

DIVISION OF CEMETERIES

STATE OF NEW YORK
DEPARTMENT OF STATE
123 WILLIAM STREET
NEW YORK, NY 10038
TELEPHONE: (212) 417-5713
FAX: (212) 417-2322
WWW.DOS.NY.GOV

KATHY HOCHUL
GOVERNOR

CEMETERY BOARD

BRENDAN C. HUGHES
ACTING SECRETARY OF STATE
CHAIR

LETITIA JAMES
ATTORNEY GENERAL

DR. MARY T. BASSETT
COMMISSIONER OF HEALTH

TO: NEW YORK STATE CEMETERY BOARD

FROM: LEWIS A. POLISHOOK, Director

SUBJECTS: MOUNT CARMEL CEMETERY, NO. 41-007
MOUNT NEBOH CEMETERY, NO. 41-011

RE: PROPOSED MERGER AND MAJOR ALTERATION

DATE: DECEMBER 7, 2021

By letter dated August 13, 2021, Mount Carmel Cemetery (Carmel), located in Queens County, seeks a recommendation of the New York State Cemetery Board in favor of an anticipated application to the Attorney General and Supreme Court, Queens County, of a merger with Mount Neboh Cemetery (Neboh), also in Queens County.

The two cemeteries are contiguous—Neboh is surrounded by Carmel on three sides (the fourth side fronts on Cypress Hills Street)—so Not-for-Profit Corporation Law (N-PCL) section 1506-d does not apply to this proposed merger.

The Division of Cemeteries (the Division) has reviewed the cemeteries' submission and recommends that the Board recommend approval of the merger of these two cemeteries.

The Division also recommends that the Board approval of the demolition of a disused and dilapidated office building at Neboh, conditioned on approval of the merger and receipt of all required local permits and approvals.

Finally, Neboh has been functioning since 1954 under a Court order requiring it to deposit 75 percent of lot sales into its permanent maintenance (PM) fund, and, it appears, a separate Board directive requiring it to deposit 50% of profits into its PM fund (the source of this latter requirement is unclear; it appears that Neboh has attempted to comply with both directives by depositing 85% of lot sales proceeds into PM). The Division asks the Board to recommend that, if the merger is approved, Supreme Court, Queens County, vacate that order and require only standard PM contributions at Neboh (10 percent on lot sales and \$35 per interment. Together, the cemeteries have adequate restricted funds to operate, so the increased PM allocation will no longer be needed.

Exhibits

- A. Report of Associate Accountant Kerry Forezzi and Senior Accountant Vince Gimondo dated December 7, 2021.
- B. Letter from Carmel dated August 13, 2021.
- C. Signed Merger Agreement
- D. Carmel board minutes approving merger
- E. Carmel lot owners' meeting minutes approving merger
- F. Neboh board and lot owners' meeting minutes approving merger
- G. Schedule A (Income, Expenses, Fund Balances) prepared by Carmel
- H. 2020 Audited Financials for Carmel

- I. 2020 Audited Financials for Neboh
- J. Application for Approval of Major Alteration (Nov. 17, 2021), including
 - 1. Projected return on investment
 - 2. Contractor Estimates for Building Demolition
 - 3. 990 Extract
- K. Court Order requiring Neboh to deposit 75 percent of its sales proceeds into its Permanent Maintenance Fund (Mar. 2, 1954)

Background

Carmel is a very active cemetery of 120 acres in Glendale, Queens, only 1.5 of which are available. It consists of five separate areas: one in "Old" Mount Carmel Cemetery, on Cypress Hills Street, where the office is located; two in "New" Mount Carmel Cemetery, at the corner of Cypress Hills Street and Cooper Avenue; and Hungarian Union Field and Knollwood Park Cemeteries, nearby but not adjacent, with which Mount Carmel merged in 2006 and 2008, respectively. Carmel performs about 550 burials per year.

Neboh is a 13-acre cemetery located on Cypress Hills Street, surrounded by New Mount Carmel and Old Mount Carmel except on the street side. Neboh has a relatively large number of mausoleums for a cemetery its size (the presence of these mausoleums is the only potential downside for Carmel; not all of them are adequately endowed so if they fall into disrepair in the future that could present some degree of risk to Carmel). It is all but sold out and has only about 12 burials per year.

Carmel has had an agreement to maintain Neboh since 2010 and has been paid to do so, although Neboh's payments have been inconsistent. The cost of maintenance was about \$84,000 in 2020. Neboh does not have sufficient funds to provide for care and maintenance and has only one remaining active officer/ board member.

Finances

As of December 31, 2020, Carmel had \$44 million in unrestricted funds, almost \$9 million in PM funds, and about \$55 million in PC funds (at cost). It is common for downstate Jewish cemeteries to have PC Funds that significantly exceed PM Funds.

As of December 31, 2020, Neboh had (again at cost) \$42,000 in unrestricted funds, about \$680,000 in PM funds, and about \$2.45 million in PC funds (of which there is a deficit of \$380,000. Note that there is an approximately \$380,000 deficit in the PC Fund; Neboh has improperly used PC funds to cover operating expenses. A 1950s Supreme Court order requires Neboh to deposit 75% of sales into its PM Fund. The Division is unaware of Neboh ever complying with that order in recent memory, and we support Carmel's proposed application to Supreme Court to reduce the contribution, both prospectively and nunc pro tunc, to ten percent.

Carmel is consistently profitable, making over \$3 million in each of the last four years. Neboh loses money annually, most recently reporting a loss of over \$42,000 in 2020. Neboh has not been consistent in filing annual reports with the Division.

After the merger, the combined cemetery would have just under \$71,000 in PM funds per acre; as of now, Carmel has about \$75,000 in PM funds per acre and Neboh has about \$56,000 per acre.

Maintenance

The grounds of both cemeteries are well maintained. Neboh has one major loop road. It is in fair to poor condition and needs repaving. Neboh has a disused office building that would be

prohibitively expensive to repair. Carmel proposes to demolish this building. Neboh has numerous private mausoleums, some of which are in varying states of disrepair.

Approvals

As the attached exhibits indicate, both cemeteries' boards and lot owners have approved the merger. Carmel's board and lot owners unanimously approved the merger in 2015. Neboh's Board and lot owners unanimously approved the mergers in October 2020. Division staff did not attend any of these meetings and have not attempted to verify proxies or voting procedures.

Although 2015 was a long time ago, the Division does not believe that, from the perspective of Carmel's lot owners, there has been a material change in the desirability of this merger.

Note also that both meetings authorized the cemeteries to enter into a merger agreement, but the actual merger agreement and plan of merger were finalized after the votes.

1506-d Factors

Because this transaction involves adjoining properties, Not-for-Profit Corporation Law section 1506(d) does not apply to this transaction. However, as Carmel demonstrates in its letter, those factors favor this transaction. The combined entity will be economically viable, roughly as wealthy on a per-acre basis as Carmel is now. The slight diminution of funds per acre is more than offset by preventing Neboh from becoming, through neglect, an attractive nuisance surrounded on three sides by Carmel. Carmel already performs many of Neboh's functions; consolidating all of these functions—maintenance, record access, office services—under one roof will improve accessibility for Neboh's lot owners with no adverse impact on Carmel's lot owners.

Finally, as Carmel demonstrates, demolishing Neboh's office building will add 200 graves to inventory. Carmel is running out of space—it only has about 3,000 graves left—so the addition of these graves will extend the life cycle of both cemeteries.

Major Alteration: Office Demolition

Carmel's November 17, 2021 application for approval of demolition of the office satisfies the factors set out in 19 NYCRR section 201.16. The Division will not list all of these factors here and refers the Board to that application (Exhibit 15).

Carmel predicts a net profit of \$1.625 million on the demolition of the office and creation of about 200 graves. This number appears to be too high: it does not appear to include the cost of preparing the grounds for burials.

Carmel has not yet provided the Division with a set of plans stamped by an architect or engineer.

Other Required Approvals

It is the Division's understanding that either the Attorney General or Supreme Court may approve the merger of two not-for-profit entities. In addition, Not-for-Profit Corporation Law section 1506(c) provides as follows:

A cemetery corporation shall not take by deed, devise, merger or otherwise any land in the counties of Kings, Queens, Rockland, Westchester, Nassau, Suffolk, Putnam or Erie for cemetery purposes, or set apart any ground therefor in any of such counties, unless the consent of the board of supervisors or legislative body thereof, or of the city council of the city of New York, in respect to Kings or

Queens county, be first obtained. Such consent may be granted upon such conditions and under such regulations and restrictions as the public health and welfare may require. Notice of application for such consent shall be published, once a week for six weeks, in the newspapers designated to publish the session laws and in such other newspapers published in the county as such board or body may direct, stating the time when the application will be made, a brief description of the lands proposed to be acquired, their location and the area thereof.

The New York City Council has not yet consented to this merger.

Recommendation

The Board should recommend approval of this merger by the Attorney General or Supreme Court, subject to receipt of consent by the New York City Council.

Carmel, having provided maintenance for years, is familiar with Neboh's operations and has a consistent track record of maintaining its cemeteries well. It has successfully absorbed two other nearby cemeteries. Adding inventory by demolishing the office building will remove a potential attractive nuisance and create value for both cemeteries.

Carmel has also demonstrated that demolition of Neboh's office is in the best interests of both cemeteries and will have no adverse impact on lot owners; consequently, the Division recommends approval of this major alteration should the merger occur, subject to receipt of all required local permits and receipt by the Division of plans stamped by an architect or engineer.

Finally, should Carmel seek to revisit Supreme Court's 1954 order concerning deposit of proceeds into the PM Fund, the Division recommends that the Board support vacating that order and reducing the required PM contributions from Neboh to 10 percent of lot sales and \$35 per interment

EXHIBIT A

DIVISION OF CEMETERIES

STATE OF NEW YORK
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DR. MARY T. BASSETT
COMMISSIONER OF HEALTH

TO: Lewis A. Polishook, Director

FROM: Kerry Forezzi, Associate Accountant
Vincent Gimondo, Senior Accountant

RE: Mount Neboh Cemetery Association
Desk review & possible merger
Queens County, Cemetery # 41-011

DATE: December 7, 2021

Sole Officer:

Edward J. Walsh, Jr. Esq.

Edward Walsh is the only known active officer on the Mount Neboh board. The Cemetery has a total of 14 acres, all but one-half acre has been sold. Mount Neboh is located in the Cypress Hills section of Queens. It is situated between the old and new branches of Mount Carmel Cemetery and across the street from Machpelah and Hungarian Union (now part of Mount Carmel). Mount Neboh has over 200 family mausoleums on just over 13 acres.

This cemetery's management and maintenance is contracted to Mount Carmel Cemetery which surrounds Mount Neboh on three sides. Mount Neboh currently pays Mount Carmel at least \$86,404 annually for maintenance and management fees or \$6,172 per acre (\$86,404/14 acres). This amount seems reasonable especially when one considers that Mount Neboh pays no officers compensation, directors fees, nor salary. Mr. Walsh was left with the sole responsibility of caring for this cemetery. He realizes that due to his health, it is best to properly transfer responsibility to another party.

Mount Neboh averages fewer than 10 burials per year and has almost no land sales. According to the CPA, Mount Neboh deposits 85% of lot sales into its PM Fund.

According to their CPA, the last land sale was refunded, and another is currently being negotiated for a possible refund due to double selling.

General Fund:

As of 12/31/20, the CPA report indicates a General Fund had a balance of \$31,527.00. It was historically deposited in a Chase Checking account ending in 7020.

Permanent Maintenance Fund:

The assets of the PM Fund were invested in a Charles Schwab account ending in 7488, which totaled \$681,314.00 on 12/31/20. It appears that the cemetery failed to make deposits of interment allocations. That amount is not significant.

Perpetual Care Trust Fund:

As of 12/31/20, the amount designated to Perpetual Care is \$2,448,160. The assets of the Perpetual Care Fund are invested in a Charles Schwab account ending in 0435*.

Total Assets:

As of 12/31/20, Mount Neboh has the following assets (at market value):

| | | |
|----------------------------|-----------|---------------------|
| General Fund | \$ | 31,527.00 |
| Permanent Maintenance Fund | \$ | 681,314.00 |
| Perpetual Care Fund* | \$ | <u>2,448,160.00</u> |
| Total | \$ | 3,161,001.00 |

Financial Condition:

Mount Neboh has been operating at a deficit. Much of their income is derived from dividends and interest. Their investments do not generate enough income to pay their expenses and they are making withdrawals from their trust funds without any cemetery board nor court approval. Their CPA has kept careful records of the liability due to the two funds.

As of 12/31/20 the following Liabilities are recorded:

| | | |
|-----------------------------------|----|-------------|
| Due to Perpetual Care Fund | \$ | 372,823.00* |
| Due to Permanent Maintenance Fund | \$ | 1,080.00 |

Although the total assets are in excess of \$200,000 per acre sold, the cemetery needs at least twice that amount to properly maintain the cemetery grounds and make minimal or modest capital improvements. One potential issue that has not been raised is the possibility that some of the two hundred family mausoleums may or will need significant repairs. None have a special endowment.

Combined entities:

If Mount Carmel assumes the operations of Mount Neboh, some expenses would be eliminated, and others reduced by way of shared expenses. Although Mount Neboh's current investment income may be sufficient to continue paying Mount Carmel to minimally maintain their grounds, Mount Carmel feels they can generate new sources of revenue. Mount Carmel proposes one way they can accomplish this is by removing the existing office building to develop new lots to sell as well as beautifying the grounds. Any investment in the overall appearance of Mount Neboh's property will make the offering more desirable.

Mount Carmel is in extremely good financial health and has operated at a surplus of over \$3 million in each of the past four plus years. They have successfully taken over other cemeteries and already demonstrated they can provide complete grounds maintenance for Mount Neboh. Beyond a financial benefit, acquiring Mount Neboh makes sense because it is an adjacent property, and its increased appeal can only help both cemeteries and possibly neighboring cemeteries.

Total assets if combined, as of 12/31/20 (at market value):

| | Mount Neboh | Mount Carmel | Combined |
|----------------------------------|-----------------------|-------------------------|-------------------------|
| General Fund | \$31,527.00 | \$44,343,182.00 | \$44,374,709.00 |
| Permanent Maintenance Fund | \$681,314.00 | \$8,759,346.00 | \$ 9,440,660.00 |
| Perpetual Care Fund [†] | <u>\$2,448,160.00</u> | <u>\$54,956,396.00</u> | <u>\$57,404,556.00</u> |
| Total | \$3,161,001.00 | \$108,058,924.00 | \$111,219,925.00 |

[†] The balance in the Charles Schwab account x0435 was \$2,075,337.00 on 12/31/20. Mount Carmel has agreed to transfer funds from its general fund to close the deficit of \$372,823 upon combination of the two cemeteries.

EXHIBIT B



August 13, 2021

Mr. Lewis Polishook, Director
State of New York, Department of State
123 William Street, 20th Floor
New York NY 10038-3804

Dear Mr. Polishook:

The Board of Directors of Mount Carmel Cemetery has always been concerned about the solvency of the smaller Jewish cemeteries in the Queens area. For this reason, in 2006 and 2008 respectively, the Board approved mergers with Hungarian Union Field and Knollwood Park cemeteries.

Mount Neboh Cemetery was founded in 1886 and borders on Old Mount Carmel Cemetery on the north and east side and New Mount Carmel on the south side. Mount Carmel Cemetery has approximately 120 developed acres and Mount Neboh 13 acres.

Mount Neboh is not an actively managed cemetery. Edward J. Walsh Jr. is the President and chief operating officer. Mr. Walsh is in his 80's and in poor health and no longer wishes to be involved in the daily operations of the Cemetery.

It is in the best interest of both cemeteries and the Jewish community to merge these two cemeteries. Since 2010, Mount Carmel Cemetery has had a maintenance agreement with Mount Neboh whereby Mount Carmel maintains the grounds and performs all grave openings and foundations for a monthly fee. At that time, all burial and lot owner records were given to Mount Carmel Cemetery. Mount Neboh has approximately 12 grave openings a year and minimal paid care accounts. If Mount Carmel Cemetery did not offer its professional services to help manage its daily operations, Mount Neboh would have become an abandoned cemetery some time ago.

In March 2015, the Board of Directors and Lot Owners of Mount Carmel Cemetery approved a merger with Mount Neboh Cemetery. We did not submit the merger papers at that time as there were numerous ownership issues which have now been resolved. In addition, Mount Neboh could not constitute a full Board which they now have. In October 2020, the Board of Directors and Lot Owners of Mount Neboh Cemetery approved the merger with Mount Carmel Cemetery. As of this date, the merger has not been consummated.

Mount Neboh for some time has been funding current operations out of its Perpetual Care Fund. As of 12/31/2019, Mount Neboh had transferred approximately \$321,000 from its perpetual care account to pay for general operating expenses. As we agreed in our prior conversation, if the merger goes through, Mount Carmel will transfer this amount from its General Fund to Perpetual Care to cover this deficit.

MOUNT CARMEL CEMETERY ASSOCIATION

Mr. Lewis Polishook

August 13, 2021

Page Two

Mount Carmel will assume responsibility for demolishing the office building and bathrooms at Mount Neboh which is estimated to cost \$150,000. This would yield about 200 graves and generate approximately \$1.6 to \$2 Million in land sales over time. Mount Carmel Cemetery currently has an inventory of approximately 3,000 graves. This merger will increase our inventory by seven percent.

Additionally, the roadways in Mount Neboh are in a dangerous condition and must be repaired as soon as possible. The estimated cost to do this work was approximately \$198,000 when we obtained an estimate some time ago. Mount Carmel would like Board approval for the demolition of the building, repaving roads and installing curbs as part of the merger agreement.

Also, as part of the merger agreement, we would require Court approval to vacate the March 2, 1954 Order of Supreme Court Justice Charles S. Golden requiring Mount Neboh Cemetery to transfer to the PMF 75% of the gross amount derived from the sale of plots and graves previously unsold and 75% of the amount of sales proceeds of plots and graves which had been repurchased after deducting from the sales proceeds the repurchase cost. Fifteen percent of the sales proceeds is required to be transferred to the Current Maintenance Fund. That Order made sense for a cemetery with an undersized PMF but will be unnecessary if the merger is consummated. As of 6/30/2021, Mount Carmel's PMF totals \$12.2 Million and Mount Carmel will not proceed with the merger if that Order remains in place.

As you know, and as is obvious from the chronology above, this merger has been under discussion since before 2015. It has not been consummated to date primarily because Mount Neboh is, in effect, an abandoned cemetery. For most of that time, it did not have a functioning Board of Directors. The merger agreement which we are submitting with this application omits several standard representations because Mr. Walsh was not comfortable making those representations. Mount Carmel is prepared to assume the risks related to those omissions because, if it does not do so, Mount Neboh will formally become an abandoned cemetery.

NPCL 1506-d complicates this process somewhat but, in substance, both the purposes underlying that statute and, in most cases, its express provisions would be advanced by consummation of this merger. Needless to say, the merger discussions and a draft merger agreement predated the new statute by more than five years.

A review of the financial documents for Mount Carmel submitted with this application should satisfy the requirement that the plan of merger "is economically feasible and financially responsible". If the merger is approved and consummated, the merged cemetery will have access to all of the assets of Mount Carmel. The trust funds of Mount Neboh will be merged into those of Mount Carmel and Mount Carmel will be responsible for all obligations of Mount Neboh.

MOUNT CARMEL CEMETERY ASSOCIATION

Mr. Lewis Polishook

August 13, 2021

Page Three

The interests of the cemetery corporations, their lot owners, the Queens community and the State would all be advanced by the merger. Relegating Mount Neboh to the status of an abandoned cemetery would be contrary to the interests of all of those.

The merged cemetery will be managed in the same way that Mount Carmel is today. All of the resources of Mount Carmel will be available to ensure that the merged cemetery is properly operated and maintained.

When the Cemetery Board gives its approval to this merger, Mount Carmel will provide notice to the City of New York of the proposed merger.

All known corporate and cemetery records of Mount Neboh would be retained by Mount Carmel and available to both cemetery personnel and lot owners, when needed. But it is important to point out that many records of Mount Neboh which would in the normal course be retained by most cemeteries are not available at Mount Neboh. This has become a persistent problem during the years that Mount Carmel has provided maintenance and grave opening services to Mount Neboh and underlies most of the ownership issues over this period, including graves that were sold more than once to multiple parties.

If the merger is approved, Mount Neboh will become a part of Mount Carmel. As previously indicated, we have successfully merged other cemeteries into Mount Carmel on two prior occasions with no adverse impact on any party. Since Mount Neboh is immediately adjacent to Mount Carmel, there should be no confusion as to where the office is for the transaction of Mount Neboh business. There has not been a functioning office at Mount Neboh for many years. But if the Cemetery Board believes it necessary, we will post a sign at the entrance to Mount Neboh after the merger advising that all inquiries should be directed to the Mount Carmel office and the same information will be posted on the Mount Carmel website.

As previously indicated, the merger was approved by the Mount Neboh lot owners prior to the effective date of NPCL 1506-d. For future meetings, they will have the same opportunity to participate in Mount Carmel meetings as other Mount Carmel lot owners. Insofar as Mount Neboh immediately abuts Mount Carmel, we do not believe that special remote access to future Mount Carmel lot owner meetings is necessary or appropriate for what are now Mount Neboh lot owners.

We do not believe that it is necessary for Mount Neboh to redo the lot owner meeting where the merger was approved prior to the existence of Section 1506-d so that the additional procedures set forth in that statute are included. This would serve no purpose for what is already effectively an abandoned cemetery.

MOUNT CARMEL CEMETERY ASSOCIATION

Mr. Lewis Polishook

August 13, 2021

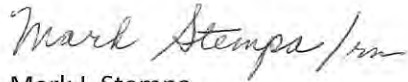
Page Four

This merger should be approved expeditiously. Mount Neboh has not operated fully in compliance with the law for some years. The only way for it to be financially viable and fully compliant with its statutory obligations is for it to be merged into Mount Carmel.

In order to facilitate approval of the merger and the vacatur of the 1954 Order, we would hope to obtain an affidavit from you supporting the application to submit to the Court. Please confirm that this will be possible and that you are in agreement with the plan set forth above. If so, please schedule the merger for consideration by the Cemetery Board as soon as possible. If something more is needed, please advise us and we will attempt to supplement this application as necessary and appropriate.

Very truly yours,

MOUNT CARMEL CEMETERY ASSOCIATION

A handwritten signature in cursive script that reads "Mark I. Stempa /rn".

Mark I. Stempa

President

MIS:rn

EXHIBIT C

AGREEMENT AND PLAN OF MERGER

BY AND AMONG

MOUNT NEBOH CEMETERY ASSOCIATION

and

THE MOUNT CARMEL CEMETERY ASSOCIATION

Dated as of June __, 2021

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AGREEMENT AND PLAN OF MERGER (this "Agreement") made and entered into on this ___ day of June, 2021, by and among Mount Neboh Cemetery Association, a not-for-profit New York corporation ("Mt. Neboh"), and The Mount Carmel Cemetery Association, a not-for-profit New York corporation ("Mt. Carmel").

W I T N E S S E T H:

WHEREAS, Mt. Neboh is a New York not-for-profit corporation under Article 15 of the New York Not-For-Profit Corporation Law ("New York Law"), whose lot owners are entitled to one vote for each lot owned, and is engaged in the business of owning and managing cemeteries;

WHEREAS, Mt. Carmel is a New York not-for-profit corporation under Article 15 of the New York Law, whose lot owners are entitled to one vote for each lot owned, and is engaged in the business of owning and managing cemeteries;

WHEREAS, the Boards of Directors of both Mt. Neboh and Mt. Carmel desire for Mt. Neboh to merge (the "Merger") with and into Mt. Carmel with Mt. Carmel being the surviving corporation on the terms and subject to the conditions contained in this Agreement;

WHEREAS, the Board of Directors of Mt. Neboh unanimously has determined and resolved that the Merger and all of the transactions contemplated by this Agreement are in the best interest of Mt. Neboh and its lot owners, and that the Merger is fair and advisable, and has approved this Agreement in accordance with the New York Law, and has further resolved unanimously to recommend to its lot owners that they authorize, approve and adopt this Agreement and the transactions contemplated hereby; and

WHEREAS, the Board of Directors of Mt. Carmel unanimously has determined and resolved that the Merger and all of the transactions contemplated by this Agreement are in the best interest of Mt. Carmel and its lot owners and that the Merger is fair and advisable, and has approved this Agreement in accordance with the New York Law, and has further resolved unanimously to recommend to its lot owners that they authorize, approve and adopt this Agreement and the transactions contemplated hereby.

NOW, THEREFORE, in consideration of the mutual premises recited above and the representations, warranties, covenants and agreements contained in this Agreement, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I

THE MERGER

Section 1.1 The Merger. Upon the terms and subject to the conditions set forth in this Agreement and in accordance with the New York Law, at the Effective Time, as defined in Section 1.3 below, Mt. Neboh shall be merged with and into Mt. Carmel and Mt. Carmel shall be the surviving corporation in the Merger (the "Surviving Corporation") and, as such, Mt. Carmel shall continue its corporate existence, and the separate corporate existence of Mt. Neboh thereupon shall cease.

