

and has full power and authority to carry on its activities as now being conducted and to own or hold under lease the properties and assets it now owns or holds under lease. The nature of the business conducted by Association and the character or ownership of properties owned by it do not require Association to be qualified to do business in any other jurisdiction. The copy of the certificate of incorporation, and all amendments thereto, of Association heretofore delivered to Forest Lawn is complete and correct as of the date hereof. The copy of the bylaws, and all amendments thereto, of Association heretofore delivered to Forest Lawn is complete and correct as of the date hereof. The minute book or minute books of Association contain a complete and accurate record in all material respects of all meetings and other corporate actions of the members and directors of Association.

3.2 Authority. The execution, delivery and performance of this Agreement by Association does not violate, result in a breach of, or constitute a default under, the certificate of incorporation or bylaws of Association or any material indenture, contract, agreement or other instrument to which it is a party or is bound, or to the best knowledge of Association, any applicable laws, rules or regulations.

3.3 Subsidiaries and Other Relationships. Association does not own any stock, membership or other interest in any other corporation, nor is it a member of any partnership or other entity.

3.4 Financial Statements. Association has caused to be delivered to Forest Lawn a true and complete copy of the financial statements of Association for the fiscal years of Association ended December 31, 2017, including, without limitation, balance sheets and statements of income for such periods (collectively, the “**Financial Statements**”). Each of the Financial Statements is true and correct in all material respects, is in accordance with the books and records of Association in all material respects, presents fairly the financial condition and results of operations of Association as of the date and for the period indicated, and, in the case of the audited statements, has been prepared in accordance with Generally Accepted Accounting Principles consistently applied throughout the periods covered by such statements.

3.5 Absence of Undisclosed Liabilities. Except as and to the extent specifically reflected, provided for or reserved against in the balance sheet dated December 31, 2017 or except as disclosed in any Schedule to this Agreement, Association, as of the date hereof, does not, to the best of its knowledge, have any material indebtedness, liability or obligation of any nature whatsoever, whether accrued, absolute, contingent or otherwise, and whether due or to become due, or arising out of transactions entered into, or any state of facts existing, prior thereto, and Association knows of no basis for the assertion against Association, as of the date hereof, of any material indebtedness, liability or obligation of any nature or in any amount not fully reflected or reserved against in the Balance Sheet dated December 31, 2017 or otherwise disclosed in any Schedule to this Agreement.

3.6 No Adverse Change. Except as set forth on Schedule 3.6, since December 31, 2017, to the best of its knowledge, there has been no material adverse change in the financial condition of Association other than changes occurring in the ordinary course of business or except as otherwise disclosed in any of the Schedules to this Agreement, which changes have not had a material adverse effect on the financial condition of Association.

### 3.7 Tax Status.

(a) Association is a corporation exempt from federal income taxation under Section 501(c)(13) of the Internal Revenue Code.

(b) Association has filed all federal, state and local income, withholding, social security, unemployment, excise, real property tax, tangible personal property tax, intangible personal property tax and all other tax returns and reports required to be filed by it to the date hereof and all of such returns and reports are true and correct in all material respects. All taxes, assessments, fees, penalties, interest and other governmental charges which were required to be paid by Association on such returns and reports have been duly paid and satisfied on or before their respective due dates. No tax deficiency or penalty has been asserted or threatened with respect to Association. To the best of its knowledge, no federal or state income tax return of Association has been audited during the past five years or, to the knowledge of Association, is proposed to be audited, by any federal or state taxing authority, including, without limitation, the United States Internal Revenue Service and the New York Department of Taxation and Finance, and no waiver of any statute of limitations has been given or is in effect with respect to the assessment of any taxes against Association.

3.8 Real Property Owned by Association. A complete list of all real property owned by Association (the "**Real Property**") is set forth in Schedule 3.8. Except as otherwise stated in Schedule 3.8, (i) Association has good and marketable title to all the Real Property, in each case free and clear of all mortgages, restrictions, or other liens or encumbrances whatsoever, (ii) the Real Property is not subject to any commitment for sale or use by any person, other than the sale of plots for burial purposes, (iii) the Real Property is not subject to any encumbrance, which in any material respect interferes with or impairs the value, transferability or present and continued use thereof in the usual and normal conduct of the operations of Association, (iv) no labor has been performed or material furnished for the Real Property for which a mechanic's or materialman's lien or liens, or any other lien, has been or could be claimed by any person, (v) the Real Property, and each user thereof, is in compliance in all material respects with all applicable governmental requirements (including, without limitation, all zoning, subdivision and other applicable land use ordinances) and all existing covenants, conditions, restrictions and easements, and the current use of the Real Property does not constitute a non-conforming use under the applicable zoning ordinances, (vi) no material default or breach exists with respect to any encumbrance affecting the Real Property, (vii) there are no condemnation or eminent domain proceedings pending or, to the knowledge of Association, contemplated or threatened, against the Real Property or any part thereof, and Association does not know of any desire of any governmental authority to take or use the Real Property or any part thereof, (viii) there are no existing, or to the knowledge of Association, contemplated or threatened, general or special assessments affecting the Real Property or any portion thereof, (ix) the Real Property is not within any area determined to be flood-prone under the Federal Flood Protection Act of 1973, or any comparable state or local governmental requirement, (x) the Real Property is not situated in an area classified by any governmental authority as being a "wetland" and (xi) Association does not have any knowledge of any pending or threatened proceeding before any governmental authority which relates to the ownership, maintenance, use or operation of the Real Property. All

