Diagram of Transaction

The following diagram represents a general summary of the structure of the securities offered, flow of funds and relationship among the parties:

1. **Over 500,000 Retail Electric Customers**
   - Pay RRB Charges based on electricity consumption
   - Approves RRB Charges on customer bills

2. **NHPUC**
   - Issues Finance Order
   - Calculates RRB Charges paid by customer class to meet payment schedule; prepares true-up; submits filings to NHPUC

3. **Public Service Company of New Hampshire (Seller and Servicer)**
   - Remits all RRB Charges collected to Indenture Trustee
   - Purchases RRB Property from PSNH
   - Net RRB Proceeds

4. **Indenture Trustee**
   - Pays principal and interest semi-annually

5. **PSNH Funding LLC 3 (Issuing Entity)**
   - Issues RRBs
   - Gross RRB Proceeds

6. **Holders**

---

(1) Net upfront transaction fees and expenses.