Section 1.2 Closing. Subject to the satisfaction or, to the extent permitted by applicable law, waiver of the conditions to consummation of the Merger contained in Article VII hereof, the closing of the Merger (the “Closing”) shall take place at 10:00 a.m., New York time, on a date to be specified by the parties (the “Closing Date”), which date shall not be later than the third business day next following the date that one party notifies the other of the satisfaction or, to the extent permitted by applicable law, waiver of the conditions set forth in Article VII (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the fulfillment or, to the extent permitted by applicable law, waiver of those conditions), unless another time or date is agreed to by the parties hereto. The Closing will be held at the offices of Pryor Cashman LLP at 7 Times Square, New York, New York 10036 or at such other location as is agreed to by the parties hereto.

Section 1.3 Effective Time. Upon the terms and subject to the conditions set forth in this Agreement, at the Closing the parties shall cause the Merger to be consummated by filing with the Secretary of State of the State of New York (the “Secretary”) a certificate of merger (the “Certificate of Merger”) duly executed and so filed in accordance with New York Law and shall make all other filings and recordings required under the New York Law to effectuate the Merger and the transactions contemplated by this Agreement. The Merger shall become effective at such time as the Certificate of Merger is duly filed by the Secretary (the time the Merger becomes so effective being hereinafter referred to as the “Effective Time”).

Section 1.4 Certificate of Incorporation and By-laws of the Surviving Corporation. The certificate of incorporation of Mt. Carmel in effect immediately prior to the Effective Time shall be the certificate of incorporation of the Surviving Corporation until thereafter amended or restated as provided therein or by applicable law. The by-laws of Mt. Carmel in effect immediately prior to the Effective Time shall be the by-laws of the Surviving Corporation until thereafter amended or restated as provided therein or by applicable law.

Section 1.5 Directors and Officers. The directors of Mt. Carmel at the Effective Time shall, from and after the Effective Time, be and become the directors of the Surviving Corporation until their successors shall have been duly elected and qualified or until their earlier death, resignation or removal in accordance with the certificate of incorporation and by-laws of the Surviving Corporation and the New York Law. The officers of Mt. Carmel at the Effective Time shall, from and after the Effective Time, be and become the officers of the Surviving Corporation until their successors shall have been duly appointed and qualified or until their earlier death, resignation or removal in accordance with the certificate of incorporation and the by-laws of the Surviving Corporation.

ARTICLE II

EFFECT OF THE MERGER ON THE LOT OWNERS OF THE CONSTITUENT CORPORATIONS

Section 2.1 Effect of the Merger on the Lot Owners of Mt. Neboh. At the Effective Time, by virtue of the Merger and automatically without any action on the part of either Mt. Neboh or Mt. Carmel, each lot owner of Mt. Neboh, shall become a lot owner of Mt. Carmel.

Section 2.2 Effect of the Merger on the Lot Owners of Mt. Carmel. Each lot owner of Mt. Carmel prior to the effective time shall remain a lot owner of Mt. Carmel following the Effective Time.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF MT. NEBOH

Mt. Neboh hereby represents and warrants to Mt. Carmel as follows:

Section 3.1 Organization, Standing and Corporate Power.

(a) Mt. Neboh is a not-for-profit corporation duly organized, validly existing and in good standing under the laws of New York and has the requisite corporate power and requisite authority to carry on its business as presently being conducted. Mt. Neboh's sole business is the ownership and operation of Mt. Neboh Cemetery located in Queens, New York.

(b) Mt. Neboh has no subsidiaries or any equity or ownership interest, whether direct or indirect, in, or loans to, any individual, sole proprietorship, corporation, partnership, limited liability company, joint venture or other entity. Mt. Neboh is not obligated to make, nor bound by any agreement or obligation to make, any investment in or capital contribution in or on behalf of any other entity.

Section 3.2 Lot Owners. Mt. Neboh does not have a true and complete list of all its lot owners and their last known addresses or the perpetual care payments made for each lot.

Section 3.3 Authority; Noncontravention.

(a) Mt. Neboh has the corporate power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby. Except for the required approval by two-thirds of the aggregate interests represented by the lot owners of Mt. Neboh, voting in person or by proxy at a special meeting duly called for such purpose, in connection with the consummation of the Merger, all corporate acts and proceedings required to be taken by or on the part of Mt. Neboh to authorize Mt. Neboh to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby have been duly and validly taken. This Agreement constitutes a valid and binding agreement of Mt. Neboh.

(b) The execution and delivery of this Agreement does not and the consummation of the transactions contemplated hereby will not conflict with or result in a violation of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation or acceleration of any material obligation under (i) any provision of Mt. Neboh's certificate of incorporation, (ii) any loan or credit agreement, note, mortgage, indenture, lease or other material agreement or instrument, or (iii) any permit, license, judgment, order, decree, statute, law, ordinance, rule or regulation applicable to Mt. Neboh or its properties or assets.

(c) The execution, delivery and performance by Mt. Neboh of this Agreement and the consummation of the Merger by Mt. Neboh require no consent, approval, order or

authorization of, action by or in respect of, or registration or filing with, any governmental body, court, agency, official or authority (each, a “Governmental Entity”, collectively “Government Entities”) other than (i) the filing of a certificate of merger in accordance with the requirements of the Secretary, (ii) the approval of the New York State Cemetery Board and (iii) the consent of the New York Supreme Court, with notice to the New York Attorney General.

(d) The execution and delivery of this Agreement and the consummation of the Merger will not result in the creation of any Lien upon any asset of Mt. Neboh.

(e) Except as set forth in Schedule 3.3(e), no consent, approval, waiver or other action by any person (other than the governmental authorities referred to in (c) above), under any indenture, lease, instrument or other material contract, agreement or document to which Mt. Neboh is a party or by which Mt. Neboh is bound, or under any permit, license, judgment, order, decree, statute, law, ordinance, rule or regulation applicable to Mt. Neboh or its properties or assets, is required or necessary for, or made necessary by reason of, the execution, delivery and performance of this Agreement by Mt. Neboh or the consummation of the Merger.

Section 3.4 Financial Statements. Mt. Neboh has furnished to Mt. Carmel true, correct and complete copies of: (i) compiled balance sheets of Mt. Neboh as of December 31, 2018 and December 31, 2019; and (ii) compiled income statements of Mt. Neboh as of December 31, 2018 and December 31, 2019 (collectively, the “Mt. Neboh Financial Statements”). Mt. Neboh Financial Statements have been prepared by Mt. Neboh on the basis of the books and records maintained by Mt. Neboh in the ordinary course of business in a manner consistently used and applied throughout the periods involved. The Financial Statements fairly present in all material respects the financial condition of Mt. Neboh as at the respective dates thereof.

Section 3.5 Material Contracts. Except for the Maintenance Agreement, dated April 15, 2020, by and between Mt. Carmel and Mt. Neboh and Mt. Neboh’s perpetual care agreements (including oral agreements) with individuals who have reserved a graves or own a family plot (each a “Mt. Neboh Lot Owner”), there are no material contracts, license agreements, commitments, leases, or restrictions of any kind to which Mt. Neboh is a party or by which Mt. Neboh is bound or to which any of Mt. Neboh’s assets are subject. Each such contract is valid and binding on and enforceable against Mt. Neboh and, to the knowledge of Mt. Neboh, each other party thereto and is in full force and effect. Mt. Neboh is not and, to the knowledge of Mt. Neboh, no other party thereto is, in breach or default under any Mt. Neboh contract. Mt. Neboh does not know of, nor has it received notice of, any violation or default under (nor, to the knowledge of Mt. Neboh, does there exist any condition which with the passage of time or the giving of notice or both would result in such a violation or default under) any contract by any other party thereto. Prior to the date hereof, Mt. Neboh has made available to Mt. Carmel true and complete copies of all such contracts.

Section 3.6 Absence of Certain Changes. Except for liabilities incurred in connection with this Agreement, the transactions contemplated hereby and except as set forth in Schedule 3.6, since December 31, 2019, (i) there has not been any Material Adverse Change in Mt. Neboh and (ii) to Mt. Neboh’s knowledge, there are no facts, circumstances or events that make it reasonably likely that Mt. Neboh will not be able to fulfill its obligations under this Agreement in all material respects.

Section 3.7 Absence of Litigation. There are no pending and, to Mt. Neboh's knowledge, threatened litigation, suit, case, prosecution, investigation or arbitration, or no action, inquiry, demand, charge, or investigation by any Governmental Entity and no litigation, action, suit, case, proceeding, investigation or arbitration by any person or Governmental Entity with respect to Mt. Neboh or any of its properties or permits, is pending or, to the knowledge of Mt. Neboh, threatened.

Section 3.8 Tax Matters.

(a) Mt. Neboh is a tax-exempt corporation under Section 501(c)(13) of the Internal Revenue Code of 1986, as amended ("Code") and has not received from any Governmental Entities any challenge to such qualification. Mt. Neboh has not engaged in any act that would jeopardize such exemption.

(b) As of the date of this Agreement, no Federal, state, local or foreign audits or other administrative proceedings or court proceedings are presently pending with regard to any Taxes or Tax Returns of Mt. Neboh, and Mt. Neboh has not received a written notice of any material pending or proposed claims, audits or proceedings with respect to Taxes.

(c) There is no action, suit or audit now in progress, pending or, to the knowledge of Mt. Neboh, threatened against or with respect to Mt. Neboh with respect to any material Tax.

(d) No claim has been made in writing by any Governmental Entities in a jurisdiction where Mt. Neboh does not file Tax Returns that any such entity is, or may be, subject to taxation by that jurisdiction.

(e) Mt. Neboh has made available to Mt. Carmel copies of all of their material Tax Returns filed within the past three years. Mt. Neboh has not received any (i) audit reports, letter rulings, technical advice memoranda and similar documents issued by a Governmental Entity within the past three years relating to the Federal, state, local or foreign Taxes due from or with respect to Mt. Neboh, or (ii) any closing letters or agreements entered into by Mt. Neboh with any Governmental Entities within the past three years with respect to Taxes.

(f) Mt. Neboh has not received any notice of deficiency or assessment from any Governmental Entity for any amount of Tax that has not been fully settled or satisfied, and to the knowledge of Mt. Neboh no such deficiency or assessment is proposed.

(g) For purposes of this Agreement:

(i) "Tax" or "Taxes" shall mean all federal, state, county, local, foreign and other taxes of any kind whatsoever (including, without limitation, income, profits, premium, excise, sales, use, occupancy, gross receipts, franchise, ad valorem, severance, capital levy, production, transfer, license, stamp, environmental, withholding, employment, unemployment compensation, payroll related and property taxes, import duties and other governmental charges and assessments), whether or not measured in whole or in part by net income, and including deficiencies, interest, additions to tax or interest, and penalties with

respect thereto, and including expenses associated with contesting any proposed adjustment related to any of the foregoing.

(ii) “Tax Return” shall mean any return, information report or filing with respect to Taxes, including any schedules attached thereto and including any amendments thereof.

Section 3.9 Employee Benefit Plans. Mt. Neboh does not have in effect or have any obligation or liability, whether actual or contingent, with respect to any “employee benefit plans” within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), employment agreements, consulting agreements, material deferred compensation, pension or retirement agreements or arrangements, material bonus, severance, change in control, retention, material fringe benefit, equity, executive compensation, incentive or profit sharing plans or arrangements, or labor or collective bargaining agreements, written or oral, whether or not subject to ERISA (collectively, the “Plans”).

Section 3.10 Labor Matters.

(a) There is no unfair labor practice charge or complaint against Mt. Neboh pending or, to the knowledge of Mt. Neboh, threatened before the National Labor Relations Board or any other comparable Governmental Entity; (ii) there is no demand for recognition made by any labor organization or petition for election filed with the National Labor Relations Board or any other comparable Governmental Entity; (iii) no grievance or any arbitration proceeding arising out of or under collective bargaining agreements is pending and, to the knowledge of Mt. Neboh, no claims therefor have been threatened other than grievances or arbitrations incurred in the ordinary course of business; (iv) the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby and thereby will not give rise to termination of any existing collective bargaining agreement or permit any labor organization to commence or initiate any negotiations in respect of wages, hours, benefits, severance or working conditions under any such existing collective bargaining agreements; and (v) there is no litigation, arbitration proceeding, governmental investigation, administrative charge, citation or action of any kind pending or, to the knowledge of Mt. Neboh, proposed or threatened against Mt. Neboh relating to employment, employment practices, terms and conditions of employment or wages, benefits, severance and hours.

(b) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby and thereby will not (i) result in any payment (including severance, unemployment compensation, tax gross-up, bonus or otherwise) becoming due to any current or former director, employee or independent contractor of Mt. Neboh, from Mt. Neboh or under any Plan, (ii) materially increase any benefits otherwise payable under any Plan, or (iii) result in the acceleration of the time of payment, exercise or vesting of any such benefits.

(c) There are no contracts, agreements, plans or arrangements covering any current or former employee of Mt. Neboh containing “change of control,” “stay-put,” transition, retention, severance or similar provisions. There is no contract, agreement, plan or arrangement (oral or written) covering any current or former employee of Mt. Neboh that individually or

collectively could give rise to the payment of any amount that would not be deductible pursuant to the terms of Section 280G of the Code.

Section 3.11 Environmental Matters.

Except for such matters which would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect on Mt. Neboh:

(a) Compliance. During the last three (3) years, Mt. Neboh has not received any written communication from any person or governmental entity that alleges that Mt. Neboh is not in compliance with applicable Environmental Laws; nor is Mt. Neboh aware of any such non-compliance, and so far as is known to it there have not been any Releases of Hazardous Substances by Mt. Neboh.

(b) Environmental Claims. There are no environmental claims pending or threatened, against Mt. Neboh, or against any real or personal property or operation that Mt. Neboh owns, leases or manages.

(c) As used in this Agreement:

(i) “Environmental Laws” shall mean any and all binding and applicable local, municipal, state, federal or international law, statute, treaty, directive, decision, judgment, award, regulation, decree, rule, code of practice, guidance, order, direction, consent, authorization, permit or similar requirement, approval or standard concerning (A) occupational, consumer and/or public health and safety, and/or (B) environmental matters (including clean-up standards and practices), with respect to buildings, equipment, soil, sub-surface strata, air, surface water, or ground water, whether set forth in applicable law or applied in practice, whether to facilities such as those of Mt. Neboh, properties in the jurisdictions in which Mt. Neboh properties are located or to facilities such as those used for the transportation, storage or disposal of Hazardous Substances generated by Mt. Neboh and/or its subsidiaries or otherwise.

(ii) “Hazardous Substances” shall mean any and all dangerous substances, hazardous substances, toxic substances, radioactive substances, hazardous wastes, special wastes, controlled wastes, oils, petroleum and petroleum products, hazardous chemicals and any other materials which are regulated by the Environmental Laws or otherwise found or determined to be potentially harmful to human health or the environment.

(iii) “Release” shall mean any spilling, leaking, pumping, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping or disposing of Hazardous Substances (including the abandonment or discarding of barrels, containers or other closed receptacles containing Hazardous Substances) into the environment.

Section 3.12 Insurance Matters. Mt. Neboh maintains a general commercial liability insurance policy, providing insurance coverage that is customary in amount and scope for its

business. The policy is in full force and effect, all premiums due and payable thereon have been paid and no written or oral notice of cancellation or termination has been received and is outstanding. There are no pending claims under such policy and no refusals of claims or denial of coverage have been received within the last year with respect to any such policies.

Section 3.13 Transactions with Affiliates. There are no outstanding amounts payable to or receivable from, or advances by Mt. Neboh, and Mt. Neboh is not otherwise a creditor of or debtor to, any officer, director, employee or affiliate of Mt. Neboh, other than as part of the normal and customary terms of such persons' employment or service as a director with Mt. Neboh. Mt. Neboh is not a party to any transaction or agreement with any affiliate, director or officer of Mt. Neboh or any material transaction or agreement with any employee other than officers in their capacity as such.

Section 3.14 Brokers. No broker, investment banker, financial advisor, finder, consultant or other person is entitled to any broker's, finder's, financial advisor's or other similar fee, compensation or commission, however and whenever payable, in connection with the Merger and the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Mt. Neboh.

Section 3.15 Real Property.

(a) To the best knowledge, information and belief of Mt. Neboh, Mt. Neboh has good and marketable title in fee simple to all real properties owned by it and all buildings, structures and other improvements located thereon, other than Permitted Liens. Mt. Neboh does not lease, sublease, or otherwise occupy or use any real property as a lessee. The real properties owned by Mt. Neboh, but not the structures thereon, are sufficient and adequate for the operation of Mt. Neboh's business in all material respects.

(b) As used in this Agreement, Permitted Liens shall mean: (i) Liens for Taxes not yet due or delinquent or as to which there is a good faith dispute and for which there are adequate provisions on the books and records of Mt. Neboh, (ii) with respect to real property, any Lien, encumbrance or other title defect which is not in a liquidated amount (whether material or immaterial) and which does not, individually or in the aggregate, interfere materially with the current use or materially detract from the value or marketability of such property (assuming its continued use in the manner in which it is currently used) and (iii) inchoate materialmen's, mechanics', carriers', workmen's and repairmen's liens arising in the ordinary course and not past due and payable or the payment of which is being contested in good faith by appropriate proceedings.

Section 3.16 Tangible Personal Property. Mt. Neboh does not own or lease any material amount of machinery, equipment, furniture, fixtures or other tangible personal property.

Section 3.17 Board Approval. Pursuant to action taken by unanimously written consent, the Board has (i) duly approved this Agreement and resolved that the Merger and the transactions contemplated hereby are fair to, advisable and in the best interests of Mt. Neboh's lot owners, (ii) resolved to unanimously recommend that Mt. Neboh's lot owners approve the Merger

and the transactions contemplated hereby and (iii) directed that the Merger be submitted for consideration by the lot owners of Mt. Neboh.

Section 3.18 Books and Records. Mt. Neboh maintains and has maintained books and records reflecting its assets and liabilities and accounts, notes and other receivables and inventory and has provided Mt. Carmel with access to all material books and records currently in its possession.

Section 3.19 Accuracy of Information. So far as it is known to Mt. Neboh, neither this Agreement, nor the Schedules nor any other document, schedule, exhibit, certificate or instrument provided by Mt. Neboh to Mt. Carmel in connection with the transactions contemplated hereby contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements contained therein not misleading.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF MT. CARMEL

Mt. Carmel hereby represents and warrants to Mt. Neboh as follows:

Section 4.1 Organization, Standing and Corporate Power.

(a) Mt. Carmel is a not-for-profit corporation duly organized, validly existing and in good standing under the laws of New York and has the requisite corporate power and requisite authority to carry on its business as presently being conducted.

(b) Mt. Carmel has delivered or made available to Mt. Neboh prior to the execution of this Agreement complete and correct copies of its certificate of incorporation and by-laws, as in effect at the date of this Agreement.

(c) Mt. Carmel has no subsidiaries or any equity or ownership interest, whether direct or indirect, in, or loans to, any corporation, partnership, limited liability company, joint venture or other entity. Mt. Carmel is not obligated to make, nor bound by any agreement or obligation to make, any investment in or capital contribution in or on behalf of any other entity.

Section 4.2 Authority; Noncontravention.

(a) Mt. Carmel has the corporate power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby. Except for any required approval by Mt. Carmel's lot owners in connection with the consummation of the Merger, all corporate acts and proceedings required to be taken by or on the part of Mt. Carmel to authorize Mt. Carmel to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby have been duly and validly taken. This Agreement constitutes a valid and binding agreement of Mt. Carmel.

(b) The execution and delivery of this Agreement does not and the consummation of the transactions contemplated hereby will not conflict with or result in a violation of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of

termination, cancellation or acceleration of any material obligation under (i) any provision of Mt. Carmel's certificate of incorporation, (ii) any loan or credit agreement, note, mortgage, indenture, lease or other material agreement or (iii) instrument, permit, license, judgment, order, decree, statute, law, ordinance, rule or regulation applicable to Mt. Carmel or its properties or assets.

(c) The execution, delivery and performance by Mt. Carmel of this Agreement and the consummation of the Merger by Mt. Carmel require no consent, approval, order or authorization of, action by or in respect of, or registration or filing with, any Governmental Entities other than (i) the filing of a certificate of merger in accordance with the requirements of the Secretary of State, (ii) the approval of the New York State Cemetery Board and (iii) the consent of the New York Supreme Court with notice to the New York Attorney General.

(d) The execution and delivery of this Agreement and the consummation of the Merger will not result in the creation of any Lien upon any asset of Mt. Carmel.

(e) Except as set forth in Schedule 4.2(e), no consent, approval, waiver or other action by any person (other than the governmental authorities referred to in (c) above) under any indenture, lease, instrument or other material contract, agreement or document to which Mt. Carmel is a party or by which Mt. Carmel is bound is required or necessary for, or made necessary by reason of, the execution, delivery and performance of this Agreement by Mt. Carmel or the consummation of the Merger.

Section 4.3 Brokers. No broker, investment banker, financial advisor, finder, consultant or other person is entitled to any broker's, finder's, financial advisor's or other similar fee, compensation or commission, however and whenever payable, in connection with the Merger and the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Mt. Carmel.

Section 4.4 Board Approval. Pursuant to meetings duly noticed and convened in accordance with all applicable laws and at each of which a quorum was present, the Board of Directors of Mt. Carmel, after full and deliberate consideration, unanimously has (i) duly approved this Agreement and resolved that the Merger and the transactions contemplated hereby are in the best interests of Mt. Carmel's lot owners and (ii) resolved to unanimously recommend that Mt. Carmel's lot owners approve the Merger and the transactions contemplated hereby and (iii) directed that the Merger be submitted for consideration by the lot owners of Mt. Carmel.

ARTICLE V

COVENANTS RELATING TO CONDUCT OF BUSINESS

Section 5.1 Conduct of Business. Except as required by applicable law or regulation and except as otherwise contemplated by this Agreement, until the earlier of the termination of this Agreement or the Effective Time, Mt. Neboh shall conduct its business in the ordinary course and consistent with recent past practice. Except as set forth in Schedule 5.1, or as required by applicable law or regulation and except as otherwise contemplated by this Agreement or except as previously consented to by the other party to this Agreement, in writing, after the date hereof Mt. Neboh shall not:

- (a) amend or otherwise change its certificate of incorporation or by-laws;
- (b) (i) except for investments in its permanent maintenance and perpetual care funds, acquire (including, without limitation, for cash or shares of stock, by merger, consolidation, or acquisition of stock or assets) any interest in any corporation, partnership or other business organization or division thereof or any assets, or make any investment either by purchase of stock or securities, contributions of capital or property transfer, or, except in the ordinary course of business, consistent with past practice, purchase any property or assets of any other person, (ii) incur any indebtedness for borrowed money or issue any debt securities or assume, guarantee or endorse or otherwise as an accommodation become responsible for, the obligations of any person, or make any loans or advances, or (iii) except in the ordinary course of business, enter into any contract;
- (c) make any capital expenditure or enter into any contract or commitment therefor;
- (d) except in the ordinary course of business, amend, terminate or extend any contract;
- (e) delay or accelerate payment of any account payable or other liability of Mt. Neboh, beyond or in advance of its due date or the date when such liability would have been paid in the ordinary course of business consistent with past practice; or
- (f) agree, in writing or otherwise, to take or authorize any of the foregoing actions or any action which would make any representation or warranty contained in Articles III or IV untrue or incorrect.

Section 5.2 Advice of Changes. Each of Mt. Neboh, on the one hand, and Mt. Carmel, on the other hand, shall promptly advise the other party orally and in writing to the extent it has knowledge of (i) any representation or warranty made by it contained in this Agreement that is qualified as to materiality becoming untrue or inaccurate in any respect or any such representation or warranty that is not so qualified becoming untrue or inaccurate in any material respect, (ii) the failure by it to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it under this Agreement; (iii) any change or event having, or which, insofar as reasonably can be foreseen, could have a Material Adverse Effect on such party or on the accuracy and completeness of its representations and warranties or impair the ability of such party to satisfy the conditions set forth in Article VII; provided, however, that no such notification shall affect the representations, warranties, covenants or agreements of the parties (or remedies with respect thereto) or the conditions to the obligations of the parties under this Agreement; and provided further that a failure to comply with this Section 5.2 shall not constitute a failure to be satisfied of any condition set forth in Article VII unless the underlying untruth, inaccuracy, failure to comply or satisfy, or change or event would independently result in a failure of a condition set forth in Article VII to be satisfied.

Section 5.3 Transition. To the extent permitted by applicable law, Mt. Carmel and Mt. Neboh shall, and shall cause their respective affiliates, officers and employees to, use their

commercially reasonable efforts to facilitate the integration of Mt. Neboh with the businesses of Mt. Carmel to be effective as of the Closing Date.