water, sewer, gas, electric, telephone and drainage facilities and all other utilities required by law or by the normal use and operation of the Real Property are installed to the improvements situated on the Real Property, are connected pursuant to valid permits and are adequate to service the Real Property as currently used and to permit compliance in all material respects with all governmental requirements and normal usage of the Real Property. Access to and from the Real Property is via public streets, which streets are sufficient to ensure adequate vehicular and pedestrian access for the present operations of Association. The buildings and improvements on the Real Property (including, without limitation, the heating, air conditioning, mechanical, electrical and other systems used in connection therewith) are in a reasonable state of repair, have been well maintained and are free from infestation by termites, other wood destroying insects, vermin and other pests.

3.9 Personal Property Owned by Association. A complete list of all tangible and intangible personal property with a value greater than \$5,000 that is owned by Association is set forth in Schedule 3.9. Association has good and marketable title to all such personal property, in each case free and clear of all security interests, conditional sales contracts or other liens or encumbrances whatsoever except as otherwise stated in Schedule 3.9.

3.10 Leases. Schedule 3.10 contains a correct and complete list and brief description of all material leases or other agreements under which Association is a tenant or lessee of, or holds or operates any property, real or personal, owned by any third party. Each of said leases and agreements is in full force and effect and constitutes a legal, valid and binding obligation of the respective parties thereto, enforceable in accordance with its terms. Association enjoys peaceful and undisturbed possession of all properties covered by all such leases and agreements, and there is not any existing default or event or condition, including the Merger contemplated herein, which with notice or lapse of time, or both, would constitute an event of default under any of such leases or agreements.

3.11 Insurance. Schedule 3.11 contains a correct and complete list, as of the date hereof, of all policies of casualty, fire and extended coverage, theft, errors and omissions, liability, life, and other forms of insurance owned or maintained by Association. Such policies are in amounts deemed by Association to be adequate. Each such policy is, on the date hereof, in full force and effect, and Association is not in default with respect to any such policy.

3.12 Officers and Directors; Banks; Powers of Attorney. Schedule 3.12 contains a correct and complete list of all officers and directors of Association, a correct and complete list of the names and addresses of each bank in which Association has any account or safe deposit box, together with the names of all persons authorized to draw on each such account or having access to any such safe deposit box, and a correct and complete list of the names of all persons holding powers of attorney from Association.

3.13 Compensation and Fringe Benefits. Schedule 3.13 contains a correct and complete list of each employee or agent of Association.

3.14 Indebtedness. Schedule 3.14 contains a correct and complete list of all instruments, agreements or arrangements pursuant to which Association has borrowed any money, incurred any indebtedness or established any line of credit which represents a liability of

Association on the date hereof. True and complete copies of all such written instruments, agreements or arrangements have heretofore been delivered to, or made available for inspection by Forest Lawn. Association has performed in all material respects all of the obligations required to be performed by it to date, and is not in default in any material respect under the terms of any such written instruments, agreements or arrangements, and no event has occurred which, but for the passage of time or the giving of notice, or both, would constitute such a default.

3.15 Material Contracts. Schedule 3.15 contains a list and brief description of all contracts, agreements and other instruments to which Association is a party at the date hereof. Association is not in default in any material respect under any agreement, lease, contract or other instrument to which it is a party. To the best of its knowledge, no party with whom Association has any agreement which is of material importance to its business is in default thereunder.

