawal under any federal, state or local law, regulation, rule, order or permit, except as expressly described in the Registration Statement, the Disclosure Package and the Prospectus or as provided in States of Delaware and New Jersey or the Commonwealth of Pennsylvania and other regulatory agencies' allocation permits and such as do not materially adversely affect the Business Conditions or the conduct of the business of the Company and the Subsidiaries as described in the Registration Statement, the Disclosure Package and the Prospectus. To the knowledge of the Company, there are no conditions on, about, beneath or arising from the Premises, in close proximity to the Premises or at any other location that (i) might give rise to liability, the imposition of a statutory lien upon the Company or any of the Subsidiaries, (ii) require a "Response," "Removal" or "Remedial Action," as defined herein, under any of the Environmental Laws by the Company or any of the Subsidiaries or (iii) affect the quality of the groundwater withdrawn by the Company or the Subsidiaries, and that in any such case described in (i), (ii) or (iii) would materially adversely affect the Business Conditions of the Company, except as described in the Registration Statement, the Disclosure Package or the Prospectus. Except as expressly disclosed in the Registration Statement, the Disclosure Package or the Prospectus, or which will not materially adversely affect the Business Conditions of the Company or the Subsidiaries, (i) neither the Company nor the Subsidiaries has received notice or has knowledge of any claim, demand, investigation, regulatory action, suit or other action instituted or threatened against the Company or any of the Subsidiaries or any portion of the Premises or any parcel in close proximity to the Premises relating to any of the Environmental Laws, and (ii) neither the Company nor any of the Subsidiaries has received any notice of material violation, citation, complaint, order, directive, request for information or response thereto, notice letter, demand letter or compliance schedule to or from any governmental or regulatory agency arising out of or in connection with "hazardous substances" (as defined by applicable Environmental Laws) on, about, beneath, arising from or generated at the Premises, near the Premises or at any other location. As used in this subsection, the terms "Response," "Removal" and "Remedial Action" shall have the respective meanings assigned to such terms under Sections 101(23)-101(25) of the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act, 42 U.S.C. 9601(23)-9601(25).

(dd) Each of the Company and the Subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurances that: (i) transactions are executed in accordance with management’s general or specific authorization; (ii) transactions are recorded as necessary in order to permit preparation of financial statements in accordance with generally accepted accounting principles and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management’s general or specific authorization; and (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(ee) The Company is in compliance in all material respects with all currently effective provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder that are applicable, or will be applicable as of the Closing Date, to the Company.

(ff) The Company, the Subsidiaries and any Related Employer (which for purposes of this Paragraph means any entity that with the Company or any of the Subsidiaries is a member of a controlled group of corporations within the meaning of Section 414(b) of the Internal Revenue Code of 1986, as amended (the “Code”), is, individually or collectively, a trade or business under common control within the meaning of Section 414(c) of the Code, or is a member of the same affiliated service group within the meaning of Section 414(m) of the Code) have established, maintain, contribute to, are required to contribute to, are a party to, or are bound by certain pension, retirement, profit-sharing plans, deferred compensation, bonus, or other incentive plans, or medical, vision, dental, or other health plans, or life insurance or disability plans, or any other employee benefit plans, programs, arrangements, agreements, or understandings, some of which are subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and the rules and regulations thereunder (“Plans”). Any disclosure regarding the Plans required under the Act or the Exchange Act has been made in the Registration Statement, the Disclosure Package or the Prospectus and the documents incorporated therein. All Plans that are subject to ERISA are in compliance with ERISA, in all material respects, and, to the extent a Plan is intended to be tax-qualified within the meaning of Section 401(a) of the Code, such Plan is in compliance with the Code in all material respects and is the subject of a current favorable determination letter from the Internal Revenue Service as to its tax qualification. No Plan is an employee pension benefit plan that is subject to Part 3 of Subtitle B of Title I of ERISA, a defined benefit plan subject to Title IV of ERISA, or a multiemployer plan. None of the Company, the Subsidiaries or any Related Employer maintains or has maintained retiree life or retiree health insurance plans that are employee welfare benefit plans providing for continuing benefit or coverage for any employee or any beneficiary of any employee after such employee’s termination of employment, except as required by Section 4980B of the Code and except as disclosed in the Registration Statement, the Disclosure Package or the Prospectus. No fiduciary or other party in interest with respect to any of the Plans has caused any of such Plans to engage in a prohibited transaction as defined in Section 406 of ERISA and Section 4975 of the Code. As used in this subsection, the terms “defined benefit plan,” “employee benefit plan,” “employee pension benefit plan,” “employee welfare benefit plan,” “fiduciary” and “multiemployer plan” shall have the respective meanings assigned to such terms in Section 3 of ERISA.

(gg) No labor dispute exists with the Company's or the Subsidiaries' employees, and to the Company's knowledge, no such labor dispute is threatened. The Company has no knowledge of any existing or threatened labor disturbance by the employees of any of the principal suppliers, contractors or customers of the Company or the Subsidiaries that would materially adversely affect the Business Conditions of the Company or any of the Subsidiaries. None of the Company's or the Subsidiaries' employees is covered by a collective bargaining agreement and no union organizing activity exists with respect to any of such employees.

(hh) There are no contracts, agreements or understandings between the Company or any of the Subsidiaries and/or any person that would give rise to a valid claim against the Company or any of the Subsidiaries and/or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with the transactions contemplated herein, the Registration Statement, the Disclosure Package and the Prospectus, or in any contracts, agreements, understandings, payments, arrangements or issuances with respect to the Company or any of its officers, directors, stockholders, employees or affiliates that may affect any Underwriter's compensation as determined by FINRA.

(ii) The Company is not, and after giving effect to the offering and sale of the Shares and the application of the proceeds therefor described in the Registration Statement, the Disclosure Package and the Prospectus will not be an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended. None of the Subsidiaries is an "investment company" as defined in the Investment Company Act of 1940, as amended.

(jj) (i) The Company and the Subsidiaries have received all permits, licenses, franchises, authorizations, registrations, qualifications and approvals (collectively, "Permits") of governmental or regulatory authorities as may be required to own their properties and conduct their businesses in the manner described in the Registration Statement, the Disclosure Package and the Prospectus, subject to such qualifications as may be set forth in the Registration Statement, the Disclosure Package and the Prospectus; (ii) the Company and the Subsidiaries have fulfilled and performed all of their material obligations with respect to such Permits, and no event has occurred which allows or, after notice or lapse of time or both, would allow revocation or termination thereof or result in any other material impairment of the rights of the holder of any such Permit, subject in each case to such qualifications as may be set forth in the Registration Statement, the Disclosure Package and the Prospectus; and (iii) except as described in the Registration Statement, the Disclosure Package and the Prospectus, such Permits contain no restrictions that materially affect the ability of the Company or the Subsidiaries to conduct their businesses.

(kk) No statement, representation, warranty or covenant made by the Company or any of the Subsidiaries in this Agreement or in any certificate or document required by this Agreement to be delivered to the Representatives is, or as of the Closing Date or any Option Closing Date will be, inaccurate, untrue or incorrect in any material respect. No transaction has occurred or is proposed between or among the Company or any of the Subsidiaries and any of their respective officers, directors or stockholders or any affiliate of the foregoing, that is required to be described in and is not described in the Registration Statement, the Disclosure Package or the Prospectus.

(ll) None of the Company, the Subsidiaries or any officer, director, employee, partner, agent or other person acting on behalf of the Company or the Subsidiaries has, directly or indirectly, given or agreed to give any money, property or similar benefit or consideration to any customer or supplier (including any employee or agent of any customer or supplier) or official or employee of any agency or instrumentality of any government (foreign or domestic) or political party or candidate for office (foreign or domestic) or any other person who was, is or in the future may be in a position to affect the Business Conditions of the Company or any of the Subsidiaries or any actual or proposed business transaction of the Company or any of the Subsidiaries that (i) could subject the Company or any of the Subsidiaries to any liability (including, but not limited to, the payment of monetary damages) or penalty in any civil, criminal or governmental action or proceeding that would have a material adverse effect on the Business Conditions of the Company or any of the Subsidiaries or (ii) with respect to the Company, the Subsidiaries, or any officer or director thereof, violates any law, rule or regulation to which the Company or any of the Subsidiaries is subject.