ARTICLE VI

ADDITIONAL AGREEMENTS

Section 6.1 Commercially Reasonable Efforts. Except where otherwise provided in this Agreement, each party will use its commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate the Merger as soon as practicable after the satisfaction of the conditions set forth in Article VII hereof, provided that the foregoing shall not require Mt. Neboh or Mt. Carmel to take any action or agree to any condition that might, in the reasonable judgment of Mt. Neboh or Mt. Carmel, as the case may be, have a Material Adverse Effect on Mt. Neboh or Mt. Carmel, respectively.

Section 6.2 Fees and Expenses. All costs, fees and expenses incurred in connection with the Merger, this Agreement (including all instruments and agreements prepared and delivered in connection herewith), and the transactions contemplated by this Agreement shall be paid by the party incurring such fees or expenses.

Section 6.3 Public Announcements. Except as required by law, no party to this Agreement will issue any press release or other public announcement relating to the subject matter of this Agreement or the transactions contemplated by this Agreement without the prior approval (which approval will not be unreasonably withheld or delayed) of Mt. Neboh, on the one hand, or Mt. Carmel, on the other hand, provided, however, that after the Closing, the Surviving Corporation will be entitled to issue any such press release or make any such other public announcement without obtaining such prior approval.

Section 6.4 Officer Liability. For avoidance of doubt, the liability of Mt. Neboh for its obligations under this agreement or arising out of this transaction shall be limited to the assets of Mt. Neboh. With the exception of fraud or intentional misconduct by any director, officer or employee of Mt. Neboh, Mt. Carmel shall not look to the personal property or assets of any director, officer or employee of Mt. Neboh in either seeking to enforce Mt. Neboh's obligations under this agreement or to satisfy a judgment for Mt. Neboh's breach or failure to perform its obligations hereunder or pursuant hereto or the transactions contemplated hereby.

ARTICLE VII

CONDITIONS PRECEDENT

Section 7.1 Conditions to Each Party's Obligation to Effect the Merger. The respective obligation of each party to effect the Merger is subject to the satisfaction or, to the extent permitted by applicable law, waiver by each of Mt. Carmel or Mt. Neboh on or prior to the Closing Date of the following conditions:

(a) Lot Owner Approvals. Except to the extent relieved therefrom by an order of the Supreme Court, each of Mt. Neboh and Mt. Carmel shall have obtained the consent of two-thirds its lot owners, voting in person or by proxy at an annual meeting or special meeting duly called for such purpose, to the Merger, this Agreement and the transactions contemplated hereby.

(b) Consent of Cemetery Board. The New York State Cemetery Board shall have consented to the Merger and the transactions contemplated hereby.

(c) Approval of New York Supreme Court; Notice to Attorney General. The Supreme Court in the state of New York shall have approved, with notice to the New York Attorney General, the Merger and the transactions contemplated hereby.

(d) Governmental and Regulatory Approvals. In addition to (i) the filing of the Certificate of Merger provided for under Section 1.3, (ii) the consent of the New York State Cemetery Board provided for under Section 7.1(b), (iii) the approval of the New York Supreme Court provided for under Section 7.1 (c) with notice to the New York Attorney General and, all consents, approvals and actions of, filings with and notices to any Governmental Entity required by Mt. Neboh or Mt. Carmel under applicable law or regulation to consummate the Merger and the transactions contemplated by this Agreement, the failure of which to be obtained or made would result in a Material Adverse Effect, shall have been obtained or made (all such approvals and the expiration of all such waiting periods, the "Requisite Regulatory Approvals")

(e) No Injunctions or Restraints. No judgment, order, restraining order and/or injunction (temporary or otherwise), decree, statute, law, ordinance, rule or regulation, entered, enacted, promulgated, enforced or issued by any court or other Governmental Entity or other legal restraint or prohibition (collectively, "Restraints") shall be in effect preventing or materially delaying the consummation of the Merger; provided, however, that each of the parties shall have used its best efforts to have such Restraint lifted, vacated or rescinded.

Section 7.2 Conditions to Obligations of Mt. Carmel. The obligation of Mt. Carmel to effect the Merger is further subject to satisfaction or waiver of the following conditions:

(a) Representations and Warranties of Mt. Neboh. The representations and warranties of Mt. Neboh set forth herein and in the Schedules attached hereto shall be true and correct in all material respects at and as of the Closing Date, as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case such representations and warranties shall be true and correct as of such date).

(b) Performance of Obligations of Mt. Neboh. Mt. Neboh shall have performed in all material respects all obligations required to be performed by it at or prior to the Closing Date under this Agreement.

(c) Regulatory Condition. No condition or requirement shall have been imposed by one or more Governmental Entities in connection with any required approval by them of the Merger that requires Mt. Neboh to be operated in a manner that would have a Material Adverse Effect.

(d) No Material Adverse Effect. There shall not be or exist any change, effect, event, circumstance, occurrence or state of facts either individually or when aggregated with other event(s) that has had, has or which reasonably could be expected to have, a Material Adverse Effect.

Section 7.3 Conditions to Obligations of Mt. Neboh. The obligation of Mt. Neboh to effect the Merger is further subject to satisfaction or waiver of the following conditions:

(a) Representations and Warranties. The representations and warranties of Mt. Carmel set forth herein and in the Schedules attached hereto shall be true and correct in all material respects at and as of the Closing Date, as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case such representations and warranties shall be true and correct as of such date).

(b) Performance of Obligations of Mt. Carmel. Mt. Carmel shall have performed in all material respects all obligations required to be performed by it at or prior to the Closing Date under this Agreement. Mt. Neboh shall have received a certificate of Mt. Carmel's President to the foregoing effect.

Section 7.4 Frustration of Closing Conditions. Neither Mt. Carmel nor Mt. Neboh may rely on the failure of any condition set forth in Section 7.1, 7.2 or 7.3, as the case may be, to be satisfied if such failure was caused by such party's failure to use its own reasonable best efforts to consummate the Merger and the other transactions contemplated by this Agreement.

ARTICLE VIII

TERMINATION, AMENDMENT AND WAIVER

Section 8.1 Termination. This Agreement may be terminated at any time prior to the Effective Time, whether or not Mt. Neboh's and Mt. Carmel's lot owners have approved the Agreement:

(a) by mutual written consent of Mt. Carmel and Mt. Neboh;

(b) by either Mt. Carmel or Mt. Neboh, if, on or before June 30, 2021:

(i) two-thirds of Mt. Neboh's lot owners, voting in person or by proxy at a special meeting duly called for such purpose, have not consented to the Merger, this Agreement and the transactions contemplated hereby;

(ii) two-thirds of Mt. Carmel's lot owners, voting in person or by proxy at a special meeting duly called for such purpose, have not consented to the Merger, this Agreement and the transactions contemplated hereby;

(iii) the New York Supreme Court does not approve the Merger and the transactions contemplated hereby;

(iv) any Restraint having any of the effects set forth in Section 7.1(e) shall be in effect and shall have become final and nonappealable; provided, however, that the party seeking to terminate this Agreement pursuant to this Section 8.1(b) (iv) shall have used its reasonable best efforts to prevent the entry of such Restraint and to have such Restraint vacated or removed if it is in its ability to do so;

(v) any Governmental Entity that must grant a Requisite Regulatory Approval shall have denied the applicable Requisite Regulatory Approval and such denial shall have become final and nonappealable; or

(c) by Mt. Carmel, if Mt. Neboh shall have breached any of its representations, warranties, covenants or other agreements contained in this Agreement, which breach (i) would give rise to the failure of a condition set forth in Sections 7.2(a) or (b), and (ii) is either incapable of being cured by Mt. Neboh or, if curable, is not cured within 15 days of receipt from Mt. Carmel of written notice thereof; or

(d) by Mt. Neboh, if Mt. Carmel shall have breached any of its representations, warranties, covenants or other agreements contained in this Agreement, which breach (i) would give rise to the failure of a condition set forth in Sections 7.3(a) or (b), and (ii) is either incapable of being cured by Mt. Carmel or, if curable, is not cured within 15 days of receipt from Mt. Neboh of written notice thereof.

The party desiring to terminate this Agreement pursuant to clauses (b), (c) or (d) of this Section 8.1 shall provide written notice of such termination to the other party in accordance with Section 8.2, specifying in reasonable detail the provision hereof pursuant to which such termination is effected.

Section 8.2 Effect of Termination. If this Agreement is terminated by either Mt. Neboh or Mt. Carmel as provided in Section 8.1, this Agreement forthwith shall become void and have no effect, without any liability or obligation on the part of Mt. Carmel or Mt. Neboh. This Section 8.2 and Article IX shall survive such termination, provided, however, that nothing herein shall relieve any party from any liability (in contract, tort or otherwise, and whether pursuant to an action at law or in equity) for any knowing or willful breach by a party of any of its representations, warranties, covenants or agreements set forth in this Agreement or in respect of fraud by any party.

Section 8.3 Amendment. This Agreement may be amended by the parties at any time in writing signed on behalf of all of the parties to be bound thereby; provided, however, that after receipt of approval by the lot owners of Mt. Neboh and/or Mt. Carmel, and the New York Supreme Court, there shall not be made any amendment that by law requires any further approval by the lot

owners of Mt. Neboh and Mt. Carmel, or the New York Supreme Court without the further approval of such lot owners, and the New York Supreme Court.

Section 8.4 Extension; Waiver. At any time prior to the Effective Time, a party may (a) extend the time for the performance of any of the obligations or other acts of the other party, (b) waive any inaccuracies in the representations and warranties of the other party contained in this Agreement or in any document delivered pursuant to this Agreement or (c) subject to the proviso of Section 8.3, waive compliance by the other party with any of the agreements or conditions contained in this Agreement. Any agreement on the part of a party to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party. The failure of any party to this Agreement to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of such rights.

ARTICLE IX

GENERAL PROVISIONS

Section 9.1 Nonsurvival of Representations, Warranties and Agreements. None of the representations and warranties in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Effective Time. This Section 9.1 shall not limit any covenant or agreement of the parties which by its terms contemplates performance after the Effective Time.

Section 9.2 Notices. All notices, requests, claims, demands and other communications under this Agreement shall be in writing and shall be deemed given if delivered personally, telecopied (which is confirmed) or sent by overnight courier (providing proof of delivery) to the parties at the following addresses (or at such other address for a party as shall be specified by notice given in like manner) and in each case shall be deemed given upon receipt:

- (a) if to Mt. Carmel, to:

The Mount Carmel Cemetery Association
83-45 Cypress Hills Street
Glendale, New York 11385
Fax No.: (718) 456-4549
Attn: Mark Stempa

with a copy (which shall not constitute notice pursuant to this Section 9.2) to:

Pryor Cashman LLP
7 Times Square
New York, New York 10036
Fax No.: (212) 798-6348
Attn: Richard M. Bethel, Esq.

- (b) if to Mt. Neboh, to:

Mount Neboh Cemetery Association
c/o Edward J. Walsh, Jr.

100 North Village Avenue, Suite 35
Rockville Centre, New York 11570
Fax No.: (516) 442-5416

Section 9.3 Definitions.

For purposes of this Agreement:

(a) an “affiliate” of any person means another person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first person, where “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of a person, whether through the ownership of voting securities, by contract, as trustee or executor, or otherwise.

(b) “Material Adverse Change” or “Material Adverse Effect” means, any change, effect, event, circumstance, occurrence or state of facts that is, or which reasonably could be expected to be, materially adverse to the business, assets, liabilities, condition (financial or otherwise), cash flows, results of operations of Mt. Neboh, or the ability of Mr. Carmel to continue in the business of Mt. Neboh after the Merger in the same manner as it is currently conducted.

(c) “person” means an individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization or other entity.

(d) “knowledge” means (i) with respect to Mt. Neboh, the actual knowledge of Edward J. Walsh, Jr. and (ii) with respect to Mt. Carmel, the actual knowledge of Mark I. Stempa, in either case after due inquiry.

Section 9.4 Interpretation. Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.” The words “hereof,” “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

Section 9.5 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties. A facsimile copy of a signature page shall be deemed to be an original signature page.

Section 9.6 Entire Agreement; No Third-Party Beneficiaries. This Agreement (including the Exhibits and Schedules attached hereto and the documents and instruments executed and delivered in connection herewith) (a) constitute the entire agreement, and supersede all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter of this Agreement and (b) except for the provisions of Section 6.4 which shall inure

to the benefit of and be enforceable by the persons referred to therein, are not intended to confer upon any person other than the parties any rights or remedies.

Section 9.7 Governing Law. This Agreement shall be governed by, and construed in accordance with, the internal substantive and procedural laws of the State of New York, regardless of the laws that might otherwise govern under applicable principles of conflicts of law of such state.

Section 9.8 Assignment. Neither this Agreement nor any of the rights, interests or obligations under this Agreement shall be assigned, in whole or in part, by operation of law or otherwise by any of the parties hereto without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and assigns.

Section 9.9 Consent to Jurisdiction. Each of the parties hereto (a) consents to submit itself to the personal jurisdiction of any Federal court located in the Eastern District or Southern District of New York or any New York state court located in the Borough of Queens or Manhattan in the event any dispute arises out of this Agreement or any of the transactions contemplated by this Agreement, (b) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, and (c) agrees that it will not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than a Federal court sitting in the Eastern District or Southern District of New York or a New York state court located in the Borough of Queens or Manhattan. The parties irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or any of the transactions contemplated by this Agreement in any Federal court located in the Eastern District or Southern District of New York or any New York state court located in the Borough of Queens or Manhattan, and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

Section 9.10 Headings. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.


Section 9.11 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible to the fullest extent permitted by applicable law in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

Section 9.12 Enforcement. The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically

the terms and provisions of this Agreement, this being in addition to any other remedy to which they are entitled at law or in equity.

IN WITNESS WHEREOF, Mt. Carmel and Mt. Neboh have caused this Agreement to be signed by their respective officers thereunto duly authorized, all as of the date first written above.

**THE MOUNT CARMEL CEMETERY
ASSOCIATION**

By: 
Name: MARK I. STENPA
Title: PRESIDENT

MT. NEBOH CEMETERY, INC.


By: 
Name: Edward J. Walsh Jr.
Title: PRESIDENT

EXHIBIT D

REVISED MINUTES OF THE
ADJOURNED BOARD OF DIRECTORS MEETING
OF MOUNT CARMEL CEMETERY ASSOCIATION

Annual Meeting of Adjourned Board of Directors of Mount Carmel Cemetery Association was held at the office of the Cemetery on the 25th day of March 2015 at 10:30 A.M.

Present: Martin A. Fischer
 Mark I. Stempa
 Earl Kramer
 Jay Feder
 Herman Hochberg
 Sr. Rabbi Arthur Schneier
 Malcolm Hoenlein
 Richard Betheil, Esq., Legal Counsel by invitation
 Andrew Muhlstock, C.P.A., by invitation

Mr. Fischer asked for approval of the Minutes of the meeting of December 4, 2014 and upon motion by Sr. Rabbi Schneier and seconded by Mr. Hoenlein the minutes were voted on and unanimously accepted by the Board of Directors.

The Chairman introduced the Directors and the continuance of their terms in office as follows:

| <u>Director</u> | <u>Term Expires</u> |
|---------------------------|---------------------|
| Martin A. Fischer | 2016 |
| Sr. Rabbi Arthur Schneier | 2016 |
| Jay Feder | 2017 |
| Herman Hochberg | 2017 |
| Malcolm Hoenlein | 2018 |
| Earl Kramer | 2018 |
| Mark I. Stempa | 2018 |

As Chairman of the Board, Mr. Fischer brought before the meeting the nomination of Officers for the ensuing year:

Mark I Stempa, President
Earl Kramer, Vice President and Treasurer
Renate Namias, Secretary
Carole Storck, Assistant Treasurer

There being no further nominations, the nominations were declared closed and following a voice vote of all Directors present, the foregoing persons were thereupon duly elected to the offices for which they had been nominated to serve in such capacities for the ensuing year or until their successors shall have been elected.

Legal report was presented by Richard Betheil, Esq. of Pryor Cashman, who provided to all Directors a draft copy of the Agreement and Plan of Merger which is being finalized between the two cemeteries. Upon motion by Mr. Stempa and seconded by Mr. Feder, the Board approved the merger and authorized Counsel and management to proceed with the merger on the general terms indicated by Counsel.

Mr. Kramer gave the report of the Investment Committee. He noted that at year end the total amount of funds being managed was \$91,361,487., including the funds from the Employees' Savings Plan and the Employees' Pension Plan.

He further noted that the funds were being managed by J.P. Morgan Chase, Stifel Nicolas, Morgan Stanley, and Vanguard. He mentioned that the Committee decided that for 2015 active management of the portfolios would be eliminated and that all funds would be invested in exchange-traded funds (ETFs), mutual funds or in index funds.

The Employees' Savings and Pension Plans are invested with a weighting of 70% equities and 30% fixed income. Overall, the Cemetery's funds are invested 60% equities and 40% fixed income.

It was also noted that for 2015, a decision was made to eliminate Stifel Nicolaus and to move those funds to Morgan Stanley, J.P. Morgan Chase and Vanguard.

Mr. Kramer reported on the Investment Policy for Mount Carmel Cemetery (attached) which is in compliance with the not-for-profit laws and the Revitalization Act of 2013.

Mr. Fischer reported that there was good news with regard to the workers' compensation insurance. Mr. Stempa gave the details which will provide a savings in excess of \$60,000.00 per annum from the previous policy which was with the New York State Insurance Fund. The new policy is with NorGuard, an "A" rated insurance company controlled by Berkshire Hathaway.

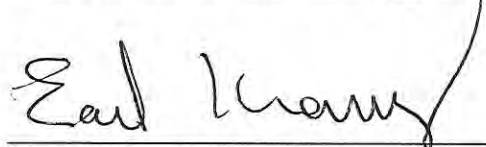
Mr. Stempa reported on the service contract with the Beth Olam group with whom Mount Carmel has a continued relationship with in managing the physical operation of the three synagogues comprising such group. Our fees effective April 1, 2015 are \$170,000., and the relationship continues.

Date for the next Board of Directors meeting will be scheduled for late November/early December 2015. Date to be determined at a later time.

With no other business remaining, the meeting was adjourned.

18 (EK)

These revised Minutes were approved at the December 4, 2019 Board of Directors meeting.



Earl Kramer, Secretary

12/18/19

Date

EXHIBIT E

REVISED MINUTES OF THE ANNUAL MEETING
OF LOT OWNERS OF
MOUNT CARMEL CEMETERY ASSOCIATION

Annual Meeting of Lot Owners of Mount Carmel Cemetery Association was held at the office of the Cemetery on the 25th day of March 2015 at 10:00 A.M.

Present: Martin A. Fischer
 Mark I. Stempa
 Earl Kramer
 Jay Feder
 Herman Hochberg
 Philip Remer
 Sr. Rabbi Arthur Schneier
 Malcolm Hoenlein
 Richard Bethel, Esq., Legal Counsel by invitation
 Andrew Muhlstock, C.P.A., by invitation

Martin A. Fischer, Chairman of the Board of Directors, called the meeting to order and was designated to Chair the meeting and Earl Kramer to act as Secretary thereof.

The Chairman presented to the Acting Secretary an "Affidavit of Publication" issued by the Times Newsweekly attesting to the fact that the notice of the meeting was published in the Times Newsweekly on March 5th, March 12th and March 19, 2015. It was directed that such affidavit be filed and made a part of the minutes of the meeting. Mr. Fischer announced that a quorum of the membership was present. He then submitted proxies in favor of Mark I. Stempa and Earl Kramer by lot owners, which permitted them to exercise a total of 22,590 votes for the election of Directors whose terms were expiring.

The Chairman reviewed the minutes of the meeting of March 26, 2014. The minutes were accepted by motion by Sr. Rabbi Schneier and seconded by Mr. Hoenlein. The minutes were voted on and unanimously accepted by the Board of Directors.

Mark Stempa, President, and Andrew Muhlstock, the independent public accountant for the Cemetery, reviewed the financial report of the Cemetery Association for the fiscal period ended December 31, 2014. Mr. Stempa announced that the status of the various Trust funds included investments at cost. He reported that there had been \$705,967., in total additions to the Permanent Maintenance Fund so that the Permanent Maintenance fund now amounts to \$7,696,813. The Perpetual Care Fund reflected \$454,563., in new endowments so that the Perpetual Care Fund now totals \$44,912,362. The Perpetual Care Reserve Fund amounted to \$2,324,452. There was an increase in net assets of the General Fund of \$2,715,232., and the General Fund amounted to \$33,263,790.

The total net assets of all funds of the Cemetery amounted to \$88,197,417., as of December 31, 2014.

The Audit Committee comprised of Malcolm Hoenlein, Herman Hochberg and Sr. Rabbi Arthur Schneier met with Andrew Muhlstock on March 16, 2015. Mr. Hoenlein reported on this meeting indicating that land sales and investments were doing well. Mr. Muhlstock pointed out that operating expenses were \$5,631,244. vs. \$5,555,023. in the prior year.

A discussion of the Board then ensued, at the conclusion of which the following resolution was unanimously adopted:

RESOLVED: That the financial report of Mount Carmel Cemetery Association for the fiscal year ended December 31, 2014, as prepared by Schulman Lobel Land Katzen Williams & Blackman LLP, certified public accountants and the Audit Committee Report, be and the same is hereby ratified and approved. Approval of membership by proxies voted was accepted by motion by Mr. Feder and seconded by Mr. Kramer.

Grave openings were 577 in 2014 compared to 595 in 2013, resulting in a decrease of 18 grave openings in 2014. As of 12/31/14 the total grave inventory for Mount Carmel Cemetery, including the sections of Hungarian Union Fields and Knollwood Park, is approximately 1,800 graves. Land Sales in 2014 amounted to \$2,750,915., with sales of 421 graves. The PMF was increased by approximately \$705,967., due to the land sales.

Mr. Fischer indicated that effective as of the Lot Owners Meeting held March 25, 2015, Philip Remer has retired as a Director of Mount Carmel Cemetery after serving for a period in excess of 25 years. Sr. Rabbi Schneier on behalf of the entire Board of Directors bestowed and complimented Mr. Remer for his devotion and tenacity of working for the betterment of Mount Carmel Cemetery. Sr. Rabbi Schneier has proposed, subject to a review by Counsel, the status of honorary director emeritus for Mr. Remer in appreciation for his service over these many years. Voted and unanimously approved by the Board of Directors such resolution subject to appropriate compliance as Counsel may direct.

Mr. Feder brought before the meeting nominations of those Directors whose terms were expiring.

Mr. Fischer made a motion nominating that the Directors whose terms were expiring should be elected as follows:

| | |
|--------------------|----------------|
| Malcolm I Hoenlein | 2018 (3 years) |
| Mark I. Stempa | 2018 (3 years) |
| Earl Kramer | 2018 (3 years) |

Motion was seconded by Sr. Rabbi Schneier. All lot owners present and lot owners by proxy voted affirmative to the re-election of the aforementioned Directors.

Mr. Stempa indicated that the Cemetery was in excellent condition with minimal complaints from lot owners. He further commented that the Cemetery is currently operating with 8 full-time grave diggers, 5 supervisory personnel, a Director of Operations, and approximately 42 seasonal employees. Ten seasonal employees will commence work on April 8, 2015 and the balance of approximately 35-40 men will commence work in the latter part of April.

Mr. Stempa indicated that there will be a need to purchase a new Ford 350 dump truck to replace our 1992 vehicle. The demolition of the administrative building in New Mount Carmel will be finalized within the next month and we are in the process of purchasing a Cassone container office to be used by our seasonal employees during the maintenance season. The cost for this container is approximately \$17,000.

Legal report was presented by Richard Betheil, Esq. of Pryor Cashman, who indicated that he had been working with Counsel for Mount Neboh Cemetery regarding a merger with Mount Neboh and Mount Carmel Cemeteries. Mr. Betheil supplied to all Directors a draft copy of the Agreement and Plan of Merger which is being finalized between respective Counsels. Such merger will produce additional cemetery endowment into Mount Carmel Cemetery with ability to sell unused plots by Mount Carmel and to assume the ordinary and prudent risks of takeover of Mount Neboh's assets and unused lots. Upon motion by Mr. Stempa and seconded by Mr. Feder, approval by all of the Lot Owners present in person or by proxy authorizing Counsel and management to proceed with the merger as indicated on the general terms indicated by Counsel.

Mr. Betheil advised the Board that he is reviewing the changes to the By-Laws as proposed by Stroock Stroock and Levan. After review he will circulate the new By-Laws to the Board.

Mr. Fischer discussed with the Board the next scheduled date for the Annual Meeting of Lot Owners. This meeting is scheduled for Wednesday, March 23, 2016, at 10:00 A.M. to be held at the main office of the Cemetery.

As there was no further business, the meeting was adjourned.

18 Ek

These revised Minutes were approved at the December 4, 2019 Board of Directors meeting.



Earl Kramer, Secretary

12/18/19

Date

EXHIBIT F

Minutes of a Special Meeting of the Directors of Mount Neboh Cemetery Association

A Special Meeting of the Board of Directors of Mount Neboh Cemetery Association was held pursuant to notice on Thursday, October 22, 2020. The Meeting was held telephonically to comply with the Governor's Executive Order 202.8.

The following Directors were present:

Edward J. Walsh Jr.

