Electrical Fund Administration

The Board of White Birch Lakes Recreational Association ("Association") hereby acknowledges the resignation of Isabella Bank from its obligations under the Electrical Work Escrow Agreement (attached here as Exhibit A).

On behalf of the Association, and under the powers granted to it by the recorded restrictions governing the use and development of real property within White Birch Lakes of Clare, the Board hereby adopts the following administrative rules for the funds previously held and administered by Isabella Bank ("Electrical Funds"):

1. Electrical Funds are designated only for the installation of underground electrical distribution facilities in the White Birch Lakes of Clare subdivision ("Property").

2. Accounts for Electrical Funds shall be created and managed by the Board, at a bank designated by the Board.

3. The Board, as far as possible, shall invest Electrical Funds into certificates of deposit, treasury bills or passbook savings accounts, with all interest earned therein remaining in and becoming an increase in the Escrow Fund.

4. The Board shall each year provide an accounting of the Electrical Funds to the Association.

5. The Board delegates the disbursement of Electrical Funds for the purpose of installing electrical service to lots within the Property to the Environmental Protection Committee ("EPC")

6. Electrical Funds shall be disbursed as follows:

   A. The EPC shall inform purchasers of lots not supplied with electrical service of the availability of funds for the installation of electrical service and the terms and procedures to request such funds. The notice shall state that the Association has limited funds for the installation of electrical lines and such funds shall be provided on a first come, first serve basis to lot purchasers who

      i. intend to build a dwelling unit on their lot,
      ii. have obtained all necessary governmental building permits for such construction,
      iii. have obtained any necessary EPC approval for such construction,
      iv. have commenced such construction to such a state as the EPC shall require in its sole discretion,
      v. are in good standing as a member of the Association, and
      vi. are not a litigant or co-litigant in any legal action against the Association, its Board, or the EPC.

B. A lot purchaser who is qualified by the EPC for Electrical Funds under paragraph (A) above, and who desires to have electrical service provided to their lot, shall present to the EPC a proposed contract between the lot purchaser and Consumers Power Company ("Consumers") for the installation of underground electrical facilities. Said contract shall state the total cost, provide a map of the path of the electrical lines and lot(s) serviced, and provide that any Electrical Funds disbursed shall be made payable directly to Consumers. The EPC shall not approve a contract that provides for a winter construction charge.

C. The EPC shall provide a form application to the lot purchaser to supply such other information regarding the installation as the EPC deems necessary, including, but not limited to, the information necessary to qualify a lot purchaser in paragraph (A) above.

D. The EPC shall review the completed form application and contract and approve or reject the application within ten (10) calendar days of receipt. Approval or rejection shall be made to the lot purchaser in writing by mail to the mailing address provided by the lot purchaser or electronically to the email address provided by the lot purchaser.

E. Electrical Funds shall only be disbursed in specific amounts for installation of electrical facilities. A cap on disbursements to lot purchasers shall be set by the Board, with the balance of costs necessary to complete installation, if any, borne by the lot purchaser.

F. All disbursements shall be by check, signed in the name of the Association by any two (2) of the following Officers: President, Vice President and/or Secretary/Treasurer as the Board shall from time to time designate for that purpose, who have been given a copy of the lot owner's application for Electrical Funds indicating EPC approval. All checks shall provide the name of the lot purchaser and lot number(s) in the memo line.

G. The EPC shall forward its files for each disbursement request to the Treasurer for keeping, including but not limited to copies of applications, contracts, invoices and checks, in its usual course of business. Each year the Treasurer shall provide an accounting of all disbursements made that year to the Board, with the applicant files, and any information from the EPC on the status of the installations paid for with Electrical Funds.

EXHIBIT A

ELECTRICAL WORK ESCROW AGREEMENT

Escrow Agreement, dated March 25th, 1976, by and between Birchtree, Inc. ("Birchtree"), having its principal place of business at 801 Forty First Street, Miami Beach, Florida 33140 and James R Sterling, whose principal place of business is 515 Bay Street, Traverse City, Michigan 48684.

1. This is an Escrow Agreement for the installation of underground electrical distribution facilities in the White Birch Lakes of Clare subdivision (the "Property"), Clare County, Michigan.