3.16 Absence of Certain Events. Since December 31, 2017, the business of Association has been conducted only in the ordinary course and in substantially the same manner as theretofore conducted, and, except as set forth in Schedule 3.16 attached to this Agreement, or in any other Schedule attached to this Agreement, Association has not, since December 31, 2017 (i) issued any capital certificates, subventions, bonds or other securities; (ii) incurred, or become subject to, any material obligation or liability (whether absolute or contingent) except (A) current liabilities incurred in the ordinary course of business, (B) obligations under contracts entered into in the ordinary course of business and (C) obligations under contracts not entered into in the ordinary course of business which are listed in Schedule 3.15 or any other schedule to this Agreement; (iii) discharged or satisfied any material lien or encumbrance or paid any obligation or liability (whether absolute or contingent) other than current liabilities shown on the most recent balance sheet and current liabilities incurred since the most recent balance sheet date in the ordinary course of business; (iv) mortgaged, pledged or subjected to lien, charge or any other encumbrance, any of its assets and properties, real, tangible or intangible; (v) sold or transferred any of its material assets, properties or rights, or cancelled any debts or claims, except in each case in the ordinary course of business, or entered into any agreement or arrangement granting any preferential rights to purchase any of its assets, properties or rights or which required the consent of any party to the transfer and assignment of any of its assets, properties or rights; (vi) suffered any extraordinary losses (whether or not covered by insurance) or waived any extraordinary rights of value; (vii) entered into any transaction other than in the ordinary course of business except as herein stated; (viii) amended its certificate of incorporation or bylaws; (ix) increased the rate of compensation payable or to become payable by it to any of its employees or agents over the rate being paid to them at December 31, 2017; (x) made or permitted any amendment to or termination of any material contract, agreement or license to which it is a party other than in the ordinary course of business; or (xi) made capital expenditures or entered into any commitments therefor aggregating more than \$ 10,000. Except as contemplated by this Agreement, or the Schedules referred to in this Agreement, between the date hereof and the Closing Date, Association will not, without the prior written consent of Forest Lawn, do any of the things listed above in clauses (i) through (xi) of this Section 3.16.

3.17 Investigations and Litigation. To the best of its knowledge, there is no investigation by any governmental agency pending, or threatened against or adversely affecting Association, and except as set forth on Schedule 3.17, there is no action, suit, proceeding or

claim pending, or threatened against Association, or any of its businesses, properties, assets or goodwill, which might have a material adverse effect on such corporation, or against or affecting the transactions contemplated by this Agreement. To the best of its knowledge, there is no outstanding order, injunction, judgment or decree of any court, government or governmental agency against or affecting Association, or any of its businesses, properties, assets or goodwill.

3.18 Overtime, Back Wages, Vacation and Minimum Wages. To the best of its knowledge, no present or former employee of Association has any claim against Association (whether under federal or state law) under any employment agreement, or otherwise, on account of or for: (i) overtime pay for any period other than the current payroll period; (ii) wages or salary for any period other than the current payroll period; (iii) vacation or time off (or pay in lieu thereof), other than that earned in respect of the current fiscal year; or (iv) any violation of any statute, ordinance, rule or regulation relating to minimum wages or maximum hours of work, except as otherwise set forth in Schedule 3.18.

3.19 Discrimination, Occupational Safety and Other Statutes and Regulations. To the best of its knowledge, no persons or parties (including, without limitation, governmental agencies of any kind) have any claim, action or proceeding, against Association arising out of any statute, ordinance, rule or regulation relating to discrimination in employment or employment practices or occupational safety and health standards (including, without limitation, The Occupational Safety and Health Act, The Fair Labor Standards Act, Title VII of the Civil Rights Act of 1964, The Civil Rights Act of 1992, The Americans with Disabilities Act, and The Age Discrimination in Employment Act of 1967, as any of the same may have been amended).

3.20 Employee Benefit Plans. Except as set forth on Schedule 3.20 or Schedule 3.13 there are no employee benefit plans or arrangements of any type, including but not limited to any retirement, health, welfare, insurance, bonus, executive compensation, incentive compensation, stock bonus, stock option, deferred compensation, commission, severance, parachute, rabbi trust program or plan described in Section 3(3) of the Employee Retirement Income Security Act of 1974 (ERISA), maintained by Association, or with respect to which Association has a liability.

3.21 Permits and Licenses. All material permits, licenses and approvals of all federal, state or local regulatory agencies, which are required in order to permit Association and its employees and agents to carry on business as now conducted by it, have been obtained by it and are current.

3.22 Brokers. No commission, finder's fee, brokerage fee or similar charge will be incurred by Association for the consummation of the transactions contemplated herein.

3.23 Environmental Laws. "**Environmental Law**" shall be defined as any applicable, or relevant and appropriate, statute, ordinance, by-law, rule or regulation, order, and any license, permit, order, judgments, notice or other requirement issued pursuant thereto, enacted, promulgated or issued by any governmental authority, in effect as of Closing, relating to pollution or protection of public health or the environment (including, but not limited to, any air, surface water, groundwater, land surface or sub-surface strata, whether outside, inside or under any structure), or to the identification, reporting, generation, manufacture, processing, distribution, use, handling, treatment, storage, disposal, transporting, presence, release or

threatened release, of any hazardous material. Without limiting the generality of the foregoing, Environmental Law includes the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, the Toxic Substances Control Act, as amended, the Hazardous Materials Transportation Act, as amended, the Resource Conservation and Recovery Act, as amended, the Clean Water Act, as amended, the Safe Drinking Water Act, as amended, the Clean Air Act, as amended, and all analogous laws enacted, promulgated or lawfully issued by any relevant governmental authority. To the best of Association's knowledge, there has been no disposal, release or threatened release of any hazardous material at, on, under or from any of the Real Property. Association has not received any notice of, and does not know of: (A) any alleged, actual or potential responsibility for, or any inquiry or investigation regarding, any disposal, release or threatened release of any hazardous material at, on, under or from any Real Property, or any other property at which it is claimed Association or any prior owner or occupant of the Real Property arranged for disposal of any hazardous material; or (B) any other proceeding by any person alleging any actual or threatened injury or damage to any person, property or the environment arising from or relating to any disposal, release or threatened release of any hazardous material at, on, under or from the Real Property or any other property at which it is claimed Association or any prior owner or occupant of the Real Property arranged for disposal of any hazardous material.

