

..DID: 8711
..TXT: PSC NO: 2 WATER STATEMENT TYPE: ESCW
COMPANY: VBK REALTY ASSOCIATES, LTD. STATEMENT NO: 1
INITIAL EFFECTIVE DATE: 09/01/99
STAMPS:
RECEIVED: 05/20/99 STATUS: Effective EFFECTIVE: 09/01/99

ESCROW ACCOUNT
STATEMENT NO. 1

An escrow account of \$51,600 (\$50 per customer per month for 86 months) was established in Case 91-W-0309, by Commission Order issued and effective on June 12, 1991, to cover the cost of planned repairs, replacements, and improvements. This account is subject to the following conditions:

1. This account will be transferred to a local bank and will be under the control of the company.
2. The water company will have access to the funds in this account solely for the purposes noted above and any associated taxes.
3. If a customer terminates water service, he or she will be entitled to a refund equal to the balance in the account divided by the numbers of customers as of the date of termination. A new customer would be required to pay an amount equal to the balance in the account divided by the number of customers as of the date of service.
4. The company must submit, within 30 days after the end of each calendar year, copies of all bank statements and a complete accounting of the revenues and expenses for the account.

Issued By: Frederick P. Von Bargon, President, 420 Centre Island Rd., Oyster Bay, NY 11771
(Name of Officer, Title, Address)