(mm) The Company's board of directors has validly appointed an audit committee whose composition satisfies the requirements of the Exchange Act, the rules and regulations of the SEC adopted thereunder and the rules of FINRA that are applicable as of the Closing Date. The Company's audit committee has adopted a charter that satisfies the Exchange Act, the rules and regulations of the SEC adopted thereunder and the rules of FINRA that are applicable as of the Closing Date.

(nn) At the time of filing the Registration Statement and as of the date of the execution and delivery of this Agreement (with such date being used as the determination date for purposes hereof), the Company was not and is not an Ineligible Issuer (as defined in Rule 405 of the Act), without taking account of any determination by the SEC pursuant to Rule 405 of the Act that it is not necessary that the Company be considered an Ineligible Issuer.

(oo) Any certificate signed by any officer of the Company or any of the Subsidiaries in such capacity and delivered to the Representatives or to counsel for the Underwriters pursuant to this Agreement shall be deemed a representation and warranty by the Company or the Subsidiaries as the case may be, to each Underwriter as to the matters covered thereby.

2. **Purchase and Sale of Firm Shares.** On the basis of the representations, warranties, covenants and agreements contained herein, but subject to the terms and conditions set forth herein, the Company shall sell the Firm Shares to the several Underwriters at the Offering Price less the Underwriting Discounts and Commissions shown on the cover page of the Prospectus, and the Underwriters, severally and not jointly, shall purchase from the Company on a firm commitment basis, at the Offering Price less the Underwriting Discounts and Commissions shown on the cover page of the Prospectus, the respective amounts of the Firm Shares set forth opposite their names on Schedule I hereto. In making this Agreement, each Underwriter is contracting severally and not jointly, and except as provided in Sections 4 and 12 hereof, the agreement of each Underwriter is to purchase only that number of Shares specified with respect to that Underwriter in Schedule I hereto. The Underwriters shall offer the Shares to the public as set forth in the Prospectus.

3. **Payment and Delivery.** The Firm Shares shall be issued in the form of one or more fully registered global securities (the “Global Securities”) in book-entry form in such denominations and registered in the name of the nominee of The Depository Trust Company (“DTC”) or in such names as the Representatives may request upon at least 48 hours’ prior notice to the Company and shall be delivered by or on behalf of the Company to the Representatives for the account of such Underwriter against payment by such Underwriter on its behalf of the purchase price therefor by wire transfer of immediately available funds to such accounts as the Company shall designate in writing (with all costs and expenses incurred by the Underwriters in connection with such settlement in immediately available funds, including, but not limited to, interest or cost of funds and expenses, to be borne by the Company). The closing of the sale and purchase of the Firm Shares shall be held at the offices of Ballard Spahr LLP, 1735 Market Street, Philadelphia, Pennsylvania for the respective accounts of the Underwriters. Such payment and delivery will be made at 10:00 a.m., Philadelphia, Pennsylvania time, on the third business day after the date of this Agreement, or at such other time on the same or such other date, not later than seven business days thereafter as shall be designated in writing by the Representatives. Such time and date are referred to herein as the “Closing Date.” The Company shall make the Global Securities representing the Firm Shares available for examination by the Representatives and counsel for the Underwriters at the Philadelphia correspondent office of the Company’s transfer agent not less than one full business day prior to the Closing Date.

4. **Option to Purchase Optional Shares.**

(a) For the purposes of covering any over-allotments in connection with the distribution and sale of the Firm Shares as contemplated by the Prospectus, subject to the terms and conditions herein set forth, the several Underwriters are hereby granted an option by the Company to purchase all or any part of the Optional Shares (the “Over-allotment Option”). The purchase price to be paid for the Optional Shares shall be the Offering Price less the Underwriting Discounts and Commissions shown on the cover page of the Prospectus. The Over-allotment Option granted hereby may be exercised by the Representatives on behalf of the several Underwriters as to all or any part of the Optional Shares at any time and from time to time within 30 days after the date of the Prospectus. No Underwriter shall be under any obligation to purchase any Optional Shares prior to an exercise of the Over-allotment Option.

(b) The Over-allotment Option granted hereby may be exercised by the Representatives on behalf of the several Underwriters by giving notice to the Company by a letter sent by registered or certified mail, postage prepaid, telex, telegraph, telegram or facsimile (such notice to be effective when received), addressed as provided in Section 14 hereof, setting forth the number of Optional Shares to be purchased, the date and time for delivery of and payment for the Optional Shares and stating that the Optional Shares referred to therein are to be used for the purpose of covering over-allotments in connection with the distribution and sale of the Firm Shares. If such notice is given at least two full business days prior to the Closing Date, the date set forth therein for such delivery and payment shall be not earlier than the Closing Date. If such notice is given after two full business days prior to the Closing Date, the date set forth therein for such delivery and payment shall be a date selected by the Representatives not later than five full business days after the exercise of the Over-allotment Option. The date and time set forth in such a notice is referred to herein as an "Option Closing Date," and a closing held pursuant to such a notice is referred to herein as an "Option Closing." Upon each exercise of the Over-allotment Option, and on the basis of the representations, warranties, covenants and agreements herein contained, and subject to the terms and conditions herein set forth, the several Underwriters shall become severally, but not jointly, obligated to purchase from the Company the number of Optional Shares specified in each notice of exercise of the Over-allotment Option (allocated among them in accordance with Section 4(c) hereof).

(c) The number of Optional Shares to be purchased by each Underwriter pursuant to each exercise of the Over-allotment Option shall be the number that bears the same ratio to the aggregate number of Optional Shares being purchased through such Over-allotment Option exercise as the number of Firm Shares opposite the name of such Underwriter in Schedule I hereto bears to the total number of all Firm Shares. Notwithstanding the foregoing, the number of Optional Shares purchased and sold pursuant to each exercise of the Over-allotment Option shall be subject to such adjustment as the Representatives may approve to eliminate fractional shares and subject to the provisions for the allocation of Optional Shares purchased for the purpose of covering over-allotments set forth in the agreement entered into by and among the Underwriters in connection herewith (the "Agreement Among Underwriters").

(d) The Optional Shares shall be issued in the form of one or more Global Securities in book-entry form in such denominations and registered in the name of the nominee of DTC or in such names as the Representatives may request upon at least 48 hours' prior notice to the Company, and shall be delivered by or on behalf of the Company to the Representatives for the account of such Underwriter, against payment by such Underwriter on its behalf of the purchase price therefor by wire transfer of immediately available funds to such accounts as the Company shall designate in writing (with all costs and expenses incurred by the Underwriters in connection with such settlement in immediately available funds, including, but not limited to, interest or cost of funds and expenses, to be borne by the Company). The closing of the sale and purchase of the Optional Shares shall be held at the offices of Ballard Spahr LLP, 1735 Market Street, Philadelphia, Pennsylvania for the respective accounts of the Underwriters. Such payment and delivery will be made at 10:00 a.m., Philadelphia, Pennsylvania time, on the Option Closing Date. The Company shall make the Global Securities representing the Optional Shares available for examination by the Representatives and counsel for the Underwriters at the Philadelphia correspondent office of the Company's transfer agent not less than one full business day prior to the Option Closing Date.

5. **Certain Covenants and Agreements of the Company.** The Company covenants and agrees with the several Underwriters as follows:

(a) The Company will comply with the requirements of Rule 430B.

(b) The Company will not file with the SEC, the Prospectus, any amendment or supplement to the Prospectus or any amendment to the Registration Statement or the Disclosure Package, and will not use, authorize, refer to or file any Issuer Free Writing Prospectus, unless the Representatives have received a reasonable period of time to review any such proposed amendment, supplement or Issuer Free Writing Prospectus and consented to the filings thereof, and will use its best efforts to cause any such amendment to the Registration Statement to be declared effective as promptly as possible. Upon reasonable request of the Representatives or counsel for the Underwriters, the Company will promptly prepare and file with the SEC, in accordance with the Regulations, any amendments to the Registration Statement or amendments or supplements to the Prospectus or the Disclosure Package that may be necessary or advisable in connection with the distribution of the Shares by the several Underwriters and will use its best efforts to cause any such amendment to the Registration Statement to be declared effective as promptly as possible. If required, the Company will file any amendment or supplement to the Prospectus or the Disclosure Package with the SEC in the manner and within the time period required by Rule 424(b) or Rule 433 under the Act. The Company will advise the Representatives, promptly after receiving notice thereof, of the time when the Registration Statement or any amendment thereof has been filed or declared effective or the Prospectus or the Disclosure Package, or any amendment or supplement thereto has been filed and will provide evidence to the Representatives of each filing or effectiveness.