Charles Rothschild

Thomas F. Walsh

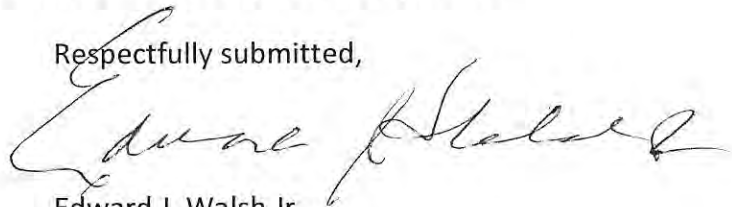
constituting a majority of the Directors.

Edward J. Walsh Jr. presided at the Meeting and also acted as Secretary. Mr. Walsh noted that the sole matter to come before the Meeting was the proposed merger of Mount Neboh Cemetery Association with and into Mount Carmel Cemetery Association. He reminded the Directors that a proposed Merger Agreement had been approved by the Directors and Members on September 26, 2017.

On motion duly made and seconded, the Merger of Mount Neboh Cemetery Association with and into Mount Carmel Cemetery Association with Mount Carmel Cemetery Association being the surviving Corporation was unanimously approved.

There being no further business to come before the Meeting, it was adjourned.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Edward J. Walsh Jr.', is written over the printed name below.

Edward J. Walsh Jr.
Acting Secretary

Minutes of a Special Meeting of the members of Mount Neboh Cemetery Association

A Special Meeting of the Members of Mount Neboh Cemetery Association was held on Thursday, October 22, 2020 telephonically (to comply with The Governor's Executive Order 202.8) The meeting was held to consider and vote on the Merger of Mount Neboh Cemetery Association with and into Mount Carmel Cemetery Association with Mt Carmel being the surviving corporation

Present in person were Edward J Walsh Jr President of the Association, and Charles Rothschild a director and vice President and Thomas F Walsh, a director of The Association Also present was Mark Stempa, President of Mt Carmel Cemetery Association, The owner ¹⁶⁸~~166~~ lots in Mount Neboh Cemetery

Mr Edward J Walsh Jr presided at the meeting and acted as Secretary as well. The Secretary presented a copy of the Notice of Meeting and proof of publication thereof which were ordered appended to the minutes of the meeting

The President announced that the only business before the meeting was approval of The Plan and Agreement of Merger of Mount Neboh Cemetery Association with and into Mount Carmel Cemetery Association He explained that that the Plan and Agreement of Merger had been unanimously adopted and approved by the Association, s Board of Directors

Renate Namias was appointed inspector of election and Teller Proxies of

1,766 lot owners and associations of lot owners appointing Mr Walsh to vote their shares and 92 graves held in the Mt Neboh name were unanimously voted in favor of the Merger

The merger having been approved there was no other business to come before the meeting and it was adjourned

Respectfully Submitted

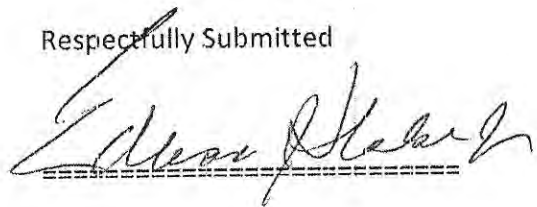
A handwritten signature in dark ink, appearing to read "Edward J Walsh Jr", is written over a series of horizontal dashed lines.

EXHIBIT G



Division of Cemeteries

Department of State
DIVISION OF CEMETERIES
One Commerce Plaza
99 Washington Avenue
Albany, NY 12231-0001
Telephone: (518) 474-6226
www.dos.ny.gov

SCHEDULE A – INCOME AND EXPENSES AND FUND BALANCES

For any income or expense category where there is a significant increase or decrease in income or expenses, please provide a brief explanation. Not all cemeteries will have income and expenses in all of these categories

| | | | | |
|---|--|-------------------|-------------------|-------------------|
| Cemetery Name Mount Carmel Cemetery Association | New York State Cemetery Five Digit ID Number 41 — 007 | | | |
| YEAR ENDING (enter last date of year reporting for each column, i.e. 12/31/20) | 12/31/2020 | 12/31/2019 | 12/31/2018 | 12/31/2017 |

SIZE AND INVENTORY

| | | | | |
|-------------------------------|--------|--------|--------|--------|
| Acres-Total | 120.00 | 120.00 | 120.00 | 120.00 |
| Acres-Developed | 118.50 | 118.50 | 118.50 | 118.50 |
| Acres-Developed and Available | 1.50 | 1.50 | 1.50 | 1.50 |

BURIALS AND LOT SALES

| | | | | |
|--|--------|--------|--------|--------|
| Burials | 660.00 | 532.00 | 534.00 | 568.00 |
| Number of lots (graves, crypts, niches) sold | 233.00 | 236.00 | 250.00 | 244.00 |

INCOME (RECEIPTS)

| | | | | |
|---|------------------------|------------------------|------------------------|-------------------------|
| Lots and grave sales | \$ 2,051,000.00 | \$ 2,020,802.00 | \$ 2,112,061.00 | \$ 2,077,761.00 |
| Interment fees | \$ 1,206,773.00 | \$ 935,178.00 | \$ 927,699.00 | \$ 894,176.00 |
| Foundations | \$ 565,919.00 | \$ 485,112.00 | \$ 427,884.00 | \$ 406,839.00 |
| Dividends and interest | \$ 1,843,528.00 | \$ 1,721,389.00 | \$ 1,393,162.00 | \$ 1,817,202.00 |
| Donations | | | | |
| Other-specify; Care & planting - annual care attach additional sheet(s) as needed | \$ 677,281.00 | \$ 722,082.00 | \$ 711,380.00 | \$ 715,642.00 |
| Other-specify; Perpetual care endowments attach additional sheet(s) as needed | \$ 780,813.00 | \$ 676,072.00 | \$ 715,814.00 | \$ 721,399.00 |
| Other-specify; See attached schedule attach additional sheet(s) as needed | \$ 1,645,055.00 | \$ 1,700,766.00 | \$ 1,672,106.00 | \$ 4,197,711.00 |
| TOTAL RECEIPTS | \$ 8,770,369.00 | \$ 8,261,401.00 | \$ 7,960,106.00 | \$ 10,830,730.00 |

SCHEDULE A – INCOME AND EXPENSES AND FUND BALANCES

| | | | | |
|--|-------------------|--|-------------------|-------------------|
| Cemetery Name Mount Carmel Cemetery Association | | New York State Cemetery Five Digit ID Number 41 007 | | |
| YEAR ENDING | 12/31/2020 | 12/31/2019 | 12/31/2018 | 12/31/2017 |
| EXPENSES (DISBURSEMENTS) | | | | |
| Employee Wages | \$ 2,405,416.00 | \$ 2,381,992.00 | \$ 2,328,399.00 | \$ 2,183,960.00 |
| Independent Contractor Grave Openings | | | | |
| Independent Contractor Maintenance and Mowing | | | | |
| Salaries of Officers | \$ 320,658.00 | \$ 304,475.00 | \$ 294,673.00 | \$ 289,211.00 |
| Supplies and Repairs | \$ 443,239.00 | \$ 481,505.00 | \$ 377,246.00 | \$ 412,610.00 |
| Equipment | \$ 85,407.00 | \$ 78,994.00 | \$ 105,338.00 | \$ 95,919.00 |
| Insurance – General Liability | \$ 231,894.00 | \$ 155,809.00 | \$ 193,491.00 | \$ 191,968.00 |
| Workers Compensation | \$ 141,440.00 | \$ 197,740.00 | \$ 293,661.00 | \$ 227,718.00 |
| Commercial Crime/ Employee Dishonesty | | | | |
| Vandalism and Assessment Fee | | | | |
| Other – specify; See attached schedule attach additional sheet as needed | \$ 1,379,796.00 | \$ 1,379,939.00 | \$ 1,250,087.00 | \$ 1,423,031.00 |
| Other – specify; attach additional sheet as needed | | | | |
| Other – specify; attach additional sheet as needed | | | | |
| TOTAL DISBURSEMENTS | \$ 5,007,850.00 | \$ 4,980,454.00 | \$ 4,842,895.00 | \$ 4,824,417.00 |
| OPERATING SURPLUS (LOSS) | \$ 3,762,519.00 | \$ 3,280,947.00 | \$ 3,117,211.00 | \$ 6,006,313.00 |
| INTER-FUND TRANSFERS | | | | |
| Transfers | | | | |
| To Operating Account | | | | |
| From permanent maintenance fund (retained income from previous years) | \$ 140,047.00 | \$ 148,351.00 | \$ 130,007.00 | \$ 139,581.00 |
| From other funds (i.e., perpetual care, special, bequests, pre-need, etc.) | \$ 1,162,673.00 | \$ 1,119,306.00 | \$ 1,019,251.00 | \$ 1,210,028.00 |
| TOTAL TRANSFERS FROM OTHER FUNDS TO OPERATING ACCOUNT | \$ 1,302,720.00 | \$ 1,267,657.00 | \$ 1,149,258.00 | \$ 1,349,609.00 |
| Transfers | | | | |
| From Operating Account | | | | |
| To permanent maintenance fund | \$ 221,946.00 | \$ 226,981.00 | \$ 240,001.00 | \$ 237,353.00 |
| To other funds (i.e., perpetual care, special, bequests, pre-need, etc.) | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| TOTAL TRANSFERS FROM OTHER FUNDS FROM OPERATING ACCOUNT | \$ 221,946.00 | \$ 226,981.00 | \$ 240,001.00 | \$ 237,353.00 |

SCHEDULE A – INCOME AND EXPENSES AND FUND BALANCES

| | | | | |
|--|------------|--|------------|------------|
| Cemetery Name Mount Carmel Cemetery Association | | New York State Cemetery Five Digit ID Number 41 007 | | |
| YEAR ENDING | 12/31/2020 | 12/31/2019 | 12/31/2018 | 12/31/2017 |

FINANCIAL ASSETS (FUND BALANCES)

| | | | | |
|-------------------------------|--------------------------|--------------------------|--------------------------|-------------------------|
| General Fund | \$ 44,343,182.00 | \$ 42,261,206.00 | \$ 40,548,748.00 | \$ 38,580,893.00 |
| Permanent Maintenance Fund | \$ 8,759,346.00 | \$ 8,520,593.00 | \$ 8,282,607.00 | \$ 8,064,261.00 |
| Perpetual Care | \$ 54,956,396.00 | \$ 53,514,606.00 | \$ 52,184,103.00 | \$ 51,253,093.00 |
| Special Trust | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| Other | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| TOTAL FINANCIAL ASSETS | \$ 108,058,924.00 | \$ 104,296,405.00 | \$ 101,015,458.00 | \$ 97,898,247.00 |

PER ACRE ANALYSIS`

| | | | | |
|--------------------------------------|---------------|---------------|---------------|---------------|
| Total Income Per Developed Acre | \$ 74,011.55 | \$ 69,716.46 | \$ 67,173.89 | \$ 91,398.57 |
| Total Expense Per Developed Acre | \$ 42,260.34 | \$ 42,029.15 | \$ 40,868.31 | \$ 40,712.38 |
| Net Income (Loss) Per Developed Acre | \$ 31,751.22 | \$ 27,687.32 | \$ 26,305.58 | \$ 50,686.19 |
| Funds Per Developed Acre | \$ 911,889.65 | \$ 880,138.44 | \$ 852,451.12 | \$ 826,145.54 |

Permanent Maintenance Loan

| | |
|------------------------|--|
| Approved Date | |
| Original Loan Amount | |
| Current Balance | |

NOTES:

Mount Carmel Cemetery Association
Schedule of Income (Receipts) - Other
NYS Five Digit ID Number: 41-007

| | <u>12/31/20</u> | <u>12/31/19</u> | <u>12/31/18</u> | <u>12/31/17</u> |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|
| Service contracts | \$ 200,326 | \$ 230,820 | \$ 316,237 | \$ 328,415 |
| Equipment usage | 3,805 | 5,991 | 8,220 | 9,871 |
| Miscellaneous income | 72,486 | 101,963 | 88,844 | 66,785 |
| Gains on sales of investments | 1,368,438 | 1,361,992 | 1,258,805 | 3,786,239 |
| Gains on sales of property asset | - | - | - | 6,401 |
| | <u>\$ 1,645,055</u> | <u>\$ 1,700,766</u> | <u>\$ 1,672,106</u> | <u>\$ 4,197,711</u> |

Mount Carmel Cemetery Association
Schedule of Income and Expenses and Fund Balances - Other
NYS Five Digit ID Number: 41-007

| | <u>12/31/20</u> | <u>12/31/19</u> | <u>12/31/18</u> | <u>12/31/17</u> |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|
| Refuse removal | \$ 108,529 | \$ 84,693 | \$ 60,940 | \$ 85,244 |
| Gas and oil | 20,885 | 37,211 | 45,486 | 55,543 |
| Office and general expenses | 48,387 | 46,356 | 46,096 | 57,135 |
| Telephone | 14,998 | 19,728 | 13,422 | 13,684 |
| Data processing | 9,576 | 8,865 | 9,856 | 9,750 |
| Utilities | 51,789 | 59,486 | 60,694 | 53,540 |
| Professional fees | 132,436 | 117,255 | 122,926 | 134,201 |
| Stationery and printing | 29,284 | 23,734 | 17,841 | 19,030 |
| Security | 5,846 | 13,667 | 8,911 | 6,461 |
| Payroll taxes | 257,418 | 286,044 | 287,859 | 283,484 |
| Employee benefits | 495,033 | 472,269 | 367,297 | 482,162 |
| Directors' fee | 89,000 | 94,000 | 101,500 | 109,000 |
| Depreciation | 116,615 | 116,631 | 107,259 | 113,797 |
| | <u>\$ 1,379,796</u> | <u>\$ 1,379,939</u> | <u>\$ 1,250,087</u> | <u>\$ 1,423,031</u> |

Mount Carmel Cemetery Association

NYS Five Digit ID Number: 41-007

Schedule A – Income and Expenses and Fund Balances

Income

Lots and Grave Sales

Explanations for significant increase in 2018:

The increase from 2017 to 2018 was a direct result of the cemetery being more aggressive and successful in selling graves.

Interment Fees

Explanation for significant increases in 2018 and 2020:

The significant increase during 2018 was due to the cemetery performing more interments and increased the interment fees being charged. Additionally, the significant increase during 2020 was due to the significant number of burials during the March – April timeframe as result of COVID-19.

Foundations

Explanations for significant increases in 2019 and 2020:

The significant increase in 2019 was a result of an increased workload generated from the increase in interments in 2018. Also, the significant increase in 2020 was due to the increase in interments resulting from COVID-19.

Perpetual Care Endowments

Explanation for significant decrease in 2019:

During 2019 perpetual care endowments decreased as a result of interments remaining relatively flat from 2018 to 2019.

Explanation for significant increase in 2020:

As a result of COVID-19, interments increased significantly which ultimately generated additional perpetual care endowments.

Gains on Sales of Investments

Explanation for significant decrease in 2018:

During 2017, the cemetery took advantage of selling a significant amount of highly appreciated securities and therefore recognizing a substantial gains on sales of investments. During 2018, the cemetery sold less highly appreciated securities than in 2017.

Mount Carmel Cemetery Association

NYS Five Digit ID Number: 41-007

Schedule A – Income and Expenses and Fund Balances

Expenses

Supplies and Repairs

Explanation for significant increase in 2019:

During 2019, the increase is a result of the cemetery repurchasing additional graves in comparison to 2018 and additional maintenance charges incurred for groundskeeping projects in 2019.

Explanation for significant decrease in 2020:

As a result of COVID-19 and the cemetery having to focus on the significant number of burials during the March – April timeframe, the cemetery had to put on hold some of the groundskeeping work which reduced such related costs.

Equipment

Explanation for significant decrease in 2019:

The decrease in 2019 is a result of one vehicle purchased in 2018 and no such large purchases were made in 2019.

Insurance – General Liability

Explanation for significant decrease in 2019:

The insurance premiums decreased in 2019 as a result of timing of when payments were made and the cemetery being able to negotiate slightly better premium rates.

Explanation for significant increase in 2020:

The insurance premiums increased in 2020 as a result of the cemetery not being able to negotiate better premiums and having to incur significantly higher premium rates.

Workers Compensation

Explanation of significant decreases in 2019 and 2020:

The workers compensation insurance premiums decreased in 2019 as a result of the cemetery having lower claims experience in 2018. Additionally, the cemetery incurred a further decrease in workers compensation insurance premiums in 2020 as a result of having a favorable claims experience in 2019.

Employee Benefits

Explanation for significant decrease in 2018:

The decrease in 2018 is a direct result of the closing of the defined benefit pension plan and receiving a refund of approximately \$71,000 for overfunding compared with having to make a required contribution payment of approximately \$100,000 in 2017.

Mount Carmel Cemetery Association

NYS Five Digit ID Number: 41-007

Schedule A – Income and Expenses and Fund Balances

Expenses (continued)

Payroll Taxes

Explanation for significant decrease in 2020:

During 2020, the cemetery was entitled to payroll tax credits provided for by the CARES Act.

EXHIBIT H



Division of Cemeteries

New York State
Department of State
DIVISION OF CEMETERIES
One Commerce Plaza
99 Washington Avenue
Albany, NY 12231-0001
Telephone: (518) 474-6226
www.dos.ny.gov

ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

CEMETERIES THAT FILE CPA REPORTS MUST ALSO COMPLETE THIS REPORT. ATTACH ADDITIONAL PAGES IF NEEDED.

PART ONE – GENERAL INFORMATION

| | |
|--|---|
| Reporting Year End Date – Report due 90 days after end of fiscal year (March 31 for most cemeteries) 12/31/2020 | |
| Cemetery Name MOUNT CARMEL CEMETERY | Cemetery County QUEENS COUNTY |
| New York State – Cemetery Five Digit ID Number 4 1 — 0 0 7 | Federal ID Number – Nine Digit ID Number 111104550 |
| Mailing Address (include name if address is that of an Officer) 83-45 CYPRESS HILLS STREET | |
| City, Town or Village GLENDALE | NY Zip Code 11385 |

PERSON KEEPING FINANCIAL RECORDS

| | | | |
|--|--|---|--------|
| Name and Title MARK I. STEMPA, PRESIDENT | | Mailing Address CALL #276, PO BOX 860093, RIDGEWOOD NY 11386 | |
| Telephone Number (718) 366-5900 | | E-Mail Address MARKSTEMPA@YAHOO.COM | |
| NUMBER OF BURIALS – FOR REPORTING YEAR | | CEMETERY LANDS – IN ACRES | |
| Number of Body Burials 646 | Current Lot Price-if multiple prices, write "various" | Sold – To Date | 118.50 |
| Number of Cremains Buried from NYS Crematories 5 | Adult Interment Fee \$ 1,772.00 | Unsold - Developed | 1.50 |
| Number of Cremains Buried from Out-of-State Crematories 9 | Cremation Interment Fee \$ 1,214.00 | Unsold - Undeveloped | 0.00 |
| Total Burials for Reporting Year 660 | Cremation Fee for Crematory Use only | Total Acreage | 120.00 |
| Number Cremations Performed | Estimated Burial Spaces Remaining Including In Ground, Mausoleum Crypts and Columbarium niches | | 0 |

INSURANCE COVERAGE – Commercial Crime/Employee Dishonesty

| | |
|---|---|
| \$ 500,000.00 | 3-15-2022 |
| AMOUNT OF COVERAGE | EXPIRATION DATE OF POLICY |
| ALL EMPLOYEES | TRAVELER'S CASUALTY & SURETY CO. OF AMERICA |
| CLASSES OF PERSONS (DIRECTORS, EMPLOYEES, OFFICERS, ETC.) COVERED | NAME OF CARRIER |

- ☐ Check if the Division has previously granted a reduction, waiver or modification of this requirement.
- ☒ Directors and trustees must annually disclose any possible conflicts of interest in a written statement. Check here to confirm that your directors and trustees have done so. Do not attach the statements to your Annual Financial Report.

FINANCIAL STATEMENT CERTIFICATION

The undersigned officials of the MOUNT CARMEL CEMETERY ASSOCIATION Cemetery Corporation certify that we have thoroughly reviewed this Annual Financial Report. To the best of our knowledge this Annual Financial Report and the cemetery's operating statement and accounting assets are complete, accurate, free from any misstatements and are not misleading in any respect.

X Carole Storck
TRUSTEE SIGNATURE
CAROLE STORCK, ASSISTANT TREASURER
NAME AND TITLE (PRINT)
X Mark I. Stempa
TRUSTEE SIGNATURE
MARK I. STEMPA, PRESIDENT
NAME AND TITLE (PRINT)

3/24/21
DATE
3/24/21
DATE

ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

PART TWO – OPERATING STATEMENT

| | |
|---|---|
| CEMETERY NUMBER AND NAME MOUNT CARMEL CEMETERY ASSOCIATION, #41007 | DATE – Reporting Year End 12/31/2020 |
|---|---|

① Operating Account Balance – Beginning..... \$ 42,261,206.00

RECEIPTS (INCOME)

(You may attach a statement of income and expense in lieu of completing this section if it contains all the information required below. ALL BOLDED LINES MUST BE FILLED OUT)

| | |
|--|-------------------------|
| a. Lot Sales (gross) (includes niche, crypts, mausoleums, etc.)..... | \$ 2,051,000.00 |
| b. Interment Income..... | \$ 1,183,708.00 |
| c. Foundations..... | \$ 565,919.00 |
| d. Dividends and Interest (deposited in reporting year)..... | \$ 713,777.00 |
| e. Donations and Bequests..... | \$ |
| f. Other Receipts (complete schedule on next page)..... | \$ 1,471,583.00 |
| g. SUBTOTAL - OPERATING REVENUES... (Add lines a – f)... | +\$ 5,985,987.00 |

DISBURSEMENTS (EXPENSES)

| | |
|--|--------------------------|
| h. Employee Wages..... | \$ 2,416,599.00 |
| i. Independent Contractor - Grave Opening..... | \$ |
| j. - Maintenance and Mowing..... | \$ |
| k. Salaries of Officers and Directors..... | \$ 398,475.00 |
| l. Supplies and Repairs..... | \$ 443,239.00 |
| m. Equipment..... | \$ 85,407.00 |
| n. Insurance - General Liability..... | \$ 231,894.00 |
| o. - Workers Compensation..... | \$ 141,440.00 |
| p. - Commercial Crime/Employee Dishonesty..... | \$ |
| q. Vandalism and Assessment Fee..... | \$ |
| r. Other Disbursements (complete schedule on next page)..... | \$ 1,290,796.00 |
| s. SUBOTAL - DISBURSEMENTS... (Add lines h – r)..... | - \$ 5,007,850.00 |

② Net Operating Surplus OR Deficit (Operating Revenue - line g Less Disbursements - line s) \$ 978,137.00

TRANSFERS TO OPERATING ACCOUNT (COMPLETE THIS ENTIRE SECTION EVEN IF YOU FILE A CPA REPORT)

| | |
|---|-----------------|
| From Trust Funds (Retained Income from Previous Years)..... | \$ 1,325,785.00 |
| From Other Funds (i.e., Special, Bequests, Pre-need, etc.)..... | \$ |

③ TOTAL TRANSFERS TO OPERATING ACCOUNT..... + \$ 1,325,785.00

TRANSFERS FROM OPERATING ACCOUNT

To Permanent Maintenance Fund*

| | |
|-----------------------------------|---------------|
| Minimum of 10 % of Lot Sales..... | \$ 198,881.00 |
| \$35 per Interment | \$ 23,065.00 |
| Other (Loan Payments, etc.)..... | \$ |

| | |
|-----------------------------|----|
| To Perpetual Care Fund..... | \$ |
| To Other Funds | \$ |

④ TOTAL TRANSFERS FROM OPERATING ACCOUNT TO PM, PC, AND OTHER FUNDS..... - \$ 221,946.00

Operating Account Balance – ENDING (Total lines 1 – 3 less line 4) \$ 44,343,182.00

DIVIDENDS AND INTEREST

Total Dividends and Interest Earned in the Reporting Year (from all accounts)..... \$ 1,843,528.00

*By law, a cemetery must deposit into its Permanent Maintenance fund at least 10% of the gross proceeds of lot and grave sales and \$35.00 for every interment including cremated remains.

ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

PART TWO – OPERATING STATEMENT

| | |
|---|---|
| CEMETERY NUMBER AND NAME MOUNT CARMEL CEMETERY ASSOCIATION, #41007 | DATE – Reporting Year End 12/31/2020 |
|---|---|

Other Receipts – Detail Schedule

| | | |
|----------------------|----|------------|
| CARE & PLANTING - | \$ | |
| ANNUAL CARE | \$ | 677,281.00 |
| SERVICE CONTRACTS | \$ | 200,326.00 |
| EQUIPMENT USAGE | \$ | 3,805.00 |
| MISCELLANEOUS INCOME | \$ | 72,486.00 |
| GAINS ON SALES OF | \$ | |
| INVESTMENTS | \$ | 517,685.00 |
| | \$ | |
| | \$ | |
| | \$ | |
| | \$ | |
| | \$ | |
| | \$ | |
| | \$ | |
| | \$ | |

Other Receipts (must equal total
on line f on previous page.) \$ 1,471,583.00

Other Disbursements – Detail Schedule

| | | |
|-----------------------|----|------------|
| REFUSE REMOVAL | \$ | 108,529.00 |
| ADVERTISING | \$ | 553.00 |
| GAS AND OIL | \$ | 20,885.00 |
| OFFICE & GENERAL EXP | \$ | 47,834.00 |
| TELEPHONE | \$ | 14,998.00 |
| DATA PROCESSING | \$ | 9,576.00 |
| UTILITIES | \$ | 51,789.00 |
| PROFESSIONAL FEES | \$ | 132,436.00 |
| STATIONERY & PRINTING | \$ | 29,284.00 |
| SECURITY | \$ | 5,846.00 |
| PAYROLL TAXES | \$ | 257,418.00 |
| EMPLOYEE BENEFITS | \$ | 495,033.00 |
| DEPRECIATION | \$ | 116,615.00 |
| | \$ | |

Other Disbursements (must equal
total on line r on previous page.) \$ 1,290,796.00

PART THREE – STATEMENT OF OPERATING FUNDS & TRUST FUNDS

GENERAL FUND (GF) – SCHEDULE OF ACCOUNTS and BALANCES

List reporting year end balances of all accounts containing GF. For all investment accounts, also list cost basis. Attach schedule if additional space is required.

| Financial Institution | Last 4 Digits of Account # | Type* of Account | Balance-Reporting Year End- at Market | Balance-Reporting Year End- at Cost |
|--|-------------------------------|---------------------|---|---|
| 1. SEE ATTACHED SCHEDULE | | | \$ 50,675,213.00 | \$ 41,661,101.00 |
| 2. | | | \$ | |
| 3. | | | \$ | |
| 4. | | | \$ | |
| 5. | | | \$ | |
| Total of General Fund Assets at Reporting Year End | | | \$ 50,675,213.00 | \$ 41,661,101.00 |

*Type = CD, Mutual Fund, Savings Account, Stocks, etc.

**MOUNT CARMEL CEMETERY ASSOCIATION
GENERAL FUND
DECEMBER 31, 2020**

| <u>Financial Institution</u> | <u>Last 4 Digits of Account</u> | <u>Type of Account</u> | <u>12-31-20 Balance at Market</u> | <u>12-31-20 Balance at Cost</u> |
|------------------------------|-------------------------------------|----------------------------|---------------------------------------|-------------------------------------|
| Petty Cash | | Cash | 700 | 700 |
| JP Morgan Chase | 6079 | Cash | 268,945 | 268,945 |
| JP Morgan Chase | 7280 | Cash | 55,422 | 55,422 |
| JP Morgan Chase | 9852 | Cash | 1,898 | 1,898 |
| JP Morgan Chase | 3911 | Cash | 44,085 | 44,085 |
| JP Morgan Chase | 227 | Cash | 1,287,607 | 1,287,607 |
| JP Morgan Chase | 216 | Investments | 831,444 | 831,444 |
| JP Morgan Chase | 227 | Investments | 48,185,112 | 39,171,000 |
| | | Total | <u>\$ 50,675,213</u> | <u>\$ 41,661,101</u> |

ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

PART THREE – STATEMENT OF OPERATING FUNDS & TRUST FUNDS

| | |
|---|---|
| CEMETERY NUMBER AND NAME MOUNT CARMEL CEMETERY ASSOCIATION, #41007 | DATE – Reporting Year End 12/31/2020 |
|---|---|

PERMANENT MAINTENANCE FUND – SCHEDULE OF ACCOUNTS and BALANCES

Permanent Maintenance (PM) Assets – List reporting year end balances of all accounts containing PM funds. For all investment accounts, also list cost basis. You may attach a schedule or list all on separate sheet if additional space is required, but you must complete Line A, below.

| Financial Institution | Last 4 Digits of Account # | Type* of Account | Balance-Reporting Year End- at Market | Balance-Reporting Year End- at Cost |
|---|-------------------------------|---------------------|---|---|
| 1. SEE ATTACHED SCHEDULE | | | \$ 11,162,335.00 | \$ 8,677,447.00 |
| 2. | | | \$ | \$ |
| 3. | | | \$ | \$ |
| 4. | | | \$ | \$ |
| 5. | | | \$ | \$ |
| A. Total of Permanent Maintenance Assets at Reporting Year End | | | \$ 11,162,335.00 | \$ 8,677,447.00 |

*Type = CD, Mutual Fund, Savings Account, Stocks, etc.

PERMANENT MAINTENANCE (PM) FUND RECONCILIATION

| | |
|---|------------------------|
| 1. PM Fund Balance – Beginning | \$ 8,520,593.00 |
| ADDITIONS TO PM | |
| 2. Allocations from Lot Sales (at least 10% of gross lot sales) | \$ 92,900.00 |
| 3. Allocations from Interments (\$35 per interment) | \$ 23,065.00 |
| 4. Allocations from Installment Payments (from Part 5A) | \$ 105,981.00 |
| 5. Income (Interest and Dividends) | \$ 140,047.00 |
| 6. Realized Capital Gains | \$ 16,807.00 |
| 7. PM Loan Repayments | \$ |
| 8. Other Additions to PM | \$ |
| 9. SUBTOTAL ADDITIONS (Lines 2 through 8) | + \$ 378,800.00 |
| WITHDRAWALS/DEDUCTIONS FROM PM | |
| 10. Transfer of Income (Interest and Dividends) | \$ 140,047.00 |
| 11. Realized Capital Losses | \$ |
| 12. PM Loans withdrawn | \$ |
| 13. Deduction of 2/3 of investment advisory fees on PM account | \$ |
| 14. SUBTOTAL DEDUCTIONS (Lines 10 through 13) | - \$ 140,047.00 |
| 15. Balance at Reporting Year End (Line 1 plus Line 9, minus Line 14) | \$ 8,759,346.00 |

**MOUNT CARMEL CEMETERY ASSOCIATION
PERMANENT MAINTENANCE FUND
DECEMBER 31, 2020**

| <u>Financial Institution</u> | <u>Last 4 Digits of Account</u> | <u>Type of Account</u> | <u>12-31-20 Balance at Market</u> | <u>12-31-20 Balance at Cost</u> |
|------------------------------|-------------------------------------|----------------------------|---------------------------------------|-------------------------------------|
| JP Morgan Chase | 2106 | Cash | 240,437 | 240,437 |
| JP Morgan Chase | 2106 | Investments | <u>10,921,898</u> | <u>8,437,010</u> |
| | | Total | <u>\$ 11,162,335</u> | <u>\$ 8,677,447</u> |

ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

PART THREE – STATEMENT OF OPERATING FUNDS & TRUST FUNDS

| | |
|---|---|
| CEMETERY NUMBER AND NAME MOUNT CARMEL CEMETERY ASSOCIATION, #41007 | DATE – Reporting Year End 12/31/2020 |
|---|---|

SPECIAL TRUST FUNDS – SCHEDULE OF ACCOUNTS and BALANCES (IF THE CEMETERY HAS SUCH TRUST FUNDS)

List reporting year end balances of all accounts containing Special Trust Funds (such as restricted donations or bequests). For all investment accounts, also list cost basis. Attach schedule or list all on separate sheet if additional space is required. Attach copies of instruments establishing new bequests received during the reporting year. Attach schedule or list all on separate sheet if additional space is required.

| Financial Institution | Last 4 Digits of Account # | Type* of Account | Balance-Reporting Year End- at Market | Balance-Reporting Year End- at Cost |
|--|-------------------------------|---------------------|---|---|
| 1. NONE | | | \$ | \$ |
| 2. | | | \$ | \$ |
| 3. | | | \$ | \$ |
| 4. | | | \$ | \$ |
| 5. | | | \$ | \$ |
| Total of Special Trust Fund Assets at Reporting Year End | | | \$ 0.00 | \$ 0.00 |

*Type = CD, Mutual Fund, Savings Account, Stocks, etc.

ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

1. Does your cemetery currently, or has it ever, offered perpetual care? ☒ YES or ☐ NO
Perpetual care is a voluntary contractual arrangement with the cemetery for additional care of a lot, plot, or part thereof.
If you answered YES to this Question, go online to <http://www.dos.ny.gov/cmtty/forms.htm> and download and file Part Four A— Perpetual Care Trust Fund—Schedule of Accounts and Balances, and Perpetual Care Fund Reconciliation.
2. Does your cemetery have a Permanent Maintenance Fund loan outstanding? If you answered YES to this question, go online to <http://www.dos.ny.gov/cmtty/forms.htm> and download and file Part Four B – Permanent Maintenance Loan Balance. ☐ YES or ☒ NO
3. Does your cemetery sell lots on an installment basis? If you answered YES to this question, go online to <http://www.dos.ny.gov/cmtty/forms.htm> and download and file Part Five A – Supporting Schedules. ☒ YES or ☐ NO
4. Does your cemetery sell merchandise such as bronze markers or interment services on a pre-need basis? If you answered YES to this question, go online to <http://www.dos.ny.gov/cmtty/forms.htm> and download and file Part Five B – Supporting Schedules. ☐ YES or ☒ NO
5. Does your cemetery file Form 990 or Form 990-EZ with the IRS? ☒ YES or ☐ NO
If you answered YES to this question:
Form 990 filers attach Part VII Compensation of Officers, Directors, Trustees.
Form 990-EZ filers attach Part VI.
If your cemetery files Form 990-N – Electronic Notice (e-Postcard), no additional attachments are required.
-

If you answered **NO to ALL** of the above five questions and your cemetery has **less than** \$1,000,000 in total financial assets,* **STOP HERE**.
You **do not** have to fill out any additional schedules.

* Total financial assets means the market value of all general funds, permanent maintenance funds, perpetual care funds, special trust funds and other funds under the control of the cemetery, including both restricted and unrestricted funds, regardless of the form in which they are held. Total financial assets do not include the cemetery's land, buildings, equipment, etc.

ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

PART FOUR A – PERPETUAL CARE TRUST FUNDS

| | |
|--|---|
| CEMETERY NUMBER AND NAME MOUNT CARMEL CEMETERY INC., #41007 | DATE – Reporting Year End 12/31/2020 |
|--|---|

PERPETUAL CARE FUND – SCHEDULE OF ACCOUNTS and BALANCES (IF PERPETUAL CARE IS OR HAS BEEN OFFERED)

Perpetual Care (PC) Assets – List reporting year end balances of all accounts containing PC funds. For all investment accounts, also list cost basis. Attach schedule or list all on separate sheet if additional space is required.

| Financial Institution | Last 4 Digits of Account # | Type* of Account | Balance-Reporting Year End- at Market | Balance-Reporting Year End- at Cost |
|--|-------------------------------|---------------------|---|---|
| 1. SEE ATTACHED SCHEDULE | | | \$ 68,583,990.00 | \$ 56,119,069.00 |
| 2. | | | \$ | \$ |
| 3. | | | \$ | \$ |
| 4. | | | \$ | \$ |
| 5. | | | \$ | \$ |
| A. Total of Perpetual Care Assets at Reporting Year End | | | \$ 68,583,990.00 | \$ 56,119,069.00 |

*Type = CD, Mutual Fund, Savings Account, Stocks, etc.

PERPETUAL CARE (PC) FUND RECONCILIATION

1 PC Fund Balance –

\$ 53,514,606.00

ADDITIONS TO PC

| | |
|-----------------------------------|---------------|
| 2 Allocations from Endowments | \$ 780,813.00 |
| 3 Income (Interest and Dividends) | \$ 989,704.00 |
| 4 Realized Capital Gains | \$ 833,946.00 |
| 5 Other Additions to PC | \$ |

6 SUBTOTAL ADDITIONS (Lines 2 through 5)

+ \$ 2,604,463.00

WITHDRAWALS/DEDUCTIONS FROM PM

| | |
|---|-----------------|
| 7 Transfer of Income (Interest and Dividends) | \$ 1,162,673.00 |
| 8 Realized Capital Losses | \$ |
| 9 Deduction of 2/3 of investment advisory fees on PC account | \$ |

10 SUBTOTAL DEDUCTIONS (Lines 7 through 9)

- \$ 1,162,673.00

11 Balance at Reporting Year End

(Line 1 plus Line 6, minus Line 10)

\$ 54,956,396.00

**MOUNT CARMEL CEMETERY ASSOCIATION
PERPETUAL CARE FUND
DECEMBER 31, 2020**

| <u>Financial Institution</u> | <u>Last 4 Digits of Account</u> | <u>Type of Account</u> | <u>12-31-20 Balance at Market</u> | <u>12-31-20 Balance at Cost</u> |
|------------------------------|-------------------------------------|----------------------------|---------------------------------------|-------------------------------------|
| JP Morgan Chase | 2107 | Cash | 182,188 | 182,188 |
| JP Morgan Chase | 215 | Cash | 1,496,860 | 1,496,860 |
| JP Morgan Chase | 2665 | Cash | 963,287 | 963,287 |
| JP Morgan Chase | 616 | Cash | 7,334 | 7,334 |
| JP Morgan Chase | 616 | Investments | 114,433 | 115,147 |
| JP Morgan Chase | 2107 | Investments | 2,722,874 | 2,020,432 |
| JP Morgan Chase | 215 | Investments | 63,097,014 | 51,333,821 |
| | | Total | <u>\$ 68,583,990</u> | <u>\$ 56,119,069</u> |

ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

PART FOUR B- PERMANENT MAINTENANCE TRUST FUNDS

| | |
|--|--|
| CEMETERY NUMBER AND NAME MOUNT CARMEL CEMETERY INC., #41007 | DATE -- Reporting Year End 12/31/2020 |
|--|--|

PERMANENT MAINTENANCE LOAN BALANCE – as approved by the NYS Cemetery Board

Schedule A

| | |
|---|----------------|
| 1. Beginning of Reporting Year Unpaid Balance | \$ 0.00 |
| 2. Less: Loan Repayments made in the Current Reporting Year – from line 5 of PM Fund Reconciliation | (\$ 0.00) |
| 3. Plus: New Loans Granted in Reporting Year – from line 9 of PM Fund Reconciliation | \$ 0.00 |
| 4. Balance-End of Reporting Year* | \$ 0.00 |

*If the cemetery has multiple PM Loans provide a separate schedule for each loan.

ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

PART FIVE – A – SUPPORTING SCHEDULES

| | |
|--|---|
| CEMETERY NUMBER AND NAME MOUNT CARMEL CEMETERY ASSOCIATION #41007 | DATE – Reporting Year End 12/31/2020 |
|--|---|

INSTALLMENT PAYMENTS ON LOT SALES – RECEIVED CURRENT REPORTING YEAR

Schedule A

Select which method of making deposits to the PM Fund you elected:

- ☐ 1) By depositing the full amount required by N-PCL Section 1507 on the entire sale in lump sum at the time the installment sale contract is signed and any initial payment is received. (19 NYCRR §201.20[B][1])

OR

- ☒ 2) by depositing at least ten percent (10%) of any initial payment and each installment payment as such payments are received until the full amount required by N-PCL Section 1507 on the entire sale has been deposited to the fund. (19 NYCRR §201.20[B][2])

If you selected 1) above, complete Schedule A-1. If you selected 2) above, complete Schedule A-2

Schedule A-1

| | |
|---|-----------|
| 1. Total Value of New Installment Payment Contracts | \$ 0.00 |
| 2. 10% of Line 1 | \$ 0.00 |
| 3. Less: PM Funds Returned on Cancelled Installment Lot Sales | (\$ 0.00) |
| 4. Net PM Allocation on Installment Lot Sales (Line 2 minus Line 3) | \$ 0.00 |

Schedule A-2

| | |
|--|-----------------|
| 1. Installment Payments Collected | \$ 1,059,809.00 |
| 2. Less Payments Returned on Cancelled Installment Lot Sales | (\$ 0.00) |
| 3. Net Installment Lot Sales (Line 1 minus Line 2) | \$ 1,059,809.00 |
| 4. PM Allocation <u>10%</u> % ¹ of Line 3 | \$ 105,980.90 |

Enter amount from Line 4 of either Schedule A-1 or A-2 on Page 4 Line 4 "Allocations from Installment Lot Sales" on Part Three Of Annual Financial Report.

¹Enter percentage of Lot sales allocated to PM pursuant to Election 2. NOTE: Cannot be less than (10) percent.

ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

PART FIVE – B – SUPPORTING SCHEDULES

| | |
|--|---|
| CEMETERY NUMBER AND NAME MOUNT CARMEL CEMETERY ASSOCIATION #41007 | DATE – Reporting Year End 12/31/2020 |
|--|---|

PRE-NEED SALES CONTRACTS RECEIVED RECONCILIATION INTERMENT AND OTHER SERVICES AND MERCHANDISE

Schedule B

| | Interment Services | Merchandise |
|---|-----------------------|-------------|
| Balance – Beginning of Reporting Year | \$ | \$ |
| Sales: | | |
| Add - Payments Received This Reporting Year | \$ | \$ |
| Less – Payments Received on Contracts Cancelled This Reporting Year | \$ | \$ |
| Less – Contracts Delivered This Reporting Year | \$ | \$ |
| Balance – End of Reporting Year | \$ 0.00 | \$ 0.00 |

PRE-NEED TRUST FUNDS – RECONCILIATION (IF THE CEMETERY HAS SUCH TRUST FUNDS)

List cash and investments of Pre-Need Trust Funds – Include accounts for pre-need sales of merchandise such as bronze markers and services such as interment fees. For all investment accounts also list cost basis. Attach schedule or list all on separate sheet if additional space is required.

| Financial Institution | Last 4 Digits of Account # | Type * of Account | Balance-Reporting Year End- at Market | Balance-Reporting Year End- at Cost |
|---|-------------------------------|----------------------|---|---|
| 1. _____ | _____ | _____ | \$ _____ | \$ _____ |
| 2. _____ | _____ | _____ | \$ _____ | \$ _____ |
| 3. _____ | _____ | _____ | \$ _____ | \$ _____ |
| 4. _____ | _____ | _____ | \$ _____ | \$ _____ |
| 5. _____ | _____ | _____ | \$ _____ | \$ _____ |
| Total Pre-Need Trust Fund Assets at Reporting Year End | | | \$ 0.00 | \$ 0.00 |

*Type = CD, Mutual Fund, Savings Account, Stocks, etc.

PRE-NEED CONTRACTS DELIVERED RECONCILIATION SERVICES AND MERCHANDISE

Schedule C

| | Sale Amount Collected | Reporting Year Delivery Cost | Difference |
|--|--------------------------|---------------------------------|------------|
| Delivered Contracts- Reporting Year | | | |
| Pre-Need Services | \$ | \$ | \$ 0.00 |
| Pre-Need Merchandise | \$ | \$ | \$ 0.00 |
| Totals | \$ 0.00 | \$ 0.00 | \$ 0.00 |

MOUNT CARMEL CEMETERY ASSOCIATION
FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
AND
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020

**MOUNT CARMEL CEMETERY ASSOCIATION
FOR THE YEAR ENDED DECEMBER 31, 2020**

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Schulman Lobel

certified public accountants and advisors

NEW YORK • 1001 Avenue of the Americas, 2nd Floor • New York, NY 10018
Tel 212.868.5781 • Fax 212.602.0195

NEW JERSEY • 155 Village Blvd, Suite 310 • Princeton, New Jersey 08540
Tel 908.964.8300 • Fax 908.964.9090

LOS ANGELES • 15233 Ventura Blvd, Suite 610 • Sherman Oaks, CA 91403
Tel 818.501.8580 • Fax 818.501.8582

www.schulmanlobel.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Mount Carmel Cemetery Association

We have audited the accompanying financial statements of Mount Carmel Cemetery Association (the "Cemetery"), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and cash flows, and schedule of operating expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting practices permitted by The New York State Division of Cemeteries. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Cemetery's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cemetery's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mount Carmel Cemetery Association as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with the financial reporting practices permitted by The New York State Division of Cemeteries described in Note 2.

Basis of Accounting

We draw attention to Note 2 of the financial statements which describes the basis of accounting. The financial statements are prepared by Mount Carmel Cemetery Association in accordance with the financial reporting practices permitted by The New York State Division of Cemeteries, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of The New York State Division of Cemeteries. Our opinion is not modified with respect to this matter.

Restriction of Use

Our report is intended solely for the information and use of The Board of Directors and management of Mount Carmel Cemetery Association and The New York State Division of Cemeteries and is not intended to be and should not be used by anyone other than these specified parties.

Schulman Lobel LLP

Schulman Lobel LLP

New York, New York
March 22, 2021

**MOUNT CARMEL CEMETERY ASSOCIATION
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020**

| | Without Restrictions | | With Restrictions | | |
|----------------------------------|----------------------|------------------------|-----------------------------|---------------------|----------------------------|
| | Total | General Operating Fund | Perpetual Care Reserve Fund | Perpetual Care Fund | Permanent Maintenance Fund |
| | | | | | |
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | \$ 4,548,763 | \$ 1,658,657 | \$ 182,188 | \$ 2,467,481 | \$ 240,437 |
| Accounts receivable | 337,335 | 337,335 | - | - | - |
| Prepaid expenses | 51,325 | 51,325 | - | - | - |
| Inter-fund receivable (payable) | - | 1,080,774 | (209,216) | (953,457) | 81,899 |
| Total current assets | 4,937,423 | 3,128,091 | (27,028) | 1,514,024 | 322,336 |
| Property and equipment - net | 927,226 | 927,226 | - | - | - |
| Other assets | | | | | |
| Investments - at cost | 101,908,854 | 40,002,444 | 2,020,432 | 51,448,968 | 8,437,010 |
| Unsold graves and plots | 363,053 | 363,053 | - | - | - |
| Total assets | \$ 108,136,556 | \$ 44,420,814 | \$ 1,993,404 | \$ 52,962,992 | \$ 8,759,346 |
| LIABILITIES AND NET ASSETS | | | | | |
| Current liabilities | | | | | |
| Accrued expenses | \$ 15,761 | \$ 15,761 | \$ - | \$ - | \$ - |
| Perpetual care time payments | 28,555 | 28,555 | - | - | - |
| Deferred income | 33,316 | 33,316 | - | - | - |
| Total current liabilities | 77,632 | 77,632 | - | - | - |
| Net assets | 108,058,924 | 44,343,182 | 1,993,404 | 52,962,992 | 8,759,346 |
| Total liabilities and net assets | \$ 108,136,556 | \$ 44,420,814 | \$ 1,993,404 | \$ 52,962,992 | \$ 8,759,346 |

See independent auditors' report and notes to financial statements

**MOUNT CARMEL CEMETERY ASSOCIATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

| | Total | Without | With Restrictions | | |
|--------------------------------------|------------------|------------------|-------------------|-----------|----------------|
| | | Restrictions | Perpetual | Perpetual | Permanent |
| | | General | Care Reserve | Care | Maintenance |
| | | Operating | Fund | Fund | Fund |
| Revenue from operations | | | | | |
| Land and grave sales | \$ 2,051,000 | \$ 2,051,000 | \$ - | \$ - | \$ - |
| Sales allocation from proceeds | - | (198,881) | - | - | 198,881 |
| Grave openings | 1,206,773 | 1,183,708 | - | - | 23,065 |
| Care and planting - annual care | 677,281 | 677,281 | - | - | - |
| Care and planting - perpetual care | 1,162,673 | 1,162,673 | - | - | - |
| Foundations | 565,919 | 565,919 | - | - | - |
| Service contracts | 200,326 | 200,326 | - | - | - |
| Equipment usage | 3,805 | 3,805 | - | - | - |
| Miscellaneous income | 72,486 | 72,486 | - | - | - |
| Total revenue from operations | 5,940,263 | 5,718,317 | - | - | 221,946 |
| Operating expenses | 5,007,850 | 5,007,850 | - | - | - |
| Net revenue from operations | 932,413 | 710,467 | - | - | 221,946 |

See independent auditors' report and notes to financial statements

MOUNT CARMEL CEMETERY ASSOCIATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Without Restrictions | | | With Restrictions | | |
|--|----------------------|------------------------|-----------------------------|---------------------|----------------------------|--|
| | Total | General Operating Fund | Perpetual Care Reserve Fund | Perpetual Care Fund | Permanent Maintenance Fund | |
| | | | | | | |
| Other revenue (expenses) | | | | | | |
| Investment income - net of fees of \$738,358 | \$ 1,843,528 | \$ 713,777 | \$ 36,247 | \$ 953,457 | \$ 140,047 | |
| Perpetual care endowments | 780,813 | - | - | 780,813 | - | |
| Gains on sales of investments | 1,368,438 | 517,685 | 26,152 | 807,794 | 16,807 | |
| Perpetual care maintenance charges | (1,162,673) | - | (1,162,673) | - | - | |
| Total other revenue (expenses) | 2,830,106 | 1,231,462 | (1,100,274) | 2,542,064 | 156,854 | |
| Excess (deficit) of revenue over expenses | | | | | | |
| Perpetual Care transfer | - | - | 953,457 | (953,457) | - | |
| Permanent Maintenance transfer | - | 140,047 | - | - | (140,047) | |
| Increase (decrease) in net assets | 3,762,519 | 2,081,976 | (146,817) | 1,588,607 | 238,753 | |
| Net assets - beginning of year | 104,296,405 | 42,261,206 | 2,140,221 | 51,374,385 | 8,520,593 | |
| Net assets - end of year | \$ 108,058,924 | \$ 44,343,182 | \$ 1,993,404 | \$ 52,962,992 | \$ 8,759,346 | |