4. COVENANTS OF ASSOCIATION PRIOR TO THE EFFECTIVE DATE.

Throughout the period prior to the Effective Date, Association shall:

(a) give to Forest Lawn, and any and all authorized representatives of Forest Lawn (including auditors and attorneys), reasonable access upon prior notice, during normal business hours, to the offices, assets, properties, contracts, books and records of Association in order to give Forest Lawn full opportunity to make such investigations as it deemed appropriate with respect to the affairs of Association (including, if requested by Forest Lawn, soil borings) and further cause Association and all of its employees to provide to Forest Lawn during such period such additional information concerning the affairs of Association as Forest Lawn may reasonably request (and regardless of any such investigation by Forest Lawn, all representations and warranties of Association contained in this Agreement shall remain in full force and effect until closing and no such investigation shall cause or result in a waiver by Forest Lawn of any of the representations and warranties of Association contained herein); and

(b) not make any expenditures outside of the ordinary course of business in excess of \$2,000, or incur any indebtedness outside of the ordinary course of business, without obtaining the prior approval of Forest Lawn.

5. CONDITIONS PRECEDENT TO PERFORMANCE BY ASSOCIATION. The obligation of Association to consummate the transactions contemplated by this Agreement shall be subject to the satisfaction or fulfillment, on or prior to the Closing Date, of the following conditions precedent, in addition to all other conditions precedent contained in this Agreement, each of which may be waived by Association:

5.1 Representations. Association shall not have discovered any material error, misstatement or omission in any of the representations and warranties made by Forest Lawn contained in this Agreement, or in any financial statement, certificate, Schedule, exhibit or other

document attached to or delivered pursuant to this Agreement, and all representations and warranties of Forest Lawn or any of them, contained in this Agreement and in any financial statement, certificate, Schedule, exhibit or other document attached to or delivered pursuant to this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same force and effect, except as affected by transactions expressly authorized herein or otherwise approved in writing by Association, as though such representations and warranties had been made on and as of the Closing Date. Except for the covenants provided in Section 7 hereof, no representation or warranty by Forest Lawn contained in this Agreement or in any other document or agreement delivered in connection with this Agreement shall survive the Closing.

5.2 Covenants. Forest Lawn shall have performed and complied in all material respects with all covenants, agreements and conditions required under this Agreement to be performed or complied with by it on or before the Closing.

5.3 Litigation. No suit, action or proceeding, or governmental investigation, against or concerning, directly or indirectly, Forest Lawn, or any of its material assets and properties, shall have been instituted or reinstated, nor shall any basis therefor have arisen, that might result in any order or judgment of any court or of any administrative agency which renders it impossible for Forest Lawn to consummate or cause to be consummated the transactions contemplated by this Agreement.

5.4 Resolutions. Association shall receive certified copies of resolutions of the board of directors and members of Forest Lawn in form satisfactory to the Association, authorizing the execution and delivery of this Agreement by Forest Lawn and the consummation of the transactions contemplated hereby.

5.5 Approvals. (a) All statutory requirements for the valid consummation by Association of the transactions contemplated by this Agreement shall have been fulfilled; all authorizations, consents and approvals of lot owners and all federal, state, local and foreign governmental agencies and authorities required to be obtained in order to permit consummation by Association of the transactions contemplated by this Agreement shall have been obtained, except where failure to obtain such approval would not have a material adverse effect.

(b) Without limiting the generality of subsection (a), the following approvals shall have been obtained: (i) approval of the Certificate of Merger by the Attorney General or Supreme Court of the State of New York pursuant to Section 907 of the NPCL; and (ii) approval by the New York State Cemetery Board.

6. CONDITIONS PRECEDENT TO PERFORMANCE BY FOREST LAWN. The obligation of Forest Lawn to consummate the transactions contemplated by this Agreement shall be subject to the satisfaction or fulfillment on or prior to the Closing Date, of the following conditions, in addition to any other conditions contained in this Agreement, each of which may be waived, collectively, by Forest Lawn:

6.1 Representations. Forest Lawn shall not have discovered any material error, misstatement or omission in any of the representations and warranties made by Association contained in this Agreement, and all representations and warranties of Association contained in

this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same force and effect, except as otherwise approved in writing by Forest Lawn, as though such representations and warranties had been made on and as of the Closing Date. No representation or warranty by Association contained in this Agreement or in any other document or agreement delivered in connection with this Agreement shall survive the Closing.