(c) The Company will advise the Representatives immediately, and confirm such advice in writing, (i) when any post-effective amendment to the Registration Statement is filed with the SEC under Rule 462(c) under the Act or otherwise, (ii) when any Rule 462(b) Registration Statement is filed, (iii) of the receipt of any comments from the SEC concerning the Registration Statement, (iv) when any post-effective amendment to the Registration Statement becomes effective, or when any supplement to the Prospectus or the Disclosure Package or any amended Prospectus or Disclosure Package has been filed, (v) of any request of the SEC for amendment or supplementation of the Registration Statement, the Disclosure Package or the Prospectus or for additional information, (vi) during the period when a prospectus is required to be delivered under the Act and Regulations (the "Prospectus Delivery Period"), of the happening of any event as a result of which any Prospectus would include an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein not misleading, (vii) during the Prospectus Delivery Period, of the need to amend the Registration Statement or supplement the Prospectus to comply with the Act, (viii) of the issuance by the SEC of any stop order suspending the effectiveness of the Registration Statement or of any order preventing or suspending the use of any Preliminary Prospectus or the Prospectus, and (ix) of the suspension of the approval of the Shares for listing on Nasdaq or the qualification of any of the Shares for offering or sale in any jurisdiction in which the Underwriters intend to make such offers or sales, or the initiation or threatening of any proceedings for any of such purposes known to the Company. The Company will use its best efforts to prevent the issuance of any such stop order or of any order preventing or suspending such use, and if any such order is issued, to obtain as soon as possible the lifting thereof.

(d) The Company has delivered to the Representatives, without charge, as many copies of each Preliminary Prospectus as the Representatives have reasonably requested. The Company will deliver, without charge, to the Representatives, such number of copies of the Registration Statement, the Disclosure Package and the Prospectus, and any supplements or amendments thereto, as the Representatives may reasonably request from time to time during the Prospectus Delivery Period. The Company hereby consents to the use of such copies of the Disclosure Package and the Prospectus for purposes permitted by the Act, the Regulations and the securities or Blue Sky laws of the states or foreign jurisdictions in which the Shares are offered by the several Underwriters and by all dealers to whom Shares may be sold, both in connection with the offering and sale of the Shares and during the Prospectus Delivery Period. The Company has furnished or will furnish to the Representatives at least one original signed copy of the Registration Statement as originally filed and of all amendments and supplements thereto, whether filed before or after the Effective Time, at least one copy of all exhibits filed therewith and of all consents and certificates of experts, and will deliver to the Representatives such number of conformed copies of the Registration Statement, including financial statements and exhibits, and all amendments thereto, as the Representatives may reasonably request.

(e) The Company will comply with the Act, the Regulations, the Exchange Act and the rules and regulations thereunder so as to permit the continuation of sales of and dealings in the Shares for as long as may be necessary to complete the distribution of the Shares as contemplated hereby.

(f) The Company will furnish such information and pay such filing fees and other expenses as may be required, including its counsel's reasonable legal fees, and otherwise cooperate in the registration or qualification of the Shares, or exemption therefrom, for offering and sale by the several Underwriters and by dealers under the securities or Blue Sky laws of such jurisdictions in which the Representatives determine to offer the Shares, after consultation with the Company, and will file such consents to service of process or other documents necessary or appropriate in order to effect such registration or qualification; provided, however, that no such qualification shall be required in any jurisdiction where, solely as a result thereof, the Company would be subject to taxation or qualification as a foreign corporation doing business in such jurisdiction where it is not now so qualified or to take any action which would subject it to service of process in suits, other than those arising out of the offering or sale of the Shares, in any jurisdiction where it is not now so subject. The Company will, from time to time, prepare and file such statements and reports as are or may be required to continue such qualification in effect for so long a period as is required under the laws of such jurisdictions for such offering and sale. The Company will furnish such information and pay such filing fees and other expenses as may be required, and otherwise cooperate in the listing of the Shares on Nasdaq. The Company will, from time to time, prepare and file such statements and reports as are or may be required to continue such qualification in effect for a period of three years from the Effective Time.

(g) Subject to Section 5(b) hereof, in case of any event occurring at any time within the Prospectus Delivery Period, as a result of which the Disclosure Package or the Prospectus, as then amended or supplemented, would contain, in the opinion of counsel for the Underwriters, an untrue statement of a material fact, or omit to state any material fact necessary in order to make the statements therein not misleading, or, if it is necessary at any time to amend the Disclosure Package or the Prospectus to comply with the Act or the Regulations or any applicable securities or Blue Sky laws, the Company promptly will prepare and file with the SEC, and any applicable state and foreign securities commission, an amendment, supplement or document that will correct such statement or omission or effect such compliance and will furnish to the several Underwriters such number of copies of such amendments, supplements or documents (in form and substance satisfactory to the Representatives and counsel for the Underwriters) as the Representatives may reasonably request. For purposes of this Section 5(g), the Company will provide such information to the Representatives, the Underwriters' counsel and counsel to the Company as shall be necessary to enable such persons to consult with the Company with respect to the need to amend or supplement the Registration Statement, the Disclosure Package or the Prospectus or file any document, and shall furnish to the Representatives and the Underwriters' counsel such further information as each may from time to time reasonably request.

(h) The Company agrees that, unless it obtains the prior written consent of the Representatives, it will not make any offer relating to the Shares that would constitute an Issuer Free Writing Prospectus or that would otherwise constitute a "free writing prospectus" (as defined in Rule 405 of the Act) required to be filed by the Company with the SEC or retained by the Company under Rule 433 of the Act; provided that the prior written consent of the Representatives shall be deemed to have been given in respect of the free writing prospectuses included in Schedule II hereto. Any such free writing prospectus consented to by the Representatives is hereinafter referred to as a "Permitted Free Writing Prospectus." The Company agrees that (i) it has treated and will treat, as the case may be, each Permitted Free Writing Prospectus as an Issuer Free Writing Prospectus, and (ii) has complied and will comply, as the case may be, with the requirements of Rules 164 and 433 of the Act applicable to any Permitted Free Writing Prospectus, including in respect of timely filing with the SEC, legending and record keeping.

(i) The Company will make generally available to its security holders and the Representatives as soon as practicable an earnings statement of the Company that satisfies the provisions of Section 11(a) of the Act and Rule 158 promulgated thereunder covering a period of at least twelve months beginning with the Company's first fiscal quarter occurring after the "effective date" (as defined in Rule 158) of the Registration Statement.

(j) Prior to the Closing Date, the Company will issue no press release or other communications directly or indirectly and hold no press conference with respect to the Company or its Subsidiaries, the condition, financial or otherwise, or the earnings, business, operations or prospects of any of them, or the offering of the Shares without the prior written consent of the Representatives unless in the judgment of the Company and its counsel, and after notification to the Representatives such press release or communication is required by law.

(k) For a period of three years from the date hereof, the Company will deliver to the Representatives and, upon request, to each of the Underwriters: (i) a copy of each report or document, including, without limitation, reports on Forms 8-K, 10-K and 10-Q (or such similar forms as may be designated by the SEC), registration statements and any exhibits thereto, filed or furnished to the SEC or any securities exchange or FINRA, on the date each such report or document is so filed or furnished; (ii) as soon as practicable, copies of any reports or communications (financial or other) of the Company mailed to its security holders; and (iii) every material press release in respect of the Company or its affairs that is released or prepared by the Company.

(l) During the course of the distribution of the Shares, the Company and the Subsidiaries will not, and the Company shall cause its officers and directors not to, (i) take, directly or indirectly, any action designed to, or that could reasonably be expected to, cause or result in stabilization or manipulation of the price of the Common Shares or (ii) sell, bid for, purchase or pay anyone any compensation for soliciting purchases of, the Shares.