See independent auditors' report and notes to financial statements

MOUNT CARMEL CEMETERY ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Without Restrictions | With Restrictions | | |
|---|---------------------------------------|--|------------------------------------|---|
| | General Operating Fund | Perpetual Care Reserve Fund | Perpetual Care Fund | Permanent Maintenance Fund |
| Cash flows from operating activities | | | | |
| Increase (decrease) in net assets | \$ 3,762,519 | \$ 2,081,976 | \$ (146,817) | \$ 1,588,607 |
| Adjustment to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities | | | | |
| Depreciation | 116,615 | 116,615 | - | - |
| Gains on sales of investments | (1,368,438) | (517,685) | (26,152) | (807,794) |
| Amortization of bond discount | 167 | (2,650) | (995) | 1,451 |
| (Increase) decrease in assets | | | | |
| Accounts receivable | (55,047) | (55,047) | - | - |
| Prepaid expenses | 2,081 | 2,081 | - | - |
| Inter-fund receivable (payable) | - | (39,003) | (31,827) | 74,099 |
| Inventories of burial land | 15,697 | 15,697 | - | - |
| Increase (decrease) in liabilities | | | | |
| Accrued expenses | (66,479) | (66,479) | - | - |
| Perpetual care time payments | (41,257) | (41,257) | - | - |
| Deferred income | (220,507) | (220,507) | - | - |
| Total adjustments | (1,617,168) | (808,235) | (58,974) | (732,244) |
| Net cash provided by (used in) operating activities | 2,145,351 | 1,273,741 | (205,791) | 856,363 |
| Cash flows from investing activities | | | | |
| Purchases of property equipment | (1,450) | (1,450) | - | - |
| Proceeds from sales of investments | 16,301,200 | 5,778,728 | 381,282 | 9,800,894 |
| Purchases of investments | (18,408,090) | (7,188,950) | (162,153) | (10,415,926) |
| Net cash provided by (used in) investing activities | (2,108,340) | (1,411,672) | 219,129 | (615,032) |
| Increase (decrease) in cash and cash equivalents | 37,011 | (137,931) | 13,338 | 241,331 |
| Cash and cash equivalents - beginning of year | 4,511,752 | 1,796,588 | 168,850 | 2,226,150 |
| Cash and cash equivalents - end of year | \$ 4,548,763 | \$ 1,658,657 | \$ 182,188 | \$ 2,467,481 |
| | | | | \$ 240,437 |

See independent auditors' report and notes to financial statements

MOUNT CARMEL CEMETERY ASSOCIATION
SCHEDULE OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Without Restrictions | | With Restrictions | | |
|--|-------------------------|------------------------------|-----------------------------------|---------------------------|----------------------------------|
| | Total | General Operating Fund | Perpetual Care Reserve Fund | Perpetual Care Fund | Permanent Maintenance Fund |
| Salaries | | | | | |
| Direct labor | \$ 1,479,353 | \$ 1,479,353 | \$ - | \$ - | \$ - |
| Administrative | 222,107 | 222,107 | - | - | - |
| Supervisory | 728,384 | 728,384 | - | - | - |
| Office | 484,206 | 484,206 | - | - | - |
| Reimbursed payroll | (187,976) | (187,976) | - | - | - |
| | <u>2,726,074</u> | <u>2,726,074</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Materials | | | | | |
| Nursery and sod | 67,401 | 67,401 | - | - | - |
| Cement, sand, and stone | 54,803 | 54,803 | - | - | - |
| Fertilizer, chemicals, and other | 63,164 | 63,164 | - | - | - |
| Cost of graves sold | 78,798 | 78,798 | - | - | - |
| | <u>264,166</u> | <u>264,166</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Equipment purchases and rentals | | | | | |
| Office | 12,709 | 12,709 | - | - | - |
| Grounds | 4,780 | 4,780 | - | - | - |
| Computers and software | 67,918 | 67,918 | - | - | - |
| | <u>85,407</u> | <u>85,407</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Maintenance and repairs | | | | | |
| Grounds maintenance | 95,761 | 95,761 | - | - | - |
| Building maintenance and improvements | 83,312 | 83,312 | - | - | - |
| | <u>179,073</u> | <u>179,073</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Sub-total | <u>3,254,720</u> | <u>3,254,720</u> | <u>-</u> | <u>-</u> | <u>-</u> |

See independent auditors' report and notes to financial statements

MOUNT CARMEL CEMETERY ASSOCIATION
SCHEDULE OF OPERATING EXPENSES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020

| | | Without Restrictions | | With Restrictions | | |
|---------------------------------|---------------------|------------------------|-----------|-----------------------------|---------------------|----------------------------|
| | | General Operating Fund | | Perpetual Care Reserve Fund | Perpetual Care Fund | Permanent Maintenance Fund |
| | Total | | | | | |
| Balance forward | \$ 3,254,720 | \$ 3,254,720 | \$ | - \$ | - \$ | - |
| Refuse removal | 108,529 | 108,529 | | - | - | - |
| Advertising | 553 | 553 | | - | - | - |
| Gas and oil | 20,885 | 20,885 | | - | - | - |
| Office and general expenses | 47,834 | 47,834 | | - | - | - |
| Telephone | 14,998 | 14,998 | | - | - | - |
| Data processing | 9,576 | 9,576 | | - | - | - |
| Utilities | 51,789 | 51,789 | | - | - | - |
| Professional fees | 132,436 | 132,436 | | - | - | - |
| Stationery and printing | 29,284 | 29,284 | | - | - | - |
| Insurance and security | 379,180 | 379,180 | | - | - | - |
| Payroll taxes | 257,418 | 257,418 | | - | - | - |
| Employee benefits | 495,033 | 495,033 | | - | - | - |
| Directors' fee | 89,000 | 89,000 | | - | - | - |
| Depreciation | 116,615 | 116,615 | | - | - | - |
| Total operating expenses | <u>\$ 5,007,850</u> | <u>\$ 5,007,850</u> | <u>\$</u> | <u>- \$</u> | <u>- \$</u> | <u>-</u> |

See independent auditors' report and notes to financial statements

**MOUNT CARMEL CEMETERY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 ORGANIZATION

Mount Carmel Cemetery Association, Inc. (the "Cemetery") was incorporated in 1902 in the State of New York. It operates and maintains the Mount Carmel Cemetery in Glendale, New York. The Cemetery is engaged in activities as a not-for-profit cemetery and is exempt from Federal income taxes in accordance with Section 501(c)(13) of the Internal Revenue Code. The Cemetery is governed under the New York State Cemetery Law.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with the financial reporting practices permitted by The New York State Division of Cemeteries.

Financial statement presentation

The accompanying financial statements have been prepared in conformity with the accounting practices permitted by The New York State Division of Cemeteries. Consequently, marketable securities are valued at cost instead of fair value and certain revenue, expenses and investment transactions are recognized in the determination of income in different reporting periods than if the financial statements were prepared in conformity with accounting principles generally accepted in the United States ("GAAP").

To ensure observance of limitations and restrictions placed on the use of resources available to the Cemetery, the accounts of the Cemetery are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. Separate accounts are maintained for each fund.

Revenue recognition

The Cemetery recognizes revenue from sales of graves, services, and other income items when earned, the sale is made or the service is performed.

Cash and cash equivalents

For purposes of the statement of cash flows, management considers all highly liquid instruments with an original maturity of three months or less to be cash equivalents.

**MOUNT CARMEL CEMETERY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment

Property and equipment are stated at cost. Depreciation is provided on the straight-line method over the estimated useful lives. Maintenance and repair costs are charged to operations as incurred. Renewals and betterments are charged to the appropriate asset accounts. Upon retirement or sale of property and equipment, the respective property and equipment accounts are reduced by the cost of the property and equipment retired or sold and the accumulated depreciation thereon is eliminated. The resulting gains and losses are credited or charged to operations.

Unsold graves and plots

Unsold graves and plots are stated at cost using the weighted average cost method.

Investments and investment income

Investments are recorded at cost or amortized cost in the case of bonds on a trade date basis instead of market value, which is a departure from GAAP. In the accompanying statement of activities, unrealized gains and losses are not part of the change in net assets. Realized gains and losses are included in the statement of activities. Interest income is recorded when received. Bond premiums are amortized on a straight-line basis over the life of the bond. This practice is permitted by The New York State Division of Cemeteries.

Income tax status

The Cemetery qualifies as a tax-exempt organization within the meaning of Section 501(c)(13) of the Internal Revenue Code. As a not-for-profit organization, the Cemetery is exempt from federal and state income taxes.

The Cemetery is required to disclose unrecognized tax benefits resulting from uncertain tax positions. At December 31, 2020, the Cemetery did not have any unrecognized tax benefits or liabilities. The Cemetery operates in the United States and in state and local jurisdictions, and the previous three years remain subject to examination by tax authorities. There are presently no ongoing income tax examinations.

**MOUNT CARMEL CEMETERY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates

Management of the Cemetery uses estimates and assumptions in preparing financial statements in accordance with financial reporting practices permitted by The New York State Division of Cemeteries. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that management uses.

Impairment of long-lived assets

At least annually, and more frequently if warranted, the Cemetery assesses its long-lived assets mainly comprised of property and equipment for impairment. In performing a review for impairment, the Cemetery compares the carrying value of the assets with their estimated future undiscounted cash flows. If it is determined that impairment has occurred, the loss would be recognized during that period. The impairment loss is calculated as the difference between the asset carrying values and the present value of estimated net cash flows or comparable market values, giving consideration to recent operating performance and pricing trends. At December 31, 2020, the Cemetery has determined that no such impairment existed.

Net assets and fund accounting

The Cemetery is required to report information regarding its financial position and activities according to two classes of assets: net assets without restrictions and net assets with restrictions net assets.

The Cemetery maintains the following required funds:

General Operating Fund – The General Operating Fund is for the general operations of the Cemetery. The fund consists of net assets without restrictions.

Permanent Maintenance Fund – The Permanent Maintenance Fund is required under New York State Cemetery Law. A percentage of all land sales proceeds as well as a surcharge on all grave openings must be paid into the fund. The principal amount in this fund is perpetual in nature. All investment income from the Permanent Maintenance Fund is transferred to the General Operating Fund.

Perpetual Care Fund – The Perpetual Care Fund consists of funds endowed to the Cemetery by individual plot holders for the annual care of their endowed graves. The principal of this fund is perpetual in nature and only the income therefrom is applied against yearly maintenance charges.

**MOUNT CARMEL CEMETERY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net assets and fund accounting (continued)

Perpetual Care Reserve Fund – The Perpetual Care Reserve Fund consists of the income earned per endowment in excess of the annual maintenance charges. The net assets of this fund with purpose restrictions. The fund assets are available to the General Operating Fund should the restricted Perpetual Care Fund not have sufficient investment income to cover the current year's maintenance charges.

NOTE 3 INVESTMENTS

The cost and fair value of the investments are as follows as of December 31, 2020:

| | <u>Cost</u> | <u>Fair Value</u> | <u>Unrealized Gain (Loss)</u> |
|-----------------------------|-----------------------|-----------------------|-----------------------------------|
| General Operating Fund | \$ 40,002,444 | \$ 49,016,556 | \$ 9,014,112 |
| Perpetual Care Reserve Fund | 2,020,432 | 2,722,874 | 702,442 |
| Perpetual Care Fund | 51,448,968 | 63,211,447 | 11,762,479 |
| Permanent Maintenance Fund | <u>8,437,010</u> | <u>10,921,898</u> | <u>2,484,888</u> |
| | <u>\$ 101,908,854</u> | <u>\$ 125,872,775</u> | <u>\$ 23,963,921</u> |

The investments consist of the following:

| | <u>Cost</u> | <u>Fair Value</u> |
|-----------------------|-----------------------|-----------------------|
| U.S Government Agency | | |
| Obligations | \$ 3,005,301 | \$ 3,067,346 |
| Corporate Bonds | 29,638,607 | 31,622,460 |
| Exchange Traded Funds | 61,114,007 | 81,362,265 |
| Preferred Share | 3,547,029 | 3,813,086 |
| Mutual Funds | 4,603,829 | 6,007,301 |
| Common Stock | <u>81</u> | <u>317</u> |
| | <u>\$ 101,908,854</u> | <u>\$ 125,872,775</u> |

**MOUNT CARMEL CEMETERY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 5 CONCENTRATION OF CREDIT RISK

The Cemetery maintains cash and investments with commercial banks and other major institutions insured by the Federal Deposit Insurance Corporation ("FDIC") and Security Investment Protection Corporation ("SIPC"). At times, during the year, such amounts may exceed current FDIC and SIPC limits. No losses have been incurred to date.

NOTE 6 RISKS AND UNCERTAINTIES

The Cemetery invests in various investments and is exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investments it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

NOTE 7 PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of December 31, 2020:

| | | Estimated Useful <u>Life</u> |
|------------------------------------|-------------------|------------------------------------|
| Land | \$ 80,410 | - |
| Equipment and furniture | 355,714 | 10 Years |
| Building and cemetery improvements | <u>1,987,609</u> | 20 Years |
| | 2,423,733 | |
| Less: Accumulated depreciation | <u>1,496,507</u> | |
| | <u>\$ 927,226</u> | |

Depreciation expense for the year ended December 31, 2020 was \$116,615.

**MOUNT CARMEL CEMETERY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

**NOTE 8 STATEMENT CONCERNING THE CEMETERY'S FIDELITY BOND
COVERAGE**

The Cemetery maintains policies covering officers and employees as follows:

| <u>Coverage</u> | <u>Amount</u> | <u>Insurance Company</u> | <u>Policy Number</u> |
|---|---------------|--------------------------------|---|
| Non profit organization directors and officers liability | \$15,000,000 | Federal Travelers Zurich | 6802-0786 106227126 MPL 001133037- 05 Expires 2/14/22 |
| Employee Theft (Commercial crime) | \$500,000 | Travelers | 106701348 Expires 3/15/22 |
| ERISA Fidelity | \$500,000 | Travelers | 106223659 Expires 3/15/22 |

NOTE 9 PENSION PLANS

The Cemetery maintains a defined contribution retirement plan covering eligible non-union employees. The total contributions to this plan for the year ended December 31, 2020 were approximately \$ 94,000.

All of the Cemetery's regular field employees are members of The United Service Workers Union Local 74. They were covered by a union sponsored, collectively bargained, multiemployer defined benefit pension plan. Effective December 31, 2015, the Cemetery withdrew from the plan. On December 29, 2017, the trustees of the fund determined that "substantially all" of the funds participating employers had withdrawn from the fund. A "mass withdrawal" was declared. The mass withdrawal liability will be based on December 31, 2020 valuations and actuarial calculations. No liability has been determined as of this date. The Cemetery will be making quarterly installment payments of \$12,012 to be applied against this liability. On January 29, 2020 a letter was sent to the Cemetery regarding the withdrawal liability. Management is in the process of working with legal counsel to challenge the proposed amount. As such since management is challenging the proposed amount as provided for in the letter, no accounting for or disclosure of any proposed amount is deemed necessary.

During 2020, the Cemetery has contributed to a new multiemployer defined benefit plan to provide retirement benefits to these same workers. During the year ended December 31, 2020, the Cemetery contributed \$ 27,797 to this new plan.

**MOUNT CARMEL CEMETERY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 9 PENSION PLANS (continued)

The Cemetery's contributions to the Plan were greater than 5% of the Plan's total contributions.

Contributions to the Cemetery Employer Association Union Pension Plan (Employer Identification Number 05-0531461, Plan 001) (the "Fund") are not segregated or otherwise restricted to provide benefits only to the Cemetery's employees. The risk of participating in a multiemployer pension plan is different from a single-employer pension plan in the following aspects: (1) assets contributed to a multiemployer pension plan by one employer may be used to provide benefits to employees of other participating employers; (2) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers; and (3) if the Cemetery chooses to stop participating in its multiemployer pension plan, the Cemetery may be required to pay the plan an amount based on the underfunded status of the plan, which is referred to as a withdrawal liability.

In accordance with the Pension Protection Act of 2006, the Fund receives an annual certified zone status from its actuary, which summarizes its funding status. Plans in the "red zone" are generally less than 65% funded, plans in the "yellow zone" are 65% to 80% funded, and plans in the "green zone" are at least 80% funded. As of the date of issuance of these financial statements, the Fund's most recently available certified zone status was "green" for the year ended December 31, 2019.

MOUNT CARMEL CEMETERY ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 9 PENSION PLANS (continued)

| Pension Fund | EIN/Pension Plan Number | Pension Protection Act Zone Status | | FIP/RP Status Implemented | Contributions of Mount Carmel Cemetery Association, Inc. | | | Surcharge Imposed |
|---|----------------------------|---------------------------------------|-------|------------------------------|---|------------|------------|----------------------|
| | | 2018 | 2019 | | 2018 | 2019 | 2020 | |
| Cemetery Employer Association Union Pension Plan | 001 | Green | Green | No | \$ 27,797 | \$ 27,797 | \$ 27,797 | No |
| Contributions of All Participating Employers | | | | | | | | |
| | | | | | 2017 | 2018 | 2020 | |
| | | | | | \$ 177,634 | \$ 166,747 | \$ 160,045 | |

**MOUNT CARMEL CEMETERY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 10 AVAILABLE RESOURCES AND LIQUIDITY

The Cemetery regularly monitors liquidity to meet its operating needs and other commitments. The Cemetery has access to liquidity in the form of cash and cash equivalents.

For purposes of analyzing resources available to meet general expenditures over a twelve-month period, the Cemetery considers all expenditures related to its ongoing operations as well as the conduct undertaken to support the operations to be general expenditures.

Financial assets available for general expenditure, without donor or other restrictions limiting its use, within one year of the statement of financial position date, comprise the following:

| | |
|---------------------------|---------------------|
| Cash and cash equivalents | <u>\$ 1,658,657</u> |
|---------------------------|---------------------|

NOTE 11 SUBSEQUENT EVENTS

In preparing the accompanying financial statements, the Cemetery has reviewed events that have occurred after December 31, 2020, through March 22, 2021, the date these financial statements were available to be issued. During this period, the Cemetery did not have any material subsequent events that are required to be disclosed in the financial statements.



Schulman Lobel
certified public accountants and advisors

NEW YORK • 1001 Avenue of the Americas, 2nd Floor • New York, NY 10018
Tel 212.868.5781 • Fax 212.602.0195

NEW JERSEY • 155 Village Blvd, Suite 310 • Princeton, New Jersey 08540
Tel 908.964.8300 • Fax 908.964.9090

LOS ANGELES • 15233 Ventura Blvd, Suite 610 • Sherman Oaks, CA 91403
Tel 818.501.8580 • Fax 818.501.8582

www.schulmanlobel.com

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors of Mount Carmel Cemetery Association

We have audited the financial statements of Mount Carmel Cemetery Association (the "Cemetery") as of and for the year ended December 31, 2020, and our report thereon dated March 22, 2021, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying account and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with the financial reporting practices permitted by The New York State Division of Cemeteries, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of The New York State Division of Cemeteries. Our opinion is not modified with respect to this matter. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of The Board of Directors and management of Mount Carmel Cemetery Association and The New York State Division of Cemeteries and is not intended to be and should not be used by anyone other than these specified parties.

Schulman Lobel LLP

Schulman Lobel LLP

New York, New York
March 22, 2021

**MOUNT CARMEL CEMETERY ASSOCIATION
SUPPLEMENTARY INFORMATION
PERMANENT MAINTENANCE FUND
NET ASSETS RECONCILIATION
FOR THE YEAR ENDED DECEMBER 31, 2020**

| | | |
|---|----------------|----------------------------|
| Net assets - beginning of year | | \$ 8,520,593 |
| Additions | | |
| Allocation of sales proceeds | 198,881 | |
| Investment income - net of fees | 140,047 | |
| Grave opening surcharge | 23,065 | |
| Gains on sales of investments | <u>16,807</u> | |
| Total additions | | <u>378,800</u> |
| | | 8,899,393 |
| Deductions | | |
| Investment income transferred to General Operating Fund | <u>140,047</u> | |
| Total deductions | | <u>140,047</u> |
| Net assets - end of year | | <u><u>\$ 8,759,346</u></u> |

See independent auditors' report on supplementary information

**MOUNT CARMEL CEMETERY ASSOCIATION
SUPPLEMENTARY INFORMATION
PERPETUAL CARE FUND
NET ASSETS RECONCILIATION
FOR THE YEAR ENDED DECEMBER 31, 2020**

| | <u>Principal</u> | <u>Capital Gains</u> | <u>Investment Income</u> | <u>Total</u> |
|--|-----------------------------|-----------------------------|------------------------------|-----------------------------|
| Net assets - beginning of year | <u>\$ 25,456,335</u> | <u>\$ 25,918,050</u> | <u>\$ -</u> | <u>\$ 51,374,385</u> |
| Additions | | | | |
| Perpetual care endowments | 780,813 | - | - | 780,813 |
| Investment income - net of fees | | | 953,457 | 953,457 |
| Gains on sales of investments | <u>-</u> | <u>807,794</u> | <u>-</u> | <u>807,794</u> |
| Total additions | <u>780,813</u> | <u>807,794</u> | <u>953,457</u> | <u>2,542,064</u> |
| Deductions | | | | |
| Transferred to Perpetual Care Reserve Fund | <u>-</u> | <u>-</u> | <u>953,457</u> | <u>953,457</u> |
| Total deductions | <u>-</u> | <u>-</u> | <u>953,457</u> | <u>953,457</u> |
| Net assets - end of year | <u><u>\$ 26,237,148</u></u> | <u><u>\$ 26,725,844</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 52,962,992</u></u> |

See independent auditors' report on supplementary information



**MOUNT CARMEL CEMETERY ASSOCIATION
SUPPLEMENTARY INFORMATION
PERPETUAL CARE RESERVE FUND
NET ASSETS RECONCILIATION
FOR THE YEAR ENDED DECEMBER 31, 2020**

| | | |
|---|------------------|-----------------------------------|
| Net assets - beginning of year | | \$ 2,140,221 |
| Additions | | |
| Investment income - net of fees | 36,247 | |
| Gains on sales of investments | 26,152 | |
| Investment income transferred from Perpetual Care Fund | <u>953,457</u> | |
| Total additions | | <u>1,015,856</u> |
| | | 3,156,077 |
| Deductions | | |
| Maintenance charges transferred to General Operating Fund | <u>1,162,673</u> | |
| Total deductions | | <u>1,162,673</u> |
| Net assets - end of year | | <u><u>\$ 1,993,404</u></u> |

See independent auditors' report on supplementary information

**INDEPENDENT AUDITORS' SUPPLEMENTARY REPORT ON SCOPE OF AUDIT IN
ACCORDANCE WITH SECTION 200.4 OF THE CEMETERY LAW AND RULES OF
PROCEDURE OF THE NEW YORK STATE CEMETERY BOARD**

In connection with our audit of the financial statements of Mount Carmel Cemetery Association (the "Cemetery") for the year ended December 31, 2020, we submit below our comments on various matters, as required under Section 200.4 of the Cemetery Law and Rules of Procedure of the New York State Cemetery Board. The paragraph numbers below are identical to those of section 200.4:

1. A Description of the Extent of Our Examination of Cash and Investments

Cash balances on deposit with banks at December 31, 2020, as indicated by the Cemetery's records, were reconciled with those shown on confirmation statements obtained from the bank depositories.

2. Observations Concerning the Internal Controls for Safeguarding Cash and Investments

As part of our audit of the financial statements of the Cemetery for the year ended December 31, 2020, we reviewed the Cemetery's system of internal accounting control.

The objective of internal accounting control is to provide reasonable, but not absolute assurance as to the safeguarding of assets against loss from unauthorized use of disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets and in the Cemetery's case, the segregation of the funds. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived, and also recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal accounting control. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented intentionally by management with either respect to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements.

Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, and that the degree of compliance with the procedures may deteriorate.

Our review of the Cemetery's system of internal accounting control for the year December 31, 2020 was not designed for the purpose of expressing an opinion on internal accounting control, and being limited as such would not necessarily disclose all shortcomings in the system.

3. Statement Concerning Compliance with Section 1507(c) and (d) of the Not-for-Profit Cemetery law in Regard to the Perpetual Care Fund.

Separate accounts were maintained as of December 31, 2020 for each perpetual care endowment, reflecting the principal amount, the income apportioned for the year, the cost of care charges for the year, and the excess of income credited to such account to be used in any future year.

4. Statement Concerning the Cemetery's Accountability for the Permanent Maintenance Fund.

The Cemetery's records as of December 31, 2020 identified separately reflecting allocations from the proceeds of the sales of lots, grave openings, from supplemental sources, capital gains or losses from investment, and retained income available for the maintenance and preservation of the Cemetery.