6.2 Covenants. Association shall have performed and complied in all material respects with all covenants, agreements and conditions required under this Agreement to be performed and complied with by it on or before the Closing.

6.3 Litigation. No suit, action or proceeding, or governmental investigation, against or concerning, directly or indirectly, Association, or any of its material assets and properties, shall have been instituted or reinstated, nor shall any basis therefor have arisen, that might result in any order or judgment of any court or of any administrative agency which renders it impossible for Association to consummate or cause to be consummated the transactions contemplated by this Agreement.

6.4 Resolutions. Forest Lawn shall receive certified copies of resolutions of the governing body and members of Association in form satisfactory to Forest Lawn, authorizing the execution and delivery of this Agreement by Association and the consummation of the transactions contemplated hereby.

6.5 Approvals. (a) All statutory requirements for the valid consummation by Forest Lawn of the transactions contemplated by this Agreement shall have been fulfilled; all authorizations, consents and approvals of lot owners and all federal, state, local and foreign governmental agencies and authorities required to be obtained in order to permit consummation by Forest Lawn of the transactions contemplated by this Agreement shall have been obtained, except where failure to obtain such approval would not have a material adverse effect.

(b) Without limiting the generality of subsection (a), the following approvals shall have been obtained: (i) approval of the Certificate of Merger by the Attorney General or Supreme Court of the State of New York pursuant to Section 907 of the NPCL; and (ii) approval by the New York State Cemetery Board of the consummation of the transactions contemplated by this Agreement.

6.6 Title and Other Affidavits. Association shall have delivered to Forest Lawn any other documents or affidavits reasonably required by this Agreement or Stewart Title Insurance Co. (or any other company providing title insurance on the Real Property) to be delivered by the Association.

## 7. COVENANTS OF FOREST LAWN FOLLOWING CLOSING.

Following Closing, Forest Lawn covenants and agrees as follows:

7.1 It will continue to use the name "FOREST HILL CEMETERY" as the name of the cemetery located on the Real Property, provided that this covenant shall not prevent Forest Lawn from also identifying itself or any successor or assign as the owner or operator of the

cemetery (e.g., "FOREST HILL CEMETERY, a Forest Lawn Cemetery" or "part of the Forest Lawn Group" or similar words).

7.2 The covenants and agreements contained in this Section 7 shall survive the Closing and may be enforced by appropriate legal action brought by any present or future lot owner in the cemetery located on the Real Property or the current officers and directors of Association.

8. DEFAULT.

8.1 Default by Forest Lawn. Except as otherwise expressly provided in this Agreement, if Forest Lawn shall fail to perform or comply with any material covenant, agreement or condition contained in this Agreement that is required to be performed or complied with by Forest Lawn on or prior to the Closing Date, then Association, after notice to Forest Lawn and failure to cure within thirty (30) days after notice, shall have the option to seek specific performance of this Agreement or to sue Forest Lawn for damages. If Association elects to sue for specific performance, Forest Lawn expressly waives any claim or defense that Association has an adequate remedy at law.

8.2 Default by Association. Except as otherwise expressly provided in this Agreement, if Association shall fail to perform or comply with any material covenant, agreement or condition contained in this Agreement that is required to be performed or complied with by Association on or prior to the Closing Date, then Forest Lawn after notice to Association and failure to cure within thirty (30) days after notice, may seek specific performance of this Agreement or may elect to sue Association for damages. If Forest Lawn elects to sue for specific performance, Association expressly waives any claim or defense that Forest Lawn has an adequate remedy at law.

9. NOTICES. All notices or other communications permitted or required to be given hereunder by any party to any other party shall be in writing and may be delivered by fax or email but must be followed up, or sent in the first place, via personal delivery or by courier or by Priority Mail or registered or certified mail, postage prepaid:

If to Forest Lawn: The Buffalo City Cemetery  
1411 Delaware Avenue  
Buffalo, New York 14209  
Attn: Joseph P. Dispenza, President  
Email: [jdispenza@forest-lawn.com](mailto:jdispenza@forest-lawn.com)

With a copy to: Hodgson Russ LLP  
140 Pearl St., Suite 100  
Buffalo, New York 14202  
Attn: David V. Bradley, Esq.  
Email: [dbradley@hodgsonruss.com](mailto:dbradley@hodgsonruss.com)

If to Association:

Attica Cemetery Association  
40 High Street  
Attica, New York 14011  
Attn: Jacqueline Pearl, Vice President  
Email: \_\_\_\_\_

With a copy to:

Timothy F. Moran, Esq.  
Kibbe, King & Moran  
2 Main Street  
P.O. Box 268  
Attica, New York 14011  
Email: [timothymoranlaw@hotmail.com](mailto:timothymoranlaw@hotmail.com)

Notices shall be effective when the recipient receives same personally, by courier or by one of the mail options listed above. Any party wishing to change the contact information for the receipt of notices may give notice of such change to the other party pursuant to this Section 9.