(m) The Company has caused each person listed on Schedule III hereto to execute an agreement (a “Lock-up Agreement”) in the form set forth as Exhibit A hereto. The Company has delivered such agreements to the Representatives prior to the date of this Agreement. Appropriate stop transfer instructions will be issued by the Company to the transfer agent for the Common Shares and a copy of such instructions will be delivered to the Representatives.

(n) During the period commencing on the date hereof and ending on the 90th day following the date of the Prospectus, the Company will not, without the prior written consent of the Representatives (which consent may be withheld at the sole discretion of the Representatives), directly or indirectly, sell, offer, contract or grant any option to sell, pledge, transfer or establish an open “put equivalent position” within the meaning of Rule 16a-1(h) under the Exchange Act or liquidate or decrease a “call equivalent position” within the meaning of Rule 16a-1(b) under the Exchange Act, or otherwise dispose of or transfer (or enter into any transaction which is designed to, or would reasonably be expected to, result in the disposition of), or announce the offering of, or file any registration statement under the Act in respect of, any shares of Common Shares, options or warrants to acquire shares of Common Shares or securities exchangeable or exercisable for or convertible into shares of Common Shares (other than as contemplated by this Agreement with respect to the Shares); provided, however, that the Company may issue Common Shares under the Company’s Dividend Reinvestment Plan, 401(k) Plan and Restricted Stock Plan. Notwithstanding the foregoing, if (x) during the last 17 days of the 90-day restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or (y) prior to the expiration of the 90-day restricted period, the Company announces that it will release earnings results during the 16-day period beginning on the last day of the 90-day period, the restrictions imposed in this clause shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. The Company will provide the Representatives with prior notice of any announcement described in clause (y) of the preceding sentence that gives rise to an extension of the restricted period.

(o) For a period of three years from the date hereof, the Company will use all reasonable efforts to maintain the listing of the Common Shares (including, without limitation, the Shares) on Nasdaq or on another national securities exchange.

(p) The Company shall, at its sole cost and expense, supply and deliver to the Representatives and the Underwriters' counsel, within a reasonable period from the Closing Date transaction binders in such number and in such form and content as the Representatives reasonably request.

(q) The Company will use the net proceeds from the sale of the Shares to be sold by it hereunder substantially in accordance with the description set forth in the Prospectus.

6. Certain Covenants and Agreement of the Underwriters. The Underwriters agree that, unless the Representatives obtain the prior written consent of the Company, they will not make any offer relating to the Shares that would constitute a "free writing prospectus" (as defined in Rule 405 of the Act) required to be filed by the Company with the SEC or retained by the Company under Rule 433 of the Act; provided that the prior written consent of the Company shall be deemed to have been given in respect of the free writing prospectuses included in Schedule II hereto. Any such free writing prospectus consented to by the Company is hereinafter deemed to be a Permitted Free Writing Prospectus.

7. Payment of Fees and Expenses.

(a) Whether or not the transactions contemplated by this Agreement are consummated and regardless of the reason this Agreement is terminated, the Company will pay or cause to be paid, and bear or cause to be borne, all costs and expenses incident to the performance of the obligations of the Company under this Agreement, including: (i) the fees and expenses of the accountants and counsel for the Company incurred in the preparation of the Registration Statement and any post-effective amendments thereto (including financial statements and exhibits), the Disclosure Package, any Preliminary Prospectuses and the Prospectus and any amendments or supplements thereto; (ii) printing and mailing expenses associated with the Registration Statement and any post-effective amendments thereto, the Disclosure Package, any Preliminary Prospectus, the Prospectus, this Agreement, the Agreement Among Underwriters, the Underwriters' Questionnaire, the power of attorney executed by each of the Underwriters, the Selected Dealer Agreement and any related documents and any Blue Sky memorandum (and any supplement thereto); (iii) the costs and expenses (other than fees and expenses of the Underwriters' counsel) incident to the authentication, issuance, sale and delivery of the Shares to the Underwriters; (iv) the fees, expenses and all other costs of qualifying the Shares for sale under the securities or Blue Sky laws of those states or foreign jurisdictions in which the Shares are to be offered or sold (other than fees and expenses of Underwriters' counsel); (v) the fees, expenses and other costs of, or incident to, securing any review or approvals by or from FINRA, (other than fees and expenses of the Underwriters' counsel), (vi) the filing fees of the SEC; (vii) the cost of furnishing to the Underwriters copies of the Registration Statement, the Disclosure Package, any Preliminary Prospectuses and Prospectuses as herein provided; (viii) the Company's travel expenses in connection with meetings with the brokerage community and institutional investors; (ix) the costs and expenses associated with settlement in same day funds (including, but not limited to, interest or cost of funds expenses), if desired by the Company; (x) any fees or costs payable to Nasdaq as a result of the offering; (xi) the cost of preparing, issuing and delivery to the Underwriters of any certificates evidencing the Shares; (xii) the costs and charges of any transfer agent; (xiii) the reasonable costs of advertising the offering provided the same are approved in advance by the Company; (xiv) all taxes, if any, on the issuance, delivery and transfer of the Shares sold by the Company; and (xv) all other costs and expenses reasonably incident to the performance of the Company's obligations hereunder that are not otherwise specifically provided for in this Section 7(a); provided, however, that, except as specifically set forth in Section 7(c) hereof, the Underwriters shall be responsible for their out-of-pocket expenses, including those associated with meetings with the brokerage community and institutional investors, other than the Company's travel expenses, and the fees and expenses of their counsel.

(b) On the Closing Date, the Company shall pay the Representatives a non-accountable expense allowance in the amount of \$50,000.

(c) If (i) the Underwriters are willing to proceed with the Offering, and the transactions contemplated by this Agreement are not consummated because the Company elects not to proceed with the offering for any reason or (ii) the Representatives terminate this Agreement pursuant to Section 11(b)(i) hereof, then the Company will reimburse the Underwriters for their incurred reasonable out-of-pocket expenses relating to the Offering (including but not limited to the reasonable fees and disbursements to their counsel), which reimbursement shall not exceed \$150,000. The Representatives shall present a reasonable accounting of all expenses for which reimbursement is claimed hereunder.

8. Conditions of Underwriters' Obligations. The obligation of each Underwriter to purchase and pay for the Firm Shares that it has agreed to purchase hereunder on the Closing Date, and to purchase and pay for any Optional Shares as to which it exercises its right to purchase under Section 4 on an Option Closing Date, is subject at the date hereof, the Closing Date and any Option Closing Date to the continuing accuracy and fulfillment of the representations and warranties of the Company, to the performance by the Company of its covenants and obligations hereunder, and to the following additional conditions:

(a) The Preliminary Prospectus and the Prospectus shall have been filed with the SEC pursuant to Rule 424(b) of the Regulations within the applicable time period prescribed for such filing by the Regulations. The Company shall have filed any material required to be filed by the Company with the SEC in the manner and within the time period required by Rule 433 of the Regulations, including any Issuer Free Writing Prospectus and any Other Free Writing Prospectus

(b) If the Company elects to rely upon Rule 462(b), the Company shall file a Rule 462(b) Registration Statement with the SEC in compliance with Rule 462(b) by 10:00 P.M., Washington, D.C. time, on the date of this Agreement, and the Company shall at the time of filing either pay to the SEC the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Act.

(c) On or prior to the Closing Date or any Option Closing Date, as the case may be, no stop order or other order preventing or suspending the effectiveness of the Registration Statement (including any document incorporated by reference therein), the 462(b) Registration Statement or any post-effective amendment to the Registration Statement or the sale of any of the Shares shall have been issued under the Act or any state or foreign securities law, and no proceedings for that purpose shall have been initiated or shall be pending or, to the Representatives' knowledge or the knowledge of the Company, shall be contemplated by the SEC or by any authority in any jurisdiction designated by the Representatives pursuant to Section 5(f) hereof. Any request on the part of the SEC or any state or foreign securities authority for additional information shall have been complied with to the reasonable satisfaction of counsel for the Underwriters.