5. Statement Concerning the Cemetery's Accountability for the Perpetual Care Fund.

The Cemetery's records as of December 31, 2020 identified separately cumulative principal for endowments, cumulative capital gains or losses, and the cumulative income retained for use in future years.

EXHIBIT I

MOUNT NEBOH CEMETERY ASSOCIATION

FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019



MELTZER LLP
CERTIFIED PUBLIC ACCOUNTANTS

Accountant's Compilation Report

Board of Directors
Mount Neboh Cemetery Association
82-07 Cypress Hills Street
Glendale, NY 11385

Management is responsible for the accompanying financial statements of Mount Neboh Cemetery Association, which comprise the balance sheets as of December 31, 2020 and 2019 and the related statements of operations, fund balances and supplementary information for the Association's Current Maintenance Fund, the Permanent Maintenance Fund, as Trustees, and the Perpetual Care Fund, as Trustees, for the years then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Mount Neboh Cemetery Association's financial position, results of operations, and the cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with Mount Neboh Cemetery Association.

Meltzer, LLP

New York, New York
August 23, 2021

MOUNT NEBOH CEMETERY ASSOCIATION
CURRENT MAINTENANCE FUND
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2020 AND 2019

| | <u>2020</u> | <u>2019</u> |
|--|-------------------------|-------------------------|
| <u>ASSETS</u> | | |
| Cash | \$ 31,527 | \$ 30,527 |
| Accounts receivable | 6,864 | 6,578 |
| Prerpaid insurance | 3,064 | 2,929 |
| Plots and graves unsold | 111 | 111 |
| Building and improvements, less accumulated depreciation of \$6,138 | <u>1,363</u> | <u>1,363</u> |
| TOTAL ASSETS | <u>\$ 42,929</u> | <u>\$ 41,508</u> |
| <u>LIABILITIES AND FUND BALANCE</u> | | |
| Liabilities | | |
| Due to Perpetual Care Fund | \$ 372,823 | \$ 320,580 |
| Due to Permanent Maintenance Fund | 1,080 | 6,600 |
| Accounts payable | <u>-</u> | <u>3,000</u> |
| Total Liabilities | <u>373,903</u> | <u>330,180</u> |
| Fund Balance | | |
| Reserved for Special Care Accounts | 17,126 | 17,126 |
| Unreserved Fund Balance | <u>(348,100)</u> | <u>(305,798)</u> |
| Total Fund Balance | <u>(330,974)</u> | <u>(288,672)</u> |
| TOTAL LIABILITIES AND FUND BALANCE | <u>\$ 42,929</u> | <u>\$ 41,508</u> |

See Accountants' Compilation Report.

MOUNT NEBOH CEMETERY ASSOCIATION
CURRENT MAINTENANCE FUND
COMPARATIVE STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

| | <u>2020</u> | <u>2019</u> |
|--|--------------------|--------------------|
| INCOME | | |
| Annual care, fees - interments and accessories | \$ 22,656 | \$ 18,717 |
| Perpetual care | 22,954 | 42,901 |
| Office expenses charged to Perpetual Care | <u>8,500</u> | <u>8,500</u> |
| Total Income | <u>54,110</u> | <u>70,118</u> |
| OPERATING EXPENSES | | |
| Maintenance contract | 86,404 | 86,404 |
| Insurance | 10,884 | 10,148 |
| Legal and accounting | 4,500 | 4,500 |
| Miscellaneous | <u>145</u> | <u>784</u> |
| Total Operating Expenses | <u>101,933</u> | <u>101,836</u> |
| Add: 15% of collections on sales of plots and graves | <u>-</u> | <u>-</u> |
| Balance | <u>101,933</u> | <u>101,836</u> |
| Less: Reimbursement from Permanent Maintenance Fund for maintenance of cemetery grounds | <u>5,521</u> | <u>7,262</u> |
| Balance | <u>96,412</u> | <u>94,574</u> |
| NET LOSS | <u>\$ (42,302)</u> | <u>\$ (24,456)</u> |

See Accountants' Compilation Report.

MOUNT NEBOH CEMETERY ASSOCIATION
CURRENT MAINTENANCE FUND
COMPARATIVE STATEMENTS OF FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

| | <u>Reserved for Special Care Accounts</u> | <u>Unreserved Fund Balance</u> | <u>Total Fund Balance</u> |
|---|---|------------------------------------|-------------------------------|
| 2019 | | | |
| Beginning balance - January 1, 2019 | \$ 17,126 | \$ (281,342) | \$ (264,216) |
| Net loss | <u>-</u> | <u>(24,456)</u> | <u>(24,456)</u> |
| ENDING BALANCE - DECEMBER 31, 2019 | <u>\$ 17,126</u> | <u>\$ (305,798)</u> | <u>\$ (288,672)</u> |
| 2020 | | | |
| Beginning balance - January 1, 2020 | \$ 17,126 | \$ (305,798) | \$ (288,672) |
| Net loss | <u>-</u> | <u>(42,302)</u> | <u>(42,302)</u> |
| ENDING BALANCE - DECEMBER 31, 2020 | <u>\$ 17,126</u> | <u>\$ (348,100)</u> | <u>\$ (330,974)</u> |

See Accountants' Compilation Report.

MOUNT NEBOH CEMETERY ASSOCIATION
PERMANENT MAINTENANCE FUND
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2020 AND 2019

| | <u>2020</u> | <u>2019</u> |
|---|------------------------------|------------------------------|
| <u>ASSETS</u> | | |
| Cash | \$ 6,255 | \$ 9,122 |
| Accrued interest receivable | 1,692 | 2,176 |
| Due from Current Maintenance Fund | 1,080 | 6,600 |
| Investments - at cost | <u>672,287</u> | <u>649,727</u> |
| TOTAL ASSETS | <u><u>\$ 681,314</u></u> | <u><u>\$ 667,625</u></u> |
| <u>LIABILITIES AND FUND BALANCE</u> | | |
| Liabilities | <u>\$ -</u> | <u>\$ -</u> |
| Fund Balance | | |
| Reserved from sale of securities | 164,553 | 150,864 |
| Unreserved fund balance | <u>516,761</u> | <u>516,761</u> |
| Total Fund Balance | <u><u>681,314</u></u> | <u><u>667,625</u></u> |
| TOTAL LIABILITIES AND FUND BALANCE | <u><u>\$ 681,314</u></u> | <u><u>\$ 667,625</u></u> |

See Accountants' Compilation Report.

MOUNT NEBOH CEMETERY ASSOCIATION
 PERMANENT MAINTENANCE FUND
 COMPARATIVE STATEMENTS OF OPERATIONS
 FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

| | <u>2020</u> | <u>2019</u> |
|--|--------------|--------------|
| INCOME | | |
| Interest income | \$ 8,963 | \$ 10,507 |
| EXPENSES | | |
| Investment advisory fee | <u>3,442</u> | <u>3,245</u> |
| Total Expenses | <u>3,442</u> | <u>3,245</u> |
| Net Income Available | 5,521 | 7,262 |
| Amount required to be transferred to Current Maintenance Fund | <u>5,521</u> | <u>7,262</u> |
| NET INCOME | <u>\$ -</u> | <u>\$ -</u> |

See Accountants' Compilation Report.

MOUNT NEBOH CEMETERY ASSOCIATION
 PERMANENT MAINTENANCE FUND
 COMPARATIVE STATEMENTS OF FUND BALANCE
 FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

| | Reserved From Sale of Securities | Unreserved Fund Balance | Total Fund Balance |
|---|--|----------------------------|-----------------------|
| 2019 | | | |
| Beginning balance - January 1, 2019 | \$ 154,032 | \$ 516,761 | \$ 670,793 |
| Loss on sale of securities | <u>(3,168)</u> | <u>-</u> | <u>(3,168)</u> |
| ENDING BALANCE - DECEMBER 31, 2019 | <u>\$ 150,864</u> | <u>\$ 516,761</u> | <u>\$ 667,625</u> |
| 2020 | | | |
| Beginning balance - January 1, 2020 | \$ 150,864 | \$ 516,761 | \$ 667,625 |
| Gain on sale of securities | <u>13,689</u> | <u>-</u> | <u>13,689</u> |
| ENDING BALANCE - DECEMBER 31, 2020 | <u>\$ 164,553</u> | <u>\$ 516,761</u> | <u>\$ 681,314</u> |

See Accountants' Compilation Report.

MOUNT NEBOH CEMETERY ASSOCIATION
PERPETUAL CARE FUND
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2020 AND 2019

| | <u>2020</u> | <u>2019</u> |
|--|-------------------------|-------------------------|
| <u>ASSETS</u> | | |
| Cash in checking account | \$ 356 | \$ 572 |
| Cash in money market | 15,292 | 27,018 |
| Accrued interest receivable | 10,466 | 14,761 |
| Due from Current Maintenance Fund | 372,823 | 320,581 |
| Miscellaneous receivable | - | 1,000 |
| Investments - at cost | <u>2,059,689</u> | <u>1,981,644</u> |
| TOTAL ASSETS | <u>\$ 2,458,626</u> | <u>\$ 2,345,576</u> |
| <u>LIABILITIES AND FUND BALANCE</u> | | |
| Liabilities | <u>\$ -</u> | <u>\$ -</u> |
| Fund Balance | | |
| Reserved for trust contingencies | 772 | 835 |
| Reserved from sale of securities | 679,229 | 572,312 |
| Unreserved fund balance | <u>1,778,625</u> | <u>1,772,429</u> |
| Total Fund Balance | <u>2,458,626</u> | <u>2,345,576</u> |
| TOTAL LIABILITIES AND FUND BALANCE | <u>\$ 2,458,626</u> | <u>\$ 2,345,576</u> |

See Accountants' Compilation Report.

MOUNT NEBOH CEMETERY ASSOCIATION
PERPETUAL CARE FUND
COMPARATIVE STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

| | <u>2020</u> | <u>2019</u> |
|-------------------------|----------------|----------------|
| INCOME | | |
| Interest income | \$ 43,669 | \$ 59,248 |
| Dividend income | <u>6,922</u> | <u>9,654</u> |
| Total income | <u>50,591</u> | <u>68,902</u> |
| EXPENSES | | |
| Perpetual care service | 22,954 | 42,901 |
| Bookkeeping expense | 7,500 | 7,500 |
| Share of office expense | 9,791 | 8,789 |
| Investment advisory fee | <u>10,409</u> | <u>9,730</u> |
| Total expenses | <u>50,654</u> | <u>68,920</u> |
| NET LOSS | <u>\$ (63)</u> | <u>\$ (18)</u> |

See Accountants' Compilation Report.

MOUNT NEBOH CEMETERY ASSOCIATION
PERPETUAL CARE FUND
COMPARATIVE STATEMENTS OF FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

| | Reserved for Trust Contingencies | Reserved From Sale of Securities | Unreserved Fund Balance | Total Fund Balance |
|----------------------------|--|--|-------------------------------|--------------------------|
| 2019 | | | | |
| Beginning balance - | | | | |
| January 1, 2019 | \$ 853 | \$ 555,423 | \$ 1,729,125 | 2,285,401 |
| Capital contributions | \$ - | \$ - | \$ 43,304 | 43,304 |
| Net loss | (18) | - | - | (18) |
| Gain on sale of securities | - | 16,889 | - | 16,889 |
| ENDING BALANCE - | | | | |
| DECEMBER 31, 2019 | <u>\$ 835</u> | <u>\$ 572,312</u> | <u>\$ 1,772,429</u> | <u>\$ 2,345,576</u> |
| 2020 | | | | |
| Beginning balance - | | | | |
| January 1, 2020 | \$ 835 | \$ 572,312 | \$ 1,772,429 | \$ 2,345,576 |
| Capital contributions | - | - | 6,196 | 6,196 |
| Net loss | (63) | - | - | (63) |
| Gain on sale of securities | - | 106,917 | - | 106,917 |
| ENDING BALANCE - | | | | |
| DECEMBER 31, 2020 | <u>\$ 772</u> | <u>\$ 679,229</u> | <u>\$ 1,778,625</u> | <u>\$ 2,458,626</u> |

See Accountants' Compilation Report.

SUPPLEMENTARY INFORMATION

MOUNT NEBOH CEMETERY ASSOCIATION
CURRENT MAINTENANCE FUND
SCHEDULES - BALANCE SHEETS
DECEMBER 31, 2020 AND 2019

| | <u>2020</u> | <u>2019</u> |
|--|--------------------------------|--------------------------------|
| Due to Perpetual Care Fund | | |
| Perpetual Care - | | |
| Balance, January 1, | \$ (320,580) | \$ (311,177) |
| Service charge | 22,954 | 42,901 |
| Office expense charge | 8,500 | 8,500 |
| Bookkeeping charge | <u>7,500</u> | <u>7,500</u> |
| Total Charges to Perpetual Care Fund | (281,626) | (252,276) |
| Advances from Perpetual Care Fund | <u>(91,197)</u> | <u>(68,304)</u> |
| TOTAL DUE TO PERPETUAL CARE | <u><u>\$ (372,823)</u></u> | <u><u>\$ (320,580)</u></u> |
| Plots and Graves Unsold | | |
| Balance - January 1, | \$ 111 | \$ 111 |
| Cost of plots purchased | <u>-</u> | <u>-</u> |
| | 111 | 111 |
| Cost of plots sold | <u>-</u> | <u>-</u> |
| BALANCE DECEMBER 31, | <u><u>\$ 111</u></u> | <u><u>\$ 111</u></u> |

MOUNT NEBOH CEMETERY ASSOCIATION
PERMANENT MAINTENANCE FUND
INVESTMENTS
DECEMBER 31, 2020

| Description | Interest Rate | Maturity | Cost |
|--|------------------|----------|-------------------|
| U.S. Government Obligations and Agency Bonds | | | |
| FEDERAL NTNL MO | 0.625% | 04/22/25 | 15,046 |
| FEDERAL NTNL MO | 0.500% | 06/17/25 | 14,972 |
| FEDERAL FARM CR | 1.530% | 03/02/27 | 15,523 |
| FEDERAL NTNL MO | 0.875% | 08/05/30 | 19,856 |
| FNMA PLAE0081 | 6.000% | 07/01/24 | 3,287 |
| FREDDIE MAC | 0.250% | 08/24/23 | 9,991 |
| U.S. Treasury Security Striped | 0.000% | 11/15/28 | 13,133 |
| U.S. Treasury Note | 1.125% | 02/28/21 | 14,988 |
| U.S. Treasury Note | 0.254% | 01/31/22 | 65,005 |
| U.S. Treasury Note | 1.750% | 05/15/22 | 85,095 |
| U.S. Treasury Note | 0.125% | 08/31/22 | 19,997 |
| U.S. Treasury Note | 0.125% | 11/30/22 | 40,005 |
| U.S. Treasury Note | 0.250% | 04/15/23 | 9,979 |
| U.S. Treasury Note | 0.250% | 11/15/23 | 30,000 |
| U.S. Treasury Note | 1.500% | 09/30/24 | 20,936 |
| U.S. Treasury Note | 2.250% | 11/15/24 | 66,534 |
| U.S. Treasury Note | 1.375% | 01/31/25 | 9,987 |
| U.S. Treasury Note | 0.375% | 04/30/25 | 15,014 |
| U.S. Treasury Note | 2.625% | 01/31/26 | 35,023 |
| U.S. Treasury Note | 1.625% | 02/15/26 | 33,944 |
| U.S. Treasury Note | 0.625% | 03/31/27 | 45,296 |
| U.S. Treasury Note | 2.250% | 11/15/27 | 43,667 |
| U.S. Treasury Note | 0.875% | 11/15/30 | 45,009 |
| TOTAL INVESTMENTS - AT COST | | | <u>\$ 672,287</u> |

MOUNT NEBOH CEMETERY ASSOCIATION
PERPETUAL CARE FUND
INVESTMENTS
DECEMBER 31, 2020

| Description | Interest Rate | Maturity | Cost |
|---|------------------|----------|-------------------|
| Preferred Stock | | | |
| Public Storage, 1,500 shares | 4.125% | 08/14/25 | 37,500 |
| Prudential Financial, 1,500 shares | 4.125% | 09/01/25 | 37,710 |
| U.S. Government Obligations and Agency Bonds | | | |
| Federal NTNL MO | 0.875% | 08/05/30 | 49,639 |
| U.S. Treasury Inflation Index | 0.125% | 04/15/25 | 53,478 |
| U.S. Treasury Note | 0.250% | 10/31/25 | 49,674 |
| U.S. Treasury Note | 1.500% | 01/31/27 | 74,750 |
| U.S. Treasury Note | 0.500% | 06/30/27 | 49,944 |
| U.S. Treasury Note | 0.625% | 11/30/27 | 99,416 |
| U.S. Treasury Note | 0.875% | 11/15/30 | 99,582 |
| U.S. Treasury Bond | 1.375% | 11/15/40 | 49,992 |
| U.S. Treasury Bond | 1.625% | 11/15/50 | <u>123,628</u> |
| Balance Brought Forward | | | <u>\$ 725,313</u> |

MOUNT NEBOH CEMETERY ASSOCIATION
PERPETUAL CARE FUND
INVESTMENTS
DECEMBER 31, 2020

| Description | Interest Rate | Maturity | Cost |
|--|------------------|----------|---------------------|
| Balance Carried Forward | | | \$ 725,313 |
| Corporate and Other Bonds | | | |
| Alphabet Inc | 1.100% | 08/15/30 | 50,907 |
| Amgen Inc | 2.450% | 02/21/30 | 50,117 |
| Apple Inc | 2.400% | 08/20/50 | 24,932 |
| AT&T Inc | 2.250% | 02/01/32 | 50,034 |
| Bank Of America Corporation | 1.015% | 03/05/24 | 50,290 |
| Baylor Scott | 4.185% | 11/15/45 | 55,341 |
| Bristol-Myers | 0.750% | 11/13/25 | 25,009 |
| Charles Schwab Corp | 1.650% | 03/11/31 | 24,951 |
| Comcast Corp | 2.650% | 02/01/30 | 50,090 |
| CVS Health Corp | 1.300% | 08/21/27 | 49,867 |
| Dominion Energy | 2.750% | 01/15/22 | 50,367 |
| Duke Energy Corp - PFD | 4.875% | 12/31/49 | 50,838 |
| Duke Energy Ohio | 2.125% | 06/01/30 | 25,421 |
| Emerson Electric | 1.950% | 10/15/30 | 24,930 |
| JPMorgan Chase & Co - PFD | 5.150% | 05/01/99 | 51,710 |
| Metlife Inc - PFD | 3.850% | 09/11/99 | 50,118 |
| Morgan Stanley | 2.699% | 01/22/31 | 25,022 |
| National Rural Utilities | 1.350% | 03/15/31 | 49,877 |
| Newmont Corp | 2.250% | 10/01/30 | 23,251 |
| Nextera Energy - Florida Power & Light | 0.602% | 07/28/23 | 50,009 |
| Nike Inc | 2.850% | 03/27/30 | 24,966 |
| Northrop Grumman Corp | 4.030% | 10/15/47 | 24,965 |
| Quebec Province | 0.600% | 07/23/25 | 49,980 |
| Royal Bank of Canada | 1.150% | 06/10/25 | 49,845 |
| State Street Corporation - PFD | 3.814% | 12/29/49 | 50,062 |
| State Street Corporation | 2.354% | 11/01/25 | 50,598 |
| Texas Instrument | 1.750% | 05/04/30 | 50,142 |
| The Toronto Dominion Bank | 0.750% | 09/11/25 | 49,869 |
| Florida State Brd Admin Fin Corp | 1.258% | 07/01/25 | 50,222 |
| Dallas Texas Indpt School District | 6.450% | 02/15/35 | 50,238 |
| University of CA | 4.131% | 05/15/45 | 50,404 |
| TOTAL INVESTMENTS - AT COSTS | | | <u>\$ 2,059,689</u> |

MOUNT NEBOH CEMETERY ASSOCIATION
ADDITIONAL DATA
DECEMBER 31, 2020

1. Identification Number - 41011
2. Number of Interments in 2020 - 15
3. Total Cemetery Acreage - 14 Acres
4. Total Unsold Acreage - Less Than 1/2 Acre
5. Allocation of Sales Proceeds

The Association is required to transfer to the Permanent Maintenance Fund 75% of the gross amount derived from the sale of plots and graves previously unsold and 75% of the amount of sales proceeds of plots and graves which had been repurchased after deducting from the sales proceeds the repurchase cost. (By order of the Supreme Court of New York, Hon. Charles S. Golden, Judge - entered March 2, 1954).

Fifteen percent of the sales proceeds is required to be transferred to the Current Maintenance Fund.

6. Relief from Income Taxes

Exemption from taxation, effective July 27, 1965 was granted as follows:

Federal File AU: F:a/8-BK-EO-65-177.

New York State File #209-664 dated December 16, 1965.

7. The Office of the State Comptroller Office of Unclaimed Funds is holding funds of Mount Neboh Cemetery Association. The funds being held by the State to be claimed by the Association are \$26,545 of the Current Maintenance Fund, \$2,781 of the Permanent Maintenance Fund and \$13,684 of the Perpetual Care Fund.

EXHIBIT J



Division of Cemeteries

New York State
Department of State
DIVISION OF CEMETERIES
One Commerce Plaza
99 Washington Avenue
Albany, NY 12231-0001
Telephone: (518) 474-6226
<https://dos.ny.gov>

APPLICATION FOR APPROVAL OF A MAJOR ALTERATION

BASIC INFORMATION

| | | | |
|--|---------------------------------|---|-------------------|
| Cemetery Name Mount Carmel Cemetery / Mount Neboh Cemetery | | New York State – Cemetery Five Digit ID Number 41 — 11 | |
| Location of Cemetery: Street Address 8207 Cypress Hills Street | | | |
| City Glendale | or Town and Village | NY | Zip Code 11385 |
| Contact Person Name: Mark Stempa | | Title President, Mount Carmel Cemetery | |
| Phone Number 917-696-9130 | Email markstempa@yahoo.com | Date Form Completed 11/17/2021 | |
| Cemetery Total Acres: 14.00 | Cemetery Developed Acres: 14.00 | Cemetery Acres Sold: 14.00 | |
| Does the cemetery have certificates of indebtedness or land shares? (This is not common) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |

PROJECT DESCRIPTION

Explain the purpose of the project and why it is in the cemetery's best interests.

Currently, Mount Neboh Cemetery has no vacant graves to sell. By demolishing the office building and bathrooms at a cost of approximately \$150,000, we will generate approximately 200 adult graves with a selling price of \$7,500 to \$12,000 per grave.

APPLICATION FOR APPROVAL OF A MAJOR ALTERATION

Major alteration means: a project for which an environmental assessment form (EAF) is prepared or required; an activity which can reasonably be expected to have a substantial and adverse impact on the adjacent community, the lots or the lot owners of the cemetery, including: demolition; stockpiling materials; grading and other forms of earthwork; dumping, filling or depositing of any material; excavation or trenching; dredging; removal of soil; flooding or draining; or paving or construction of buildings, structures or facilities.

Major alterations do not include construction of mausoleums, columbariums, or lawn crypts; use the forms found at <https://dos.ny.gov/cemetery-operators#forms> for applications concerning those projects. Some mausoleum, columbarium, or lawn crypt projects also involve major alterations (e.g., installing lawn crypts where there will be significant regrading and installation of drainage). For those projects, please submit this major alteration form and the appropriate form for that type of project.

Will the alteration include any of the following activities?

- | | | |
|---|--|--|
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | Environmental Assessment Form |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | Demolition |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | Stockpiling materials |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | Building construction |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | Grading and other forms of earthwork |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | Dumping, filling or depositing of any material |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | Excavation or trenching, dredging or removal of soil |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | Flooding or draining |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | Paving or construction of buildings, structures or facilities (note: paving does not include sealing or putting a top coat on existing paved surfaces) |

If you answered "NO" to all of the questions above, STOP HERE and submit this form by email to cemeteryboardapplications@dos.ny.gov, together with a short (approximately one page) explanation of the project and cost estimate, and await further guidance. If you do not have access to email, please fax or mail a copy to the Division's Albany office. The fax is (518) 473-0876 and the address is on the first page of this form.

If you answered YES to ANY of the questions above, or if directed by the Division of Cemeteries, please complete the rest of this form.

COMPLIANCE WITH NEW YORK STATE CEMETERY BOARD REGULATIONS

How will the alteration avoid the destruction, damage to, modification or interference with existing graves and markers, crypts, mausoleums, roadways and pathways?

Office building and bathrooms are at the front entrance of the Cemetery and will not have any modification or interference with any existing graves or mausoleums.

APPLICATION FOR APPROVAL OF A MAJOR ALTERATION

COMPLIANCE WITH NEW YORK STATE CEMETERY BOARD REGULATIONS (Continued)

What is the location, design, and duration of the alteration?

Front entrance of the cemetery. Once demolition begins, approximately two weeks to complete.

Describe the financial impact of the alteration on the cemetery.