#### 10. EXTENSION OF TIME AND WAIVER.

(a) Time is of the essence with respect to this Agreement. However, the parties hereto may, by mutual agreement in writing, extend the time for the performance of any of the obligations of the parties hereto.

(b) Each party for whose benefit a representation, warranty, covenant, agreement or condition is intended may, in writing: (i) waive any inaccuracies in the warranties and representations contained in this Agreement; and (ii) waive compliance with any of the covenants, agreements or conditions contained herein and so waive performance of any of the obligations of the other parties hereto, and any default hereunder; provided, however, that any such waiver shall not affect or impair the waiving party's rights in respect to any other representation, warranty, covenant, agreement or condition or any default with respect thereto.

#### 11. MISCELLANEOUS PROVISIONS.

11.1 Counterparts. Any number of counterparts of this Agreement may be signed and delivered, each of which shall be considered the original and all of which, together, shall constitute one and the same instrument.

11.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

11.3 Entire Agreement. This Agreement constitutes the entire Agreement and understanding between the parties hereto with respect to the transactions contemplated hereby, expressly superseding all prior Agreements and understandings, whether oral or written, and no change, modification, termination or attempted waiver of any of the provisions of this Agreement shall be binding unless reduced to writing and signed by the party or parties against whom enforcement is sought.

11.4 Section Headings. The section headings in this Agreement are for convenience of reference only and shall not be deemed to alter or affect any provision hereof.

11.5 No Assignment. Neither this Agreement, nor any rights or liabilities hereunder, may be assigned by any party without the prior written consent of all of the other parties.

11.6 Schedules. Schedules referenced in this Agreement are an integral part of this Agreement and are to be deemed a part of this Agreement whether attached hereto on execution of this Agreement or anytime thereafter.

**[SIGNATURE PAGE FOLLOWS]**

**IN WITNESS WHEREOF, the parties hereto have executed this Agreement of Merger.**

**ATTICA CEMETERY ASSOCIATION**

By:   
Name: Frederick C. Stevens  
Title: Vice President

**THE BUFFALO CITY CEMETERY, INC.**

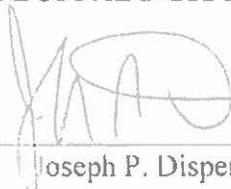
By: \_\_\_\_\_  
Joseph P. Dispenza, President

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement of Merger.

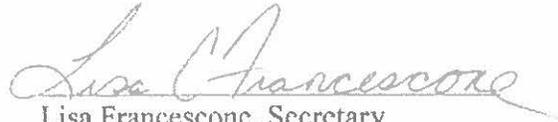
**ATTICA CEMETERY ASSOCIATION**

By: \_\_\_\_\_  
Name: Frederick C. Stevens  
Title: Vice President

**THE BUFFALO CITY CEMETERY, INC.**

By:  \_\_\_\_\_  
Joseph P. Dispenza, President

**IN WITNESS WHEREOF**, the undersigned has caused this certificate to be executed as of the date first written above.

  
Lisa Francescone, Secretary

# **Exhibit N**

**Forest Lawn Board Approval of Merger**

**RESOLUTIONS OF THE BOARD OF TRUSTEES  
OF  
THE BUFFALO CITY CEMETERY, INC.**

THE BUFFALO CITY CEMETERY, INC. d/b/a Forest Lawn ("*Forest Lawn*") convened a meeting of its Board of Trustees (the "*Board*") on June 15, 2021 (the "*Meeting Date*"), and adopted the following preamble and resolutions to authorize, adopt and approve the plan of merger of Forest Lawn, a public, not-for-profit regulated cemetery, with ATTICA CEMETERY ASSOCIATION (the "*Association*"), pursuant to Section 902 and Section 1506-d of the Not-for-Profit Corporation Law (the "*NPCL*"), with Forest Lawn surviving.