(d) All corporate proceedings and other matters incident to the authorization, form and validity of this Agreement, the Shares and the form of the Registration Statement, the Disclosure Package and the Prospectus, and all other legal matters relating to this Agreement and the transactions contemplated hereby shall be satisfactory in all material respects to counsel for the Underwriters. The Company shall have furnished to such counsel all documents and information that they may have reasonably requested to enable them to pass upon such matters. The Representatives shall have received from the Underwriters' counsel, Ballard Spahr LLP, an opinion, dated as of the Closing Date and any Option Closing Date, as the case may be, and addressed to the Representatives individually and as representatives of the several Underwriters, which opinion shall be satisfactory in all respects to the Representatives.

(e) The Representatives shall have received a copy of an executed Lock-up Agreement from the Company and each of the persons listed on Schedule III hereto.

(f) On the Closing Date and any Option Closing Date, there shall have been delivered to the Representatives the opinion of Norris, McLaughlin & Marcus, P.A., counsel for the Company, dated as of each such date and addressed to the Representatives individually and as representatives of the several Underwriters to the effect set forth on Exhibit B or to such effect as is otherwise reasonably satisfactory to the Representatives.

(g) At the Closing Date and any Option Closing Date: (i) the Registration Statement and any post-effective amendment thereto and the Disclosure Package and the Prospectus and any amendments or supplements thereto shall contain all statements that are required to be stated therein in accordance with the Act and the Regulations, and shall conform to the requirements of the Act and the Regulations in all material respects, and none of the Registration Statement nor any post-effective amendment thereto, the Disclosure Package or the Prospectus and any amendments or supplements thereto shall contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading; (ii) since the respective dates as of which information is given in the Registration Statement and any post-effective amendment thereto and the Disclosure Package and the Prospectus and any amendments or supplements thereto, except as otherwise stated therein, there shall have been no material adverse change in the Business Conditions of the Company from that set forth therein whether or not arising in the ordinary course of business; (iii) since the respective dates as of which information is given in the Registration Statement, the Disclosure Package and the Prospectus or any amendment or supplement thereto, there shall have been no event or transaction, contract or agreement entered into by the Company or any of the Subsidiaries other than in the ordinary course of business and as set forth in the Registration Statement, the Disclosure Package or the Prospectus, that has not been, but would be required to be, set forth in the Registration Statement, the Disclosure Package or Prospectus; (iv) since the respective dates as of which information is given in the Registration Statement and any post-effective amendment thereto and the Disclosure Package and the Prospectus and any amendments or supplements thereto, there shall have been no material adverse change, loss, reduction, termination or non-renewal of any contract to which the Company or any of the Subsidiaries is a party, that has not been, but would be required to be set forth in the Registration Statement, the Disclosure Package or the Prospectus; and (v) no action, suit or proceeding at law or in equity shall be pending or threatened against the Company or any of the Subsidiaries that would be required to be set forth in the Disclosure Package or the Prospectus, other than as set forth therein, and no proceedings (other than rate cases filed by the Company or its Subsidiaries) shall be pending or threatened against or directly affecting the Company or any of the Subsidiaries before or by any federal, state or other commission, board or administrative agency wherein an unfavorable decision, ruling or finding would materially adversely affect the Business Conditions of the Company.

(h) The Representatives shall have received at the Closing Date and any Option Closing Date certificates of the Chief Executive Officer and the Chief Financial Officer of the Company dated as of the date of the Closing Date or Option Closing Date, as the case may be, and addressed to the Representatives individually and as representatives of the several Underwriters to the effect that (i) the representations and warranties of the Company in this Agreement are true and correct, as if made at and as of the Closing Date or the Option Closing Date, as the case may be, and that the Company has complied with all the agreements, fulfilled all the covenants and satisfied all the conditions on its part to be performed, fulfilled or satisfied at or prior to the Closing Date or the Option Closing Date, as the case may be, and (ii) the signers of the certificate have carefully examined the Registration Statement, the Disclosure Package and the Prospectus and any amendments or supplements thereto, and the conditions set forth in Section 8 hereof have been satisfied.

(i) At the time this Agreement is executed and at the Closing Date and any Option Closing Date, the Representatives shall have received a letter, dated the date of delivery thereof, from ParenteBeard LLC with respect to the financial statements and certain financial information of the Company and the Subsidiaries set forth in or incorporated by reference in the Registration Statement, the Disclosure Package and the Prospectus, each such letter addressed to the Representatives, individually and as representatives of the several Underwriters, containing statements and information of the type ordinarily included in accountants' "comfort letters" and in form and substance satisfactory to the Representatives in all respects; provided, that each such letter shall use a "cut-off" date no more than five business days prior to the date of such letter.

(j) All corporate and other proceedings and other matters incident to the authorization, form and validity of this Agreement and the form of the Registration Statement and Prospectus and all other legal matters related to this Agreement and the transactions contemplated hereby shall be reasonably satisfactory in all respects to counsel to the Underwriters. The Company shall have furnished to such counsel all documents and information that they shall have reasonably requested to enable them to pass upon such matters.

(k) FINRA shall have confirmed that it has not raised any objection with respect to the fairness and reasonableness of the underwriting terms and arrangements.

(l) The Shares shall have been listed on Nasdaq.

(m) At the Closing Date and any Option Closing Date, the Representatives shall have been furnished such additional documents, information and certificates as they shall have reasonably requested.

All such opinions, certificates, letters and documents shall be in compliance with the provisions hereof only if they are reasonably satisfactory in form and substance to the Representatives and the Underwriters' counsel. The Company shall furnish the Representatives with such conformed copies of such opinions, certificates, letters and other documents as they shall reasonably request. If any condition to the Underwriters' obligations hereunder to be fulfilled prior to or at the Closing Date or any Option Closing Date, as the case may be, is not fulfilled, the Representatives on behalf of the several Underwriters may terminate this Agreement with respect to the Closing Date or such Option Closing Date, as applicable, or, if they so elect, waive any such conditions which have not been fulfilled or extend the time for their fulfillment. Any such termination shall be without liability of the Underwriters to the Company, except that Section 7 and Section 9 shall at all times be effective and shall survive such termination.

9. Indemnification and Contribution.

(a) The Company shall indemnify and hold harmless each Underwriter, and each person, if any, who controls each Underwriter within the meaning of the Act and the Exchange Act, against any and all loss, liability, claim, damage and expense whatsoever, including, but not limited to, any and all reasonable expenses incurred in investigating, preparing or defending against any litigation, commenced or threatened, or any claim whatsoever or in connection with any investigation or inquiry of, or action or proceeding that may be brought against, the respective indemnified parties, arising out of or based upon any breach of the Company's representations and warranties made in this Agreement or any untrue statements or alleged untrue statements of material fact contained in the Registration Statement, any Preliminary Prospectus, the Disclosure Package or the Prospectus, any application or other document filed in any jurisdiction in order to qualify all or any part of the Shares under the securities laws thereof or filed with the SEC, FINRA or Nasdaq (in this Section 9 collectively called "application"), or the omission or alleged omission from any of the foregoing of a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that the foregoing indemnity shall not apply in respect of any statement or omission made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives expressly for use in any Preliminary Prospectus, the Disclosure Package, the Registration Statement or Prospectus, or any amendment or supplement thereto, or in any application or in any communication to the SEC, as the case may be. The obligations of the Company under this Section 9(a) will be in addition to any liability the Company may otherwise have.

(b) Each Underwriter severally and not jointly shall indemnify and hold harmless the Company, each of the directors of the Company, each of the officers of the Company who shall have signed the Registration Statement, and each other person, if any, who controls the Company within the meaning of the Act to the same extent as the foregoing indemnities from the Company to the several Underwriters, but only with respect to any and all loss, liability, claim, damage or expense resulting from statements or omissions, or alleged statements or omissions, if any, made in any Preliminary Prospectus, the Disclosure Package, the Registration Statement or the Prospectus or any amendment or supplement thereof or any application or in any communication to the SEC in reliance upon, and in conformity with written information furnished to the Company by any Underwriter through the Representatives expressly for use in any Preliminary Prospectus, the Disclosure Package, the Registration Statement or the Prospectus or any amendment or supplement thereof, or any application or in any communication to the SEC, as the case may be. The obligations of each Underwriter under this Section 9(b) will be in addition to any liability which such Underwriter may otherwise have.