2. The Escrow Agent hereunder shall be James Sterling.

3. Escrow Agent shall establish an Electrical Work Escrow Account at a bank designated by Escrow Agent. First Mortgage Investors, a Massachusetts business Trust ("FMI"), has entered into an Agreement with Harris Trust and Savings Bank ("Harris") whereby Harris has transferred or will transfer $50,000.00 to the Escrow Agent for deposit in the Escrow Account, said funds to be used only as herein provided.

4. Funds from the Escrow Account shall be disbursed as follows:

(a) The Escrow Agent shall inform purchasers of lots which are not presently supplied with electrical service of the availability of funds for the installation of electrical service and of the terms and procedures by which funds may be obtained. The notice informing lot owners shall state that the Escrow Agent has limited funds for the installation of electrical lines, and therefor Escrow Agent will provide funds on a first-come-first - serve basis. Priority will be based on the order in which Qualified Purchasers (as that term is herein after defined) present to Escrow Agent a contract and written request in compliance with subparagraph (b) below.

(b) When a lot purchaser, who has in the determination of Escrow Agent become a Qualified Purchaser, desires to have electrical service provided to his lot, he shall

obtain from Consumers Power Company ("Consumers") a proposed contract between Consumers and Birchtree for the installation of underground electrical distribution facilities and shall submit same, together with a written request for installation of facilities, to the Escrow Agent. Said proposed contract shall state the total cost and shall contain a map indicating the path of the extension line and the lots serviced thereby. Said contract shall provide that all refunds arising thereunder shall be made payable to the Escrow Agent.

(c) Upon receipt by the Escrow Agent of the written request and the proposed contract, Escrow Agent shall forward a copy of same to Birchtree and Harris at their respective addresses as listed below:

First Mortgage Investors Attention: Stephen Fuller 801 Forty First Street Miami Beach, Florida 33140	Harris Trust & Savings Bank Attention: J.M. Ley 111 West Monroe Street Chicago, Illinois 60690

(d) Escrow Agent must approve or reject in writing said proposed contract and written request for installation of facilities within ten (10) calendar days of receipt of same, but, in either case, he shall not enter into said proposed contract. Escrow Agent shall not approve a contract for which the current price is more than twelve hundred dollars ($1,200.00) until he has first obtained written permission from FMI or Birchtree to do so. Copy of approval or rejection notice shall be forwarded to the addresses listed in item 4 (c) above.

(e) In the event that Escrow Agent approves a proposed contract, Birchtree shall enter into said proposed contract, and Escrow Agent shall make all payments required thereunder on behalf of Birchtree.

(f) Escrow Agent shall not approve a contract for which there is a winter construction charge.

7. Escrow Agent shall submit to Birchtree, bills for his out-of - pocket expenses and for his services, which services shall be compensated for at the rate of $40.00 per hour. Upon approval of an expense by Birchtree, Escrow Agent shall pay same from the Escrow Account. Escrow Agent shall account, in writing, within fifteen (15) days of the close of each calendar quarter for all receipts and expenditures associated with this escrow. A copy of each said accounting shall be sent to FMI and Harris as set forth is 4 (c) above.

8. This Agreement shall terminate when the funds in the Escrow Account are less then $1,200.00. FMI or Harris shall be given an opportunity to make voluntary contributions to the Escrow fund. Upon termination, Escrow Agent shall forward to Birchtree, the funds remaining in the Escrow Account.

9. FMI, Birchtree, or their designated nominee(s) shall have the option of entering into seperate contracts, with Consumers Power, independent from those proposed contracts outlined herein above, for the completion of underground electrical facilities (or overhead electrical facilities if applicable) in part or parts of those unserviced portions of Sections I thru VI inclusive of the White Birch Lakes of Clare Subdivision, in which case there shall be no obligation or requirement on the part of the Escrow Agent to release funds for said separate and independent contracts from the Escrow Account herein created. However, in the event that Birchtree, FMI, or their designated nominee(s) shall enter into a contract to complete the underground electrical facilities (or overhead electrical facilities if applicable) in all of those unserviced portions of Sections I thru VI inclusive (or contracts which in the aggregate are equivalent to so doing), Escrow Agent, upon notice that Birchtree, FMI, or designated nominee(s) has entered into said contract or contracts, shall make all payments to Consumers Power Company required thereunder, to the extent of the funds remaining in the Escrow Account. Thereafter, Birchtree, FMI, or its designated nominee may require that the Escrow Agreement be terminated and that the balance of the funds

remaining in the Escrow Account be forwarded immediately to Hirschtron, FMI, or their designated nominees(s), except those funds required for services of Escrow Agent.