**WHEREAS**, the Board has determined that the review and consideration of certain cemetery mergers would contribute to the financial stability and long-term sustainability of Forest Lawn's cemetery operations and support the interests of its lot owners; and

**WHEREAS**, the Board has directed management to proceed with the ongoing review and development of merger opportunities, and in circumstances where management determines that pursuit of a merger is prudent, submit such opportunities to the Board for review and approval; and

**WHEREAS**, the Board and management have previously met and discussed with representatives of Association a plan of merger ("*Plan of Merger*") outlining the terms and conditions for a merger of the Association with and into Forest Lawn; and

**WHEREAS**, the Board previously approved of a Plan of Merger between Forest Lawn and the Association in a resolution dated as of June 26, 2018; and

**WHEREAS**, the proposed merger was never consummated due to unavoidable regulatory and other delays; and

**WHEREAS**, the parties have now re-engaged in discussions and are once again proposing to pursue the contemplated merger pursuant to a re-executed Plan of Merger substantially the same as the previously executed Plan of Merger, a copy of which has been shared with the Board; and

**WHEREAS**, the Board has reviewed updated reports and recommendations related to this matter as well as the scope of the project and plans for this proposed merger; and

**WHEREAS**, Forest Lawn has determined that a merger of the Association with and into Forest Lawn (the "*Merger*") under the terms of the Plan of Merger will afford Forest Lawn the ability to acquire and profitably manage Association based on the recommendations and financial analysis reviewed by the Board;

and

**WHEREAS**, Forest Lawn hereby submits the Plan of Merger setting forth the proposed terms and condition for the Merger for review and re-approval of the Board.

**NOW, THEREFORE, IT IS**

**RESOLVED**, that the Merger of the Association with and into Forest Lawn and the Plan of Merger be, and each hereby is, adopted and approved by the Board; and be it further

**RESOLVED**, that a meeting of the lot owners of Forest Lawn be, and hereby is, called for the purpose of presenting the Plan of Merger for further adoption and approval by such lot owners under Section 903 of the NPCL; and be it further

**RESOLVED**, that the Board Chair, President, officers, and/or legal counsel of Forest Lawn, and each of their designees, be, and each hereby is, authorized to execute or have executed, prepare or have prepared, and file or have filed, any and all documents in order to effectuate, secure and consummate the Merger, including but not limited to the Plan of Merger, an Agreement of Merger, a Certificate of Merger, a Verified Petition for the Merger, and any and all ancillary documents, petitions, agreements, consents and certificates required, and to do or take any other actions required, in furtherance of the Merger and the preceding resolutions, subject to successful and beneficial resolution of appropriate conditions to closing including, without limitation, all necessary approvals relating to the Merger; and be it further

**RESOLVED**, that the Board Chair, President, officers, and/or legal counsel of Forest Lawn, and each of their designees, be, and each hereby is, authorized to file an application and provide any and all documentation to the State Cemetery Board and Division of Cemeteries as is necessary to secure approval of Merger and in furtherance of the preceding resolutions.

\*\*\*\*\*

**OFFICER'S CERTIFICATE**

I, Meghann Surratt, hereby certify that:

1. I am the Secretary of THE BUFFALO CITY CEMETERY, INC. d/b/a Forest Lawn ("Forest Lawn"), a public, not-for-profit regulated cemetery governed under the New York Not-for-Profit Corporation Law.
2. The preceding resolutions were approved by at least a majority vote of the governing board of Forest Lawn (the "Board"), a quorum being present, at a meeting duly called and held on June 15, 2021, which resolutions have not been rescinded or modified and are still in full force and effect.
3. At said meeting there were: (i) 8 votes cast for approval of the preceding resolutions; (ii) 0 votes cast against approval of the preceding resolutions; and (iii) 0 abstentions.

IN WITNESS WHEREOF, I have set my hand this 15 day of June, 2021.

Meghann Surratt  
Secretary

# **Exhibit O**

**Forest Lawn Lot Owners**

**Approval of Merger**

**RESOLUTIONS OF THE LOT OWNERS  
OF  
THE BUFFALO CITY CEMETERY, INC.**

**Monday, August 2, 2021. 2:00pm**

THE BUFFALO CITY CEMETERY, INC. d/b/a Forest Lawn ("*Forest Lawn*") convened a meeting of its lot owners on August 2, 2021 (the "*Meeting Date*"), and adopted the following preamble and resolutions to authorize, adopt and approve the plan of merger of Forest Lawn, a public, not-for-profit regulated cemetery, with: ATTICA CEMETERY ASSOCIATION (A/K/A FOREST HILL CEMETERY) (the "*Association*") pursuant to Section 903(a) of the Not-for-Profit Corporation Law, with Forest Lawn surviving.

**WHEREAS**, a meeting of the lot owners of Forest Lawn on the Meeting Date was duly called, and notice for such meeting was duly provided; and

**WHEREAS**, at such meeting, the governing Board of Forest Lawn (the "*Board*") presented a plan of merger (the "*Plan of Merger*") setting forth the terms and conditions of the proposed merger of the Association with and into Forest Lawn. (the "*Merger*"); and

**WHEREAS**, the Board of Forest Lawn has voted to approve the Merger and to adopt the Plan of Merger; and

**WHEREAS**, the lot owners of Forest Lawn have determined that the Merger, under the terms and conditions of the Plan of Merger, is in the best interest of the lot owners and meets the financial needs and long-term sustainability of Forest Lawn's cemetery operations.