(c) If any action, inquiry, investigation or proceeding is brought against any person in respect of which indemnification may be sought pursuant to Section 9(a) or (b) hereof, such person (hereinafter called the "indemnified party") shall, promptly after notification of, or receipt of service of process for, such action, inquiry, investigation or proceeding, notify in writing the party or parties against whom indemnification is to be sought (hereinafter called the "indemnifying party") of the institution of such action, inquiry, investigation or proceeding. The indemnifying party, upon the request of the indemnified party, shall assume the defense of such action, inquiry, investigation or proceeding, including, without limitation, the employment of counsel (reasonably satisfactory to such indemnified party) and payment of expenses. No indemnification provided for in this Section 9 shall be available to any indemnified party who shall fail to give such notice if the indemnifying party does not have knowledge of such action, inquiry, investigation or proceeding to the extent that such indemnifying party has been materially prejudiced by the failure to give such notice, but the omission to so notify the indemnifying party shall not relieve the indemnifying party otherwise than under this Section 9. Such indemnified party shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless the employment of such counsel shall have been authorized in writing by the indemnifying party in connection with the defense of such action or if the indemnifying party shall not have, within a reasonable period of time in light of the circumstances, employed counsel reasonably satisfactory to the indemnified party to be in charge of the defense of such action, inquiry, investigation or proceeding, or if such indemnified party or parties shall have been advised by counsel that there may be a conflict between the positions of the indemnifying party or parties and of the indemnified party or parties or that there may be legal defenses available to such indemnified party or parties different from or in addition to those available to the indemnifying party or parties, in any of which events the indemnified party or parties shall be entitled to select counsel to conduct the defense to the extent determined by such counsel to be necessary to protect the interests of the indemnified party or parties, and the reasonable fees and expenses of such counsel shall be borne by the indemnifying party. The indemnifying party shall be responsible for the fees and disbursements of only one such counsel so engaged by the indemnified party or parties. Expenses covered by the indemnification in this Section 9, shall be paid by the indemnifying party as they are incurred by the indemnified party. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless such settlement includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action. Anything in this Section 9 to the contrary notwithstanding an indemnifying party shall not be liable for any settlement of a claim effected without its written consent, which consent shall not be unreasonably withheld.

(d) If the indemnification provided for in this Section 9 is unavailable or insufficient to hold harmless an indemnified party under Section 9(a) or (b) hereof in respect of any losses, liabilities, claims, damages or expenses (or actions, inquiries, investigations or proceedings in respect thereof) referred to therein, except by reason of the failure to give notice as required in Section 9(c) hereof (provided that the indemnifying party does not have knowledge of the action, inquiry, investigation or proceeding and to the extent such party has been materially prejudiced by the failure to give such notice), then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, liabilities, claims, damages or expenses (or actions, inquiries, investigations or proceedings in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other from the offering of the Shares. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, liabilities, claims or expenses (or actions, inquiries, investigations or proceedings in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Company bears to the total underwriting discount and commissions received by the Underwriters, in each case as set forth in the table on the cover page of the Prospectus. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or the Underwriters on the other hand and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and the Underwriters agree that it would not be just and equitable if contributions to this Section 9(d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to above in this Section 9(d). The amount paid or payable by an indemnified party as a result of the losses, liabilities, claims, damages or expenses (or actions, inquiries, investigations or proceedings in respect thereof) referred to above in this Section 9(d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 9(d), (i) the provisions of the Agreement Among Underwriters shall govern contribution among Underwriters, (ii) no Underwriter (except as provided in the Agreement Among Underwriters) shall be required to contribute any amount in excess of the underwriting discounts and commissions applicable to the Shares purchased by such Underwriter, and (iii) no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this Section 9(d) to contribute are several in proportion to their individual underwriting obligations and not joint.

10. Representations and Agreements to Survive Delivery. Except as the context otherwise requires, all representations, warranties and agreements contained in this Agreement shall be deemed to be representations, warranties and agreements at the Closing Date and any Option Closing Date. All such representations, warranties and agreements of the Underwriters and the Company, including, without limitation, the indemnity and contribution agreements contained in Section 9 hereof and the agreements contained in Sections 5, 7, 11 and 12 hereof, shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriters or any controlling person, and shall survive delivery of the Shares and termination of this Agreement, whether before or after the Closing Date or any Option Closing Date.

11. Effective Time of This Agreement and Termination Hereof.

(a) This Agreement shall become effective at 10:00 a.m., Philadelphia, Pennsylvania time, on the first business day following the Effective Time or at the time of the public offering by the Underwriters of the Shares, whichever is later, except that the provisions of Sections 7, 9, 10 and 11 hereof shall be effective upon execution hereof. The time of the public offering, for the purpose of this Section 11, shall mean the time when any of the Shares are first released by the Underwriters for offering by dealers. The Representatives and the Company may prevent the provisions of this Agreement (other than those contained in Sections 7, 9, 10 and 11) hereof from becoming effective without liability of any party to any other party, except as noted below, by giving the notice indicated in Section 11(c) hereof before the time the other provisions of this Agreement become effective.

(b) The Representatives shall have the right to terminate this Agreement at any time prior to the Closing Date or any Option Closing Date as provided in Sections 8 and 12 or if any of the following have occurred: (i) since the respective dates as of which information is given in the Registration Statement and the Prospectus, any material adverse change or any development involving a prospective material adverse change in or affecting the Business Conditions of the Company or any of the Subsidiaries, whether or not arising in the ordinary course of business, that would, in the Representatives' opinion, make the offering or delivery of the Shares impracticable; (ii) any outbreak or escalation of hostilities or other national or international calamity or crisis or change in economic, political or financial market conditions if the effect on the financial markets of the United States of such outbreak, calamity, crisis or change would, in the Representatives' opinion, make the offering or delivery of the Shares impracticable; (iii) any suspension or limitation of trading generally in securities on Nasdaq or the over the counter market or any setting of minimum prices for trading (other than ordinary course limitations on hours or numbers of days trading) for securities on such exchange or market or the promulgation of any federal or state statute, regulation, rule or order of any court or other governmental authority that in the Representatives' opinion materially and adversely affects trading on such exchange or over the counter market; (iv) the enactment, publication, decree or other promulgation of any federal or state statute, regulation, rule or order of any court or other governmental authority which in the Representatives' opinion materially and adversely affects or will materially or adversely affect the Business Conditions of the Company; (v) declaration of a banking moratorium by the United States, New York, New Jersey or Pennsylvania authorities; (vi) the taking of any action by any federal, state or local government or agency in respect of its monetary or fiscal affairs that in the Representatives' opinion has a material adverse effect on the securities markets in the United States; or (vii) trading in any securities of the Company shall have been suspended or halted by Nasdaq or the SEC.

(c) If the Representatives elect to prevent this Agreement from becoming effective or to terminate this Agreement as provided in this Section 11, the Representatives shall notify the Company hereof promptly by telephone, telex, telegraph, telegram or facsimile, confirmed by letter.

12. Default by an Underwriter.

(a) If any Underwriter or Underwriters shall default in its or their obligation to purchase Firm Shares or Optional Shares hereunder, and if the Firm Shares or Optional Shares with respect to which such default relates do not exceed in the aggregate 10% of the number of Firm Shares or Optional Shares, as the case may be, that all Underwriters have agreed to purchase on the relevant Closing Date or Option Closing Date, then the Representatives may make arrangements satisfactory to the Company for the purchase of such Firm Shares by other persons, including any of the Underwriters, but if no such arrangements are made by the relevant Closing Date or Option Closing Date, such Firm Shares or Optional Shares to which the default relates shall be purchased severally by the non-defaulting Underwriters in proportion to their respective commitments hereunder.

(b) If such default relates to more than 10% of the Firm Shares or Optional Shares, as the case may be, the Representatives may in their discretion arrange for another party or parties (including a non-defaulting Underwriter) to purchase such Firm Shares or Optional Shares to which such default relates, on the terms contained herein. In the event that the Representatives do not arrange for the purchase of the Firm Shares or Optional Shares to which a default relates as provided in this Section 12, this Agreement may be terminated by the Representatives or by the Company without liability on the part of the non-defaulting several Underwriters (except as provided in Section 9 hereof) or the Company (except as provided in Sections 7 and 9 hereof); provided that if such default occurs with respect to Optional Shares after the Closing Date, this Agreement will not terminate as to the Firm Shares or any Optional Shares purchased prior to such termination. Nothing herein shall relieve a defaulting Underwriter of its liability, if any, to the other several Underwriters and to the Company for damages occasioned by its default hereunder.

