

**CONNECTICUT WATER SERVICE, INC.
THE CONNECTICUT WATER COMPANY**

Charter of the Corporate Finance and Investments Committee of the Board of Directors

I. Committee's Purpose

The Committee shall review and analyze significant financial matters, such as investment strategies for the Company's Pension Trust Fund, VEBA Trust Fund and the Supplemental Executive Retirement Program and other non-qualified deferred compensation programs. In addition, the Committee shall review and analyze investment options offered through the Employee's Savings Plan (401(k)). The Committee shall assist in the evaluation of proposed merger and acquisition transactions, and other significant financial activities.

II. Membership

The Committee shall consist of no fewer than three members. All members of the Committee shall satisfy the independence standards adopted by the NASDAQ Stock Market, Inc.

III. Committee Goals and Responsibilities

The Committee's goal is to exercise their business judgment in evaluating proposals and recommendations made by management or outside advisors.

1. The Committee shall review the Pension Trust Fund of The Connecticut Water Company Employee Retirement Fund, The VEBA Trust Fund for retiree medical benefits, the Supplemental Executive Retirement Program, other non-qualified deferred compensation programs and review and determine actuarial policies and investment guidelines.
2. The Committee shall select, retain, and replace investment managers, as it deems necessary.
3. The Committee shall review the Employee Savings Plan (401(k)) and determine policies and investment options.
4. The Committee shall advise the Board regarding the Company's financial matters including financial policies and practices, capital structure, annual financing plans, restructuring, acquisitions and divestitures, and the issuance of securities.
5. The Committee shall have the discretion and authority to obtain such professional and expert advice as the Committee deems appropriate in carrying out its responsibilities and approve all related fees.
6. Following each action by the Committee, the Committee shall make a report to the full Board at its next regularly-scheduled meeting.
7. The Committee shall review and reassess the adequacy of its Charter annually and recommend any proposed changes to the Board for approval.
8. The Committee shall perform any other activities consistent with this Charter, the Company's Bylaws and governing law as the Committee or the Board deem necessary.