HIRSCHTRON, INC.

By: _____

Title: President

_____
James Sterling

James R. Sterling agrees to act as Escrow Agent and in the administration of this escrow is to be bound only by the foregoing written instructions and shall not be liable for any act he may do or omit to do while acting in good faith in the course of complying with the foregoing instructions. In case of any suit or proceeding regarding this escrow to which the Escrow Agent is madea party, he shall have a lien on any and all deposits hereunder for any and all costs and expenses incurred in connection therewith.

_____
JAMES R. STERLING, Escrow Agent

Dated: March 31, 1976

(g) A Qualified Purchaser is a purchaser of a lot on the property who:

(i) intends to build a dwelling unit on his or her lot;

(ii) has obtained a building permit from a local government authority to build said dwelling unit on said lot.

(iii) has commenced construction and has completed construction of the dwelling unit to such a state as Escrow Agent may in its sole discretion require.

(iv) is current on any indebtedness to Harris.

(v) is not a litigent or co-litigent in any legal action against Escrow Agent, Receiver, FMI, Birchtree, or Harris.

5. As far as possible, Escrow Agent shall invest sums deposited in the Escrow Account in Certificates of Deposit, Treasury Bills or a passbook Savings Account. All interest earned thereon shall remain in and become an increase in the Escrow Fund.

6. Part of the consideration for Birchtree entering into this Escrow Agreement is an agreement to be entered into between FMI and Harris regarding a certain Term Loan and Security Agreement for the financing or installment sales of lots within the White Birch Lakes of Clare Subdivision. Should Harris fail to remit funds to FMI as provided for in the agreement to be entered into between FMI and Harris, FMI shall have the option of withdrawing monies from the Escrow Account hereunder. Upon notification from FMI that it is withdrawing monies pursuant to said option, Escrow Agent shall;

(a) notify Harris of such action and wait five (5) business days; and ,

(b) At the end of said five business days, Escrow Agent shall remit the balance of funds held in the Electrical Work Escrow Account to FMI, excepting those funds needed for contracts that had already been approved, but not funded, by Escrow Agent.

ASSIGNMENT OF ELECTRICAL WORK ESCROW AGREEMENT

Assignors, Birch Tree, Inc. and FMI Properties Corp. (successor in interest to First Mortgage Investors), for good and valuable considerations, receipt and sufficiency of which are hereby acknowledged, does hereby quitclaim, assign, transfer and set over to Assignee, White Birch Lakes Recreational Association, an ~~Illinois~~ * not-for-profit corporation, without representation, recourse or warranty whatsoever, all of its right, title and interest in and to that certain Electrical Work Escrow Agreement dated March 25, 1976, between Birch Tree, Inc. and James Sterling, attached hereto as Exhibit "A".

IN WITNESS WHEREOF, Assignors have caused this Assignment to be signed and sealed in their respective names by their officers thereunto duly authorized as of this 12th day of April, 1985.

BIRCH TREE, INC.

By: _____
Its Vice President

BIRCH TREE, INC.

FMI PROPERTIES CORP.

By: _____
Its Vice President

* MICHIGAN

ASSUMPTION

IN CONSIDERATION of the above Assignment, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, White Birch Lakes Recreational Association, an ~~Illinois~~ * not-for-profit corporation, hereby assumes and agrees to perform and keep all of the covenants, agreements and obligations of Assignors with respect to that certain Electrical Work Escrow Agreement dated March 25, 1976, between Birch Tree, Inc. and James Sterling, attached hereto as Exhibit "A".

IN WITNESS WHEREOF, the undersigned has cuased this instrument to be executed this _____ day of April 1985.

WHITE BIRCH LAKES RECREATIONAL ASSOCIATION,
an ~~Illinois~~ * not-for-profit corporation.

By: _____
Its Vice President