(c) If the Firm Shares or Optional Shares to which the default relates are to be purchased by the non-defaulting Underwriters, or are to be purchased by another party or parties, the Representatives or the Company shall have the right to postpone the Closing Date or any Option Closing Date, as the case may be, for a reasonable period but not in any event exceeding seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus or in any other documents and arrangements, and the Company agrees to file promptly any amendment to the Registration Statement or supplement to the Prospectus that in the opinion of counsel for the Underwriters may thereby be made necessary. The terms "Underwriters" and "Underwriter" as used in this Agreement shall include any party substituted under this Section 12 with like effect as if it had originally been a party to this Agreement with respect to such Firm Shares and/or Optional Shares.

13. **Information Furnished by the Underwriters.** The identity of the Underwriters set forth in the first paragraph under the heading “Underwriting,” the concession and reallowance figures appearing in the third paragraph under the heading “Underwriting,” the representations with respect to stabilization activities in the seventh paragraph under the heading “Underwriting,” the eighth through eleventh paragraphs under the heading “Underwriting” regarding syndicate covering transactions, naked short selling, penalty bids and passive market making and discretionary authority in the thirteenth paragraph under the heading “Underwriting” constitute the only written information furnished by reference or on behalf of any of the Underwriters referred to in Sections 1(c), 1(d) and 1(e) and 9 hereof.

14. **Notice.** All communications hereunder, except as herein otherwise specifically provided, shall be in writing and, if sent to any Underwriter, shall be mailed, delivered, telexed, telegraphed, telegraphed or telecopied and confirmed to Janney Montgomery Scott LLC, 1801 Market Street, Philadelphia, Pennsylvania 19103, Attention: Joseph D. Culley, Jr., facsimile number (215) 665-6197, with a copy to Ballard Spahr LLP, 1735 Market Street, Philadelphia, Pennsylvania 19103, Attention: Justin P. Klein, Esquire, facsimile number (215) 864-9166; and if sent to the Company, shall be mailed, delivered, telexed, telegraphed, telegraphed or telecopied and confirmed to Middlesex Water Company, 1500 Ronson Road, Iselin, New Jersey, 08830, Attention: A. Bruce O’Connor, facsimile number (732) 638-7515, with a copy to Norris, McLaughlin & Marcus, P.A., 721 Route 202-206, Bridgewater, New Jersey 08807, Attention: Douglas R. Brown, Esquire, facsimile number (908) 722-0755.

15. **Parties.** This Agreement shall inure solely to the benefit of, and shall be binding upon, the several Underwriters, the Company and the controlling persons, directors and officers of each, and their respective successors, assigns, heirs and legal representatives, and no other person shall have or be construed to have any legal or equitable right, remedy or claim under or in respect of or by virtue of this Agreement or any provision herein contained. The terms “successors” and “assigns” shall not include any purchaser of the Shares merely because of such purchase.

16. **Definition of Business Day.** For purposes of this Agreement, “business day” means any day on which Nasdaq is opened for trading.

17. **Counterparts.** This Agreement may be executed in one or more counterparts (including by means of any standard form of communication) and all such counterparts will constitute one and the same instrument.

18. **Construction.** This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania applicable to agreements made and performed entirely within such Commonwealth.

19. **Amendments or Waivers.** No amendment or waiver of any provision of this Agreement, and no consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties thereto.

20. **Partial Unenforceability.** The invalidity or unenforceability of any Section, paragraph or provision of this Agreement shall not affect the validity or enforceability of any other Section, paragraph or provision hereof. If any Section, paragraph or provision of this Agreement is for any reason determined to be invalid or unenforceable, there shall be deemed to be made such minor changes (and only such minor changes) as are necessary to make it valid and enforceable.

21. **Consent to Jurisdiction.** Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby (“Related Proceedings”) must be instituted in the federal courts of the United States of America or the courts of the Commonwealth of Pennsylvania in each case located in the City and County of Philadelphia (collectively, the “Specified Courts”), and each party irrevocably submits to the exclusive jurisdiction (except for proceedings instituted in regard to the enforcement of a judgment of any such court (a “Related Judgment”), as to which such jurisdiction is non-exclusive) of such courts in any such suit, action or proceeding. Service of any process, summons, notice or document by certified mail to such party’s address set forth above shall be effective service of process for any suit, action or other proceeding brought in any such court. The parties irrevocably and unconditionally waive any objection that the laying of venue of any suit, action or other proceeding brought in any such court has been brought in an inconvenient forum.

22. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties to this Agreement and supersedes all prior written or oral and all contemporaneous oral agreements, understandings and negotiations with respect to the subject matter hereof.

23. **Sophisticated Parties; No Fiduciary Relationship.** Each of the parties hereto acknowledges that it is a sophisticated business person who was adequately represented by counsel during negotiations regarding the provisions hereof, including, without limitation, the indemnification and contribution provisions of Section 9, and is fully informed regarding said provisions. Each of the parties hereto further acknowledges that the provisions of Section 9 hereto fairly allocate the risks in light of the ability of the parties to investigate the Company, its affairs and its business in order to assure that adequate disclosure has been made in the Registration Statement, the Disclosure Package and the Prospectus (and any amendments and supplements thereto), as required by the Act and the Exchange Act. The Company acknowledges and agrees that in connection with all aspects of each transaction contemplated by this Agreement, the Company, on the one hand, and the Underwriters, on the other hand, have an arms-length business relationship that creates no fiduciary duty on the part of any Underwriter and each expressly disclaims any fiduciary relationship.

[Signature Page Follows]

If the foregoing correctly sets forth your understanding of our agreement, please sign and return to the Company the enclosed duplicate hereof, whereupon it will become a binding agreement in accordance with its terms.

Very truly yours,

MIDDLESEX WATER COMPANY

By: /s/ A. Bruce O'Connor

Name: A. Bruce O'Connor

Title: Vice President and Chief Financial Officer

The foregoing Agreement is hereby confirmed and accepted as of the date first above written.

JANNEY MONTGOMERY SCOTT LLC
EDWARD D. JONES & CO., L.P.

By: JANNEY MONTGOMERY SCOTT LLC

By: /s/ Joseph D. Culley, Jr.

Name: Joseph D. Culley, Jr.

Title: Managing Director - Head of
Infrastructure Group

On behalf of each of the Underwriters
named in Schedule I hereto

[Signature Page to Underwriting Agreement]

SCHEDULE I

Schedule of Underwriters

<u>Underwriter</u>	<u>Number of Firm Shares to be Purchased</u>
Janney Montgomery Scott LLC	1,530,000
Edward D. Jones & Co., L.P.	170,000
Total	1,700,000

S-I

SCHEDULE II

Issuer Free Writing Prospectus

None.

S-II

SCHEDULE III

Persons Who Are To Deliver Lock-Up Agreements

Lock-Up Agreements are to be delivered by the following persons and entities immediately prior to the time the SEC declares the Registration Statement effective:

Middlesex Water Company
Dennis W. Doll
A. Bruce O'Connor
J. Richard Tompkins
Annette Catino
John C. Cutting
Steven M. Klein
John R. Middleton, M.D.
John P. Mulkerin
Walter G. Reinhard
Jeffries Shein
Richard M. Risoldi
Kenneth J. Quinn
James P. Garrett
Bernadette M. Sohler
Gerard L. Esposito

EXHIBIT A

Form of Lock-Up Agreement

LOCK-UP AGREEMENT

Middlesex Water Company
1500 Ronson Road
Iselin, New Jersey 08830

Janney Montgomery Scott LLC
Edward D. Jones & Co., LP
c/o Janney Montgomery Scott LLC
1801 Market Street
Philadelphia, PA 19103

Ladies and Gentlemen:

Reference is made to a Registration Statement on Form S-3 (File No. 166425) of Middlesex Water Company (the "Company") (as the same may be hereafter amended, the "Registration Statement"), pursuant to which 5,000,000 shares of the Company's Common Stock, no par value ("Common Shares"), have been registered under the Securities Act of 1933, as amended (the "Act"), for public sale under a "shelf" offering. A public offering and sale of 1,955,000 of those registered shares will be underwritten by Janney Montgomery Scott LLC ("Janney") and Edward Jones & Co., L.P. (collectively, the "Underwriters"). The undersigned is a director or officer of the Company and holds Common Shares.