After demolition of the office building and bathrooms at Mount Neboh, it will yield approximately 200 graves and generate approximately \$1.6 to \$2 Million in land sales. This merger will increase our land sale inventory by approximately seven percent.

Explain how the alteration will or will not interfere with the lots or the interests of lot owners.

The demolition will not interfere with lot owners. The office building and bathrooms are located by the front gate of the cemetery and will not infringe or block access to any graves or plots.

APPLICATION FOR APPROVAL OF A MAJOR ALTERATION

COMPLIANCE WITH NEW YORK STATE CEMETERY BOARD REGULATIONS (Continued)

How will the alteration be appropriate for cemetery purposes?

Will expand our grave inventory.

Will the alteration have an adverse impact on the surrounding community? Explain why or why not. If there is such an impact, explain the measures to be taken to minimize that impact.

Since this project will include the demolition of an abandoned office building and bathrooms, it will provide open space for new graves and will enhance the appearance of the cemetery.

List all permits required to complete this project, attach copies of permits already obtained and describe the status of permits you have not yet obtained.

See attached proposal.

APPLICATION FOR APPROVAL OF A MAJOR ALTERATION

COST

Total Cost of Construction:

\$ 150,000.00

ADDITIONAL REQUIRED DOCUMENTS

- Minutes or resolution of board or lot owners approving the major alteration
- Map of the cemetery with the location of the major alteration indicated
- Rendering or sketch of the major alteration
- Construction budget, including a detailed list of all costs associated with the major alteration
- Is the cost of the project greater than \$ 25,000? ☒ Yes ☐ No If yes, submit a copy of the architect's or engineer's report.
- Copies of any permits received for the project
- A list of lot prices and service fees associated with the major alteration
- Does your cemetery file Form 990 or Form 990-EZ with the IRS? ☒ Yes ☐ No
 - If you file Form 990, attach Part VII, Compensation of Officers, Directors, and Trustees for the last year available
 - If you file Form 990-EZ, attach Part VI for the last year available
 - If you file Form 990-N-Electronic Notice (e-Postcard), no additional document is required
- If you intend to finance the project by borrowing from your permanent maintenance fund, you must also submit a separate "Application for Recommendation for Approval of a Loan or Grant from a Cemetery's Permanent Maintenance Fund," found at <https://dos.ny.gov/cemetery-operators#forms>

REQUIRED SCHEDULES

- Schedule A: summary detailing the last four years of income and expenses and fund balances as reported on your annual report; use the form found at <https://dos.ny.gov/cemetery-operators#forms>.
- Schedule B: anticipated annual revenue and expenses from the project if the project is anticipated to generate revenue; use the form found at <https://dos.ny.gov/cemetery-operators#forms>.
- If you are borrowing money to finance the project from a source other than the cemetery's permanent maintenance fund, attach an amortization schedule (this is not a Department of State form)
- Does the proposed project involve a related party? ☐ Yes ☒ No
 - If yes, please complete Schedule C: Related Party Transactions.
 - A related party is an officer, director, or key person of the cemetery or their relatives, or entities of which these people own a specific percentage. For purposes of applications, entities affiliated with cemeteries (such as funeral entities for grandfathered standalone crematories) are related parties. For more information, please see the New York State Office of the Attorney General's guide to Conflict of Interest Policies available at: https://www.charitiesnys.com/pdfs/Charities_Conflict_of_Interest.pdf.

EXHIBIT 1



Division of Cemeteries

Department of State
DIVISION OF CEMETERIES
One Commerce Plaza
99 Washington Avenue
Albany, NY 12231-0001
Telephone: (518) 474-6226
www.dos.ny.gov

SCHEDULE B – MAUSOLEUM/COLUMBARIUM/ LAWN CRYPT/NEW SECTION RETURN ON INVESTMENT

| | | | |
|--|-------------------------------|---|----------------------|
| Cemetery Name MOUNT CARMEL CEMETERY / MOUNT NEBOH CEMETERY | | New York State Cemetery Five Digit ID Number 41— 011 | |
| TYPE OF APPLICATION <input type="checkbox"/> MAUSOLEUM <input type="checkbox"/> COLUMBARIUM <input type="checkbox"/> LAWN CRYPT Check all that apply <input checked="" type="checkbox"/> FULL BODY BURIAL SPACES <input type="checkbox"/> CREMAINS BURIAL SPACES | | | |
| ANNUAL GROSS REVENUE | | | |
| | Number of Spaces Per Year* | Average Price per Space | Annual Gross Revenue |
| Crypts | | | \$ 0.00 |
| Niches | | | \$ 0.00 |
| Lawn Crypts | | | \$ 0.00 |
| Full Body Burial Spaces | 25 | \$ 10,000.00 | \$ 250,000.00 |
| Cremains Burial Spaces | | | \$ 0.00 |
| Totals | 25 | | \$ 250,000.00 |
| *Provide a reasonable estimate of annual sales | | | |
| TOTAL GROSS REVENUE ON ALL INVENTORY SOLD | | | |
| | Total Number of Spaces | Average Price per Space | Gross Revenue** |
| Crypts | | | \$ 0.00 |
| Niches | | | \$ 0.00 |
| Lawn Crypts | | | \$ 0.00 |
| Full Body Burial Spaces | 200 | \$ 10,000.00 | \$ 1,800,000.00 |
| Cremains Burial Spaces | | | \$ 0.00 |
| Totals | 200 | | \$ 1,800,000.00 |
| **For purposes of this calculation, we assume the final 10 percent of spaces will not sell. Consequently, Gross Revenue represents sales of 90 percent of spaces multiplied by average cost. | | | |
| ESTIMATED YEARS UNTIL PROJECT SELLS OUT | | | |
| | Number of Years | | Number of Years |
| Crypts | 0.00 | Full Body Burial Spaces | 7.20 |
| Niches | 0.00 | Cremains Burial Spaces | 0.00 |
| Lawn Crypts | 0.00 | | |
| EXPENSES | | | |
| Development and construction costs (include contractors, professional fees, setup and delivery, permitting, etc.) | | \$ 150,000.00 | |
| Permanent Maintenance Allocation (minimum of 10 percent of Gross Revenue)*** | | \$ 25,000.00 | |
| Total Selling Expenses | | \$ 0.00 | |
| Loan Interest Expenses | | \$ 0.00 | |
| Other (specify) | | \$ 0.00 | |
| Total Expenses | | \$ 175,000.00 | |
| NET REVENUE | | \$ 1,625,000.00 | |
| ***Most cemeteries allocate 10 percent of gross revenue from lot sales to Preventive Maintenance. Some cemeteries allocate a higher percentage; those that do must use that higher percentage. | | | |

EXHIBIT 2

151-01 14th Avenue
Whitestone, NY 11357



Tel (718) 747-4747
Fax (718) 767-3708

MOUNT CARMEL CEMETERY
83-45 CYPRESS HILLS ST
GLENDALE, NY 11385

ATTN: MARK STEMPE
PAGE 1 OF 2

DATE: NOVEMBER 17, 2020
JOB NAME: MOUNT NEBOH CEMETERY
JOB LOC: 82-07 CYPRESS HILLS STREET
RE: DEMOLITION
PROJECT 34264

WE ARE PLEASED TO SUBMIT OUR PROPOSAL TO PERFORM WORK AT THE ABOVE REFERENCED PROPERTY. WE HEREBY PROPOSE TO FURNISH MATERIAL, LABOR AND EQUIPMENT COMPLETE IN ACCORDANCE WITH THE ATTACHED SPECIFICATIONS.

COST OF PROJECT: ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000.00) BUDGETARY PRICE

NOTE: WE WILL NEED DOB APPROVED DRAWINGS TO GIVE FINAL ESTIMATE

PLUS APPLICABLE TAXES. IF THIS PROJECT QUALIFIES AS A CAPITAL IMPROVEMENT, THE CUSTOMER MUST PROVIDE A SIGNED CAPITAL IMPROVEMENT FORM (ST-124) AT THE TIME OF FINAL BILLING OR THE CONTRACTOR MUST BILL AND COLLECT APPLICABLE SALES TAXES.

ALL WORK SHALL BE COMPLETED IN A WORKMANLIKE MANNER ACCORDING TO STANDARD PRACTICES. WE ARE FULLY COVERED BY WORKMEN'S COMPENSATION, AND GENERAL LIABILITY INSURANCE. ALL WORK SHALL BE PERFORMED DURING NORMAL WORKING HOURS UNLESS OTHERWISE NOTED. ALL WORK PERFORMED BY NON-UNION WORKERS.

PLANS PERMIT AND FILING FEES, AND ASBESTOS/LEAD REMOVAL ARE NOT INCLUDED IN THE ABOVE PRICE UNLESS OTHERWISE SPECIFIED IN THE DESCRIPTION OF WORK BEING PERFORMED. WE ARE NOT RESPONSIBLE FOR ANY UNDERGROUND OR IN WALL UTILITIES UNLESS OTHERWISE SPECIFIED.

CRISTOM CONSTRUCTION SERVICES, INC.
BY: _____

AVI BASHER, PROJECT MANAGER

THIS PROPOSAL MAY BE WITHDRAWN, IF NOT ACCEPTED WITHIN TEN DAYS.

ACCEPTANCE OF PROPOSAL: THE ABOVE PRICES, SPECIFICATIONS, AND CONDITIONS ARE SATISFACTORY AND ARE HEREBY ACCEPTED. YOU ARE AUTHORIZED TO DO THE WORK AS SPECIFIED.

CUSTOMER SIGNATURE:

BY: _____

ACCEPTANCE DATE: _____



151-01 14th Avenue
Whitestone, NY 11357

Tel (718) 747-4747
Fax (718) 767-3708

MOUNT NEBOH CEMETERY
83-45 CYPRESS HILLS ST
GLENDALE, NY 11385

DATE: NOVEMBER 17, 2020
JOB NAME: MOUNT NEBOH CEMETERY
JOB LOC: 82-07 CYPRESS HILLS STREET
RE: DEMOLITION
PROJECT #: 34264

PAGE 2 OF 2

SCOPE OF WORK:

DEMOLITION:

- FILE (1) ONE ENGINEER SKETCH FOR BOTH STRUCTURES (MAIN HOUSE & BATHROOM BLDG) INCLUDING THE ATTACHED GARAGE.
- FILE SKETCH WITH DEPT. OF BLDGS. & PAY PERMIT FEES TO OBTAIN DEMO PERMIT.
- CONDUCT NECESSARY INSPECTIONS TO HAVE DEMO SIGNED OFF ONCE COMPLETED
- DISCONNECT UTILITIES FOR DEMOLITION (GAS, ELECTRIC, WATER MAIN & SEWER)
- PROVIDE TEMPORARY WOOD FENCE ALONG PERIMETER AS PER DEMOLITION PLAN.
- CONDUCT DEMO OF MAIN HOUSE, GARAGE & BATHROOM BLDG BY HAND & MACHINE
- RIP OUT & REMOVE OFF SITE FOUNDATIONS, SLABS & FOOTINGS THRU OUT CELLARS
- REMOVE OFF SITE ALL DEMOLITION DEBRIS
- REMOVAL OF FENCE WHEN COMPLETE.
- PROVIDE BACKFILL OF WORK AREA TO A ROUGH GRADE. EXISTING FILL TO BE REUSED AS NEEDED. ANY ADDITIONAL DIRT TO BE PROVIDED, IF NEEDED.

OIL TANK REMOVAL: FILE AFFIDAVIT UPON REMOVAL OF TANK TO SATISFY F.D.N.Y. REQUIREMENT

- EMPTY THE OIL FROM INSIDE THE OIL TANK INSIDE THE CELLAR OF THE MAIN BLDG.
- DEMOLISH & REMOVE OFF SITE THE EMPTY 275 GALLON OIL TANK.

EXCLUSIONS: NOT INCLUDED IN CONTRACT, ADDITIONAL COST IF REQUIRED OR NEEDED.

- CUSTOMER RESPONSIBLE FOR SATISFYING CIVIL LIABILITIES, PENALTIES OR VIOLATIONS THAT REMAIN AFTER, OR ARE NOT DISMISSED AFTER BUILDING DEMOLITION IS COMPLETE.
- REMOVAL AND / OR TESTING OF CONTAMINATED SOIL
- ASBESTOS & LEAD REMOVAL & FILINGS NOT INCLUDED
- DRYWELL INSTALLATION / SURFACE RESTORATION / LANDSCAPING
- TREE REMOVAL / SHRUB REMOVAL / TREE RE-LOCATION NOT FIGURED AT THIS TIME
- SHORING, UNDERPINNING, CONTROL INSPECTIONS, RETAINING WALL, FENCE RESTORATION, SECURITY, SIDEWALK SHED, & PARTIAL ROAD CLOSINGS NOT INCLUDED IN ABOVE COST
- **IF BUILDING PERMITS NEED TO BE FILED AS (2) TWO SEPARATE JOBS THEN THE COST FOR FILING THE SECOND BUILDING ONLY TO BE ADDITIONAL.**

EXHIBIT 3

MOUNT NEBOH CEMETERY

Page 7

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations. See instructions for the order in which to list the persons above.

☒ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below dotted line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|------------------------------------|--|--|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (1) EDWARD WALSH, JR. PRESIDENT | 5.00 5.00 | | | X | | | | 0. | 0. | 0. |
| (2) | | | | | | | | | | |
| (3) | | | | | | | | | | |
| (4) | | | | | | | | | | |
| (5) | | | | | | | | | | |
| (6) | | | | | | | | | | |
| (7) | | | | | | | | | | |
| (8) | | | | | | | | | | |
| (9) | | | | | | | | | | |
| (10) | | | | | | | | | | |
| (11) | | | | | | | | | | |
| (12) | | | | | | | | | | |
| (13) | | | | | | | | | | |
| (14) | | | | | | | | | | |

EXHIBIT K

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF QUEENS



In the Matter of the Application of the
Cemetery Board for an Order pursuant to
Section 86-a of the Membership Corporations
Law directing for an Order pursuant to
Section 86-a of the Membership Corporations
Law to increase its Permanent Maintenance
Fund.

S-I-R-E-I

PLEASE TAKE NOTICE that upon the annexed petition of the
Cemetery Board of the State of New York, dated and verified
February 18, 1954, the undersigned will move this Court, at a
Special Term, Part I thereof, at the General Courthouse, 88-11
Sutphin Boulevard, Jamaica, Long Island, New York, on the 2nd day
of March, 1954, at ten o'clock in the forenoon of that day, or as
soon thereafter as counsel can be heard, for an order pursuant to
Section 86-a of the Membership Corporations Law, directing Mount
Nebohem Cemetery Association to deposit in its Permanent Maintenance
Fund, commencing as of January 1, 1954, a sum equal to not less
than 75% of the gross proceeds of sale of each and every lot,
plot or part thereof located in the grounds of its cemetery in the
Borough of Queens, City and State of New York.

Dated: New York City, New York, February 18, 1954.

Yours, etc.,

TO:
MOUNT NEBOHEM CEMETERY
ASSOCIATION,
82-07 Cypress Hills Street,
Brooklyn 27, New York.

HARMANUEL L. GOLDBSTEIN,
Attorney General of the State
of New York,
Attorney for the Cemetery Board
of the State of New York,
50 Centre Street,
New York 13, New York.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF QUEENS

In the Matter of the Application of the :
Cemetery Board for an Order pursuant to :
Section 86-a of the Membership Corporations :
Law directing :

MOUNT NEBOH CEMETERY ASSOCIATION :

to Increase its Permanent Maintenance :
Fund. :

The petition of the Cemetery Board respectfully
shows as follows:

FIRST: That Mount Neboh Cemetery Association is a
cemetery corporation duly organized and existing under and by
virtue of the laws of the State of New York.

SECOND: That the grounds of the cemetery are located
in the Borough of Queens, City and State of New York.

THIRD: That the cemetery consists of some fourteen
acres.

FOURTH: That there now remains unsold in said ceme-
tery approximately 47 plots and a few single graves and that the
total area of all of said unsold plots and graves constitutes
less than one acre.

FIFTH: That Section 86-a of the Membership Corpora-
tions Law provides for the establishment of certain maintenance
funds for the preservation and care of the cemetery. That the
said statute, amongst other things, provides that, at the time
of making a sale of a lot, plot or part thereof, the cemetery
corporation shall deposit not less than 10% of the gross proceeds
of the sales into the permanent maintenance fund. That the
income arising therefrom shall be used solely for the maintenance
and preservation of cemetery grounds.

SIXTH: That the purpose of the permanent maintenance fund is to provide a sum, the income of which will help defray the cost of maintenance of the cemetery.

SEVENTH: That the cemetery corporation as of December 31, 1953 had in its permanent maintenance fund the sum of \$4,160.00.

EIGHTH: That it is estimated that the total cost of operation of the cemetery presently exceeds \$40,000 annually.

NINTH: That it is estimated that the cemetery will gross the sum of approximately \$14,900 from the sale of the plots remaining unsold. That at the present rate of deposits of 10% of lot proceeds the cemetery will further deposit the sum of \$14,900 into the permanent maintenance fund.

TENTH: That the sum of \$14,900 when added to the amount presently in the permanent maintenance fund, to wit, \$4,160, will constitute the sum of \$19,060.00.

ELEVENTH: That the sum of \$19,060 which will constitute the permanent maintenance fund at the present rate of deposits will not yield an adequate sum to help meet the cost of operation of the cemetery.

TWELFTH: That it is absolutely necessary at this time that the cemetery increase its deposits from lot sales into the permanent maintenance fund to establish as large a fund as possible from lot sales to help meet the cost of operation of the cemetery.

THIRTEENTH: That it is deemed necessary for the cemetery to deposit into its permanent maintenance fund a sum equal to not less than 75% of the gross proceeds of lot sales.

FOURTEENTH: That 75% of lot sales will approximate the sum of \$111,750.00. This sum added to the sum of \$4,160.00 presently in the permanent maintenance fund will result in a total

WHEREFORE petitioner prays that an order be made and entered directing Mount Hebron Cemetery Association to deposit into its permanent maintenance fund commencing as of January 1, 1954, a sum equal to not less than 75% of the gross proceeds of sale of a lot, plot or part thereof.

Dated: New York City, New York, February 18, 1954.

CHERRY ROAD

NATHANIEL C. GOLDBSTEIN,
Attorney General of the State
of New York,
Member of the Cemetery Board

[illegible]

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF QUEENS

-----X
In the Matter of the Application of the :
Cemetery Board for an Order pursuant to :
Section 86-a of the Membership Corporations :
Law directing :
MOUNT NEBON CEMETERY ASSOCIATION :
to Increase its Permanent Maintenance :
Fund. :
-----X

STATE OF NEW YORK)
CITY OF NEW YORK) SS:
COUNTY OF NEW YORK)

NATHANIEL L. GOLDSTEIN, being duly sworn, deposes and
says:

That he is the Attorney General of the State of New
York, and a member of the Cemetery Board, the petitioner in the
within special proceeding; that he has read the foregoing
petition and knows the contents thereof; that the same is true
of his own knowledge, except as to the matters therein stated
to be alleged on information and belief, and that as to those
matters, he believes it to be true.

Sworn to before me this 18th
day of February, 1954.

Nathaniel L. Goldstein

Assistant Attorney General of
the State of New York.



At a Special Term, Part I of the Supreme Court of the State of New York, held in and for the County of Queens at the Court House thereof, No. 88-11 Sutphin Blvd., Jamaica, Long Island, New York, this 7 day of March, 1954.

P R E S E N T :

HON. CHARLES S. GOLDEN,

Justice,

In the Matter of the Application of the Cemetery Board for an Order pursuant to Section 86-a of the Membership Corporations Law directing

MOUNT NEBOH CEMETERY ASSOCIATION

to Increase its Permanent Maintenance Fund.

A motion made by the Cemetery Board of the State of New York for an order pursuant to Section 86-a of the Membership Corporations Law directing Mount Neboh Cemetery Association to increase its Permanent Maintenance Fund by depositing in its Permanent Maintenance Fund, commencing as of January 1, 1954, a sum equal to not less than 75% of the gross proceeds of sale of each and every lot, plot or part thereof located in the grounds of its cemetery in the Borough of Queens, City and State of New York, having duly and regularly come on to be heard before the undersigned on March 2, 1954, and NATHANIEL L. GOLDSTEIN, Attorney General of the State of New York, the attorney for the Cemetery Board of the State of New York, by IRVING L. ROLLINS, Assistant Attorney

General, of Counsel, having appeared in support of said motion, and OSMOND K. FRAENKEL, ESQ., the attorney for the said Mount Neboh Cemetery Association having appeared but did not oppose the granting of said motion,

N O W, UPON READING AND FILING the notice of motion herein dated February 18, 1954, the petition of the Cemetery Board of the State of New York, per NATHANIEL L. GOLDSTEIN, Attorney General of the State of New York and a member thereof dated and verified February 18, 1954, together with due proof of service thereof upon the said Mount Neboh Cemetery Association, and due deliberation having been had thereon and sufficient reason appearing therefor, it is, on motion of NATHANIEL L. GOLDSTEIN, Attorney General of the State of New York, the attorney for the Cemetery Board of the State of New York,

O R D E R E D that the motion so made by the Cemetery Board of the State of New York be and the same hereby is in all respects granted; and it is further

O R D E R E D that Mount Neboh Cemetery Association be and it is hereby directed to deposit in its Permanent Maintenance Fund, commencing as of January 1, 1954, a sum equal to not less than 75% of the gross proceeds of sale of each and every lot, plot or part thereof located in the grounds of its cemetery in the Borough of Queens, City and State of New York.

★ GRANTED

Mar. 2, 1954 -
PAUL LIVOTI

CLERK

E n t e r

Collier

J. S. C.

DATE MAR 4 1954

FOR OFFICIAL USE
EXEMPT-NO FEE
I HEREBY CERTIFY THAT THE FOREGOING PAPER IS A TRUE
COPY OF THE ORIGINAL THEREOF, FILED IN MY OFFICE ON
THE 3rd DAY OF March 1954.
Paul Livoti
COUNTY CLERK AND CLERK OF THE
SUPREME AND COUNTY COURTS, QUEENS COUNTY.

CERTIFICATE OF MERGER OF
MOUNT NEBOH CEMETERY ASSOCIATION
AND
THE MOUNT CARMEL CEMETERY ASSOCIATION
INTO
THE MOUNT CARMEL CEMETERY ASSOCIATION

(under Section 904 of the Not-for-Profit Corporation Law)

We, the undersigned, Edward J. Walsh, Jr., being the President of Mount Neboh Cemetery Association, and Mark I. Stempa, being the President of The Mount Carmel Cemetery Association hereby certify:

1. (a) The name of each constituent corporation is as follows:

Mount Neboh Cemetery Association

The Mount Carmel Cemetery Association

- (b) The name of the surviving corporation is The Mount Carmel Cemetery Association.

2. As to each constituent corporation, a description of the membership and holders of any certificates evidencing capital contributions or subventions, including their number, classification, and voting rights, if any, are as follows:

| <u>Name of Corporation</u> | <u>Membership</u> | <u>Voting Rights</u> |
|--------------------------------------|----------------------|--|
| Mount Neboh Cemetery Association | 1,858 lot owners | Each lot owner is entitled to one vote for each lot owned |
| Mount Carmel Cemetery Association | 22,590 lot owners | Each lot owner is entitled to one vote for each lot owned |

3. There shall be no amendments or changes to the Certificate of Incorporation of The Mount Carmel Cemetery Association as a result of the merger with Mount Neboh Cemetery Association.

4. The merger shall be effective upon filing.

5. The Certificate of Incorporation of each constituent Corporation was filed with the Secretary of State of the State of New York, or the corporation was created by special law as follows:

- (a) Mount Neboh Cemetery Association was incorporated on February 23, 1886, pursuant to an act under Chapter 133 of the laws of 1847, entitled “An Act Authorizing the Incorporation of Rural Cemetery Associations”, passed on April 27, 1847.
- (b) The Certificate of Incorporation of The Mount Carmel Cemetery Association was filed with the Secretary of State of the State of New York on January 29, 1902.

6. The merger was adopted by the constituent corporations in the following manner:

(a) As to Mount Neboh Cemetery Association:

- (i) by the unanimous vote of the Board of Directors at a meeting on October 22, 2020; and
- (i) by the unanimous vote of lot owners present in person and by proxy at a meeting on October 22, 2020.

(b) As to the Mount Carmel Cemetery Association:

- (ii) by the unanimous vote of the Board of Directors of a meeting on March 25, 2015; and
- (iii) by the unanimous vote of lot owners present in person and by proxy at a meeting on March 25, 2015.

7. Annexed hereto as Exhibit A is a certified copy of the Order from the Supreme Court approving the Plan of Merger and authorizing the filing of this Certificate of Merger.

IN WITNESS WHEREOF, we have signed this certificate on __/__/2022 and we affirm the statements contained therein as true under penalties of perjury.

MOUNT NEBOH CEMETERY ASSOCIATION

Name: Edward J. Walsh, Jr.
Title: President

THE MOUNT CARMEL CEMETERY ASSOCIATION

Name: Mark I. Stempa
Title: President