As an inducement to the Underwriters to underwrite the above-mentioned public sale of Common Shares, the undersigned hereby agrees, from the date hereof and for a period of ninety (90) days (the "Lock-Up Period") from the date of the Final Prospectus Supplement related to the above-mentioned public sale of Common Shares (the "Supplement Date"), not to, directly or indirectly, sell, offer to sell, contract to sell, pledge, grant any option for the sale or purchase of, agree to sell or otherwise dispose of (collectively, "Disposition"), any Common Shares or any securities convertible into or exercisable or exchangeable for Common Shares beneficially owned by the undersigned now or on the Supplement Date, or with respect to which the undersigned now or on the Supplement Date has the power of Disposition, or enter into a transaction which would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of Common Shares, whether any such aforementioned transaction is to be settled by delivery of Common Shares or such other securities, in cash or otherwise, or publicly disclose the intention to make any such Disposition, or to enter into any such transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of Janney, on behalf of the Underwriters; provided, however, that if (i) during the last seventeen (17) days of the Lock-Up Period, (A) the Company releases earnings results or (B) material news or a material event relating to the Company occurs, or (ii) prior to the expiration of the Lock-Up Period, the Company announces that it will release earnings results during the 16-day period following the last day of the Lock-Up Period; then in each case the Lock-Up Period will be extended until the expiration of the 18-day period beginning on the date of the release of the earnings results or the occurrence of material news or a material event relating to the Company, as the case may be, unless Janney, on behalf of the Underwriters, waives, in writing, such extension.

In addition, the undersigned agrees that, without the prior written consent of Janney, on behalf of the Underwriters, it will not, during the Lock-Up Period or any extension thereof, make any demand for, or exercise any right with respect to, the registration of any Common Shares or any securities convertible into or exercisable or exchangeable for Common Shares.

The foregoing agreement and the representation shall not apply to (i) bona fide gifts of securities, provided the recipient of such gift or contribution agrees in writing as a condition precedent to such gift or contribution to be bound by the terms hereof, or (ii) transfers of securities to "affiliates" of the transferor if the transfers do not involve a public distribution or public offering and provided the transferee agrees in writing as a condition precedent to such transfer to be bound by the terms hereof. The term "affiliate" shall have the meaning given such term in Rule 144 under the Act. The transferor shall notify the Underwriters in writing prior to the transfer, and there shall be no further transfer of Common Shares or securities convertible into or exercisable for Common Shares except in accordance with this letter agreement.

In furtherance of the foregoing, the Company and its transfer agent are hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation or breach of this letter agreement. The undersigned also agrees and consents to the entry of stock transfer instructions with the Company's transfer agent against the transfer of any Common Shares or securities convertible into or exercisable or exchangeable for Common Shares.

This Agreement shall be binding on the undersigned and the successors, heirs, personal representatives and assigns of the undersigned.

Very truly yours,

Name:

Title:

EXHIBIT B

Matters to be Covered in the Opinion of
Norris, McLaughlin & Marcus, P.A.
Counsel for the Company

Intentionally Omitted.

B-1

June 9 , 2010

Middlesex Water Company
1500 Ronson Road
Iselin, New Jersey 08830

Dear Sirs:

We have acted as special counsel to Middlesex Water Company (the "Company"), in connection with (i) the proposed issuance and sale by the Company of 1,700,000 shares (the "Firm Shares") of the Company's common stock, no par value (the "Common Stock"), and the grant of an option to purchase up to an additional 255,000 shares of Common Stock (the "Additional Shares" and, together with the Firm Shares, the "Shares") pursuant to the underwriting agreement (the "Underwriting Agreement") by and between the Company and Janney Montgomery Scott LLC, on behalf of itself and Edward D. Jones & Co., L.P. dated June 8, 2010, to be filed as Exhibit 1.1 to the Company's Current Report on Form 8-K on or about the date hereof, (ii) the filing by the Company of the Registration Statement ("Registration Statement") on Form S-3 (File No. 333-166425) under the Securities Act of 1933, as amended (the "Act"), with the Securities and Exchange Commission (the "SEC"), pursuant to which the Shares are registered under the Act and (iii) the filing by the Company on the date hereof of the Prospectus Supplement dated June 8, 2010 relating to the proposed issuance and sale of the Shares (the "Prospectus Supplement"), with the SEC pursuant to Rule 424(b)(2) promulgated under the Act.

In such capacity, we have examined (i) the Registration Statement, (ii) the Prospectus Supplement, (iii) the Underwriting Agreement, (iv) copies of the Company's Restated Certificate of Incorporation and amendments thereto, (v) the By-laws of the Company, as amended; (vi) certificates of officers of the Company and of public officials, and (vii) such other corporate records and documents as we have deemed necessary in order to express the opinion set forth below.

In our examination, we have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of documents submitted to us as certified, conformed or photostatic copies and the authenticity of such original documents.

Based upon the foregoing, we are of the opinion that the Shares have been duly authorized by all necessary corporate action by the Company, and upon delivery of the Shares by the Company's transfer agent against payment therefor as contemplated by the Underwriting Agreement and the Prospectus Supplement, and assuming as to the Additional Shares only the Underwriters' proper exercise of the over-allotment option described in the Underwriting Agreement, the Shares will be validly issued, fully paid and non-assessable.

We hereby consent to the use of this opinion as an exhibit to the Registration Statement and the reference to our firm in prospectus included in such Registration Statement under the heading "Legal Matters". In giving such consent, we do not hereby admit that we are acting within the category of persons whose consent is required under Section 7 of the Act or the rules or regulations of the SEC thereunder.

Very truly yours,

NORRIS McLAUGHLIN & MARCUS, P.A.

/s/ Norris McLaughlin & Marcus

Middlesex Water Announces Pricing of Common Stock Offering

ISELIN, NJ -- 06/09/10 -- Middlesex Water Company (NASDAQ: MSEX) (the "Company") today announced the pricing of a public offering of 1,700,000 shares of its common stock at a price of \$15.21 per share, for net proceeds of approximately \$24.6 million after commissions and estimated offering expenses. The Company has granted the underwriters the option to purchase up to an additional 255,000 shares of common stock to cover over-allotments, if any. The offering is expected to close on June 11, 2010. The offering is made under the Company's currently effective shelf registration statement filed with the United States Securities and Exchange Commission.

The Company intends to use the net proceeds from the offering to reduce the balance of its short-term borrowings.

Janney Montgomery Scott LLC served as sole book-runner and lead manager for the offering, and Edward D. Jones & Co., L.P. served as co-manager for the offering. A final prospectus supplement related to the public offering will be filed with the United States Securities and Exchange Commission. Copies of the final prospectus supplement, when available, may be obtained by contacting Janney Montgomery Scott LLC, 60 State Street, Boston, MA 02109, Attention: Equity Syndicate Department or prospectus@janney.com

This press release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any state. The offering may be made only by means of a prospectus and related prospectus supplement.

About Middlesex Water Company

Middlesex Water Company, organized in 1897, provides regulated and unregulated water and wastewater utility services primarily in New Jersey and Delaware through various subsidiary companies. For additional information regarding Middlesex Water Company visit our website at www.middlesexwater.com or call (732) 634-1500.

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This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, among others, our long-term strategy and expectations, the status of our acquisition program, the impact of our acquisitions, the impact of current and projected rate requests and the impact of our capital program on our environmental compliance. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements including: general economic business conditions, unfavorable weather conditions, the success of certain cost containment initiatives, changes in regulations or regulatory treatment, availability and the cost of capital, the success of growth initiatives and other factors discussed in our filings with the Securities and Exchange Commission.

Contact:

Bernadette Sohler, Vice President – Corporate Affairs
Middlesex Water Company
1500 Ronson Road
Iselin, New Jersey 08830
www.middlesexwater.com
(732) 638-7549