**NOW, THEREFORE, IT IS**

**RESOLVED**, that the Merger of the Association with and into Forest Lawn and the Plan of Merger be, and each hereby is, adopted and approved by the lot owners of the Forest Lawn; and be it further

**RESOLVED**, that the Board of Forest Lawn, its officers and their designees be, and each hereby is, authorized to prepare or have prepared, execute or have executed, and file or have filed any and all documents in order to effectuate, secure and consummate the Merger, including but not limited to the Plan of Merger, an Agreement of Merger, a Certificate of Merger, a Verified Petition for the Merger, and any and all ancillary documents, petitions, agreements, consents and certificates required, and to do or take any other actions required, in furtherance of the Merger.

OFFICER'S CERTIFICATE

I, Meghann Surratt, hereby certify that:

1. I am the Secretary of THE BUFFALO CITY CEMETERY, INC. d/b/a Forest Lawn ("Forest Lawn"), a public, not-for-profit regulated cemetery governed under the New York Not-for-Profit Corporation Law.
2. Notice of the meeting of lot owners of the Association was duly posted or delivered in the following manner:
  - a. The notice was published in a newspaper in the county where the Association's principal office is located once a week for three (3) consecutive weeks prior to the date of the lot owners' meeting.
  - b. The notice was conspicuously posted on the Association's web site, together with a copy of the Plan of Merger or an outline of the material features of the Plan of Merger.
3. The preceding resolutions were approved by at least a two-thirds vote of the lot owners of Forest Lawn present in person or by proxy, a quorum being present, at a meeting duly called and held on August 2, 2021, which resolutions have not been rescinded or modified and are still in full force and effect. 2 present, 600 by proxy
4. There were [no / 0] votes cast against approval of the preceding resolutions.

IN WITNESS WHEREOF, I have set my hand this 2<sup>nd</sup> day of August, 2021.

  
Secretary

# **Exhibit P**

**Attica Cemetery**

**Board Approval of Merger**

RESOLUTIONS OF THE GOVERNING BOARD  
OF

Attica CEMETERY ASSOCIATION

Attica CEMETERY ASSOCIATION (the "Association") convened a meeting of its governing Board (the "Board") on March 13, 2021 (the "Meeting Date"), and adopted the following preamble and resolutions to authorize, adopt and approve the plan of merger of the Association, a public, not-for-profit regulated cemetery situated in the Town of Attica, New York with and into THE BUFFALO CITY CEMETERY, INC. d/b/a Forest Lawn ("Forest Lawn") pursuant to Section 902 of the Not-for-Profit Corporation Law (the "NPCL").

**WHEREAS**, the Board has reviewed options for the long-term sustainability of the Association; and

**WHEREAS**, the Board has met with representatives of Forest Lawn to discuss a plan of merger ("*Plan of Merger*") outlining the terms and conditions for a merger of the Association with and into Forest Lawn; and

**WHEREAS**, the Association has determined that a merger of the Association with and into Forest Lawn (the "*Merger*") under the terms of the Plan of Merger will meet the financial needs and long-term sustainability of the Association's operations and will support the best interests of the Association and its lot owners; and

**WHEREAS**, the Association hereby submits the Plan of Merger setting forth the proposed terms and condition for the Merger for review and approval of the Board.

**NOW, THEREFORE, IT IS**

**RESOLVED**, that the Merger of the Association with and into Forest Lawn and the Plan of Merger be, and each hereby is, adopted and approved by the Board; and be it further

**RESOLVED**, that a meeting of the lot owners of the Association be, and hereby is, called for the purpose of presenting the Plan of Merger for further adoption and approval by such lot owners under Section 903 of the NPCL; and be it further

**RESOLVED**, that the President, officers, and/or legal counsel of the Association, and each of their designees, be, and each hereby is, authorized to prepare or have prepared, execute or have executed, and file or have filed, any and all documents in order to effectuate, secure and consummate the Merger, including but not limited to the Plan of Merger, an Agreement of Merger, a Certificate of

Merger, a Verified Petition for the Merger, and any and all ancillary documents, petitions, agreements, consents and certificates required, and to do or take any other actions required, in furtherance of the Merger and the preceding resolutions, subject to successful and beneficial resolution of appropriate conditions to closing including, without limitation, all necessary approvals relating to the Merger; and be it further

**RESOLVED**, that the President, officers, and/or legal counsel of the Association, and each of their designees, be, and each hereby is, authorized to file an application and provide any and all documentation to the State Cemetery Board and Division of Cemeteries as is necessary to secure approval of Merger and in furtherance of the preceding resolutions.

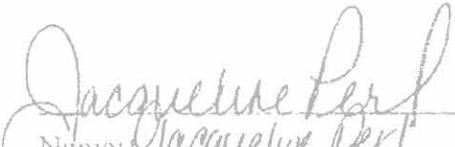
\*\*\*\*\*

OFFICER'S CERTIFICATE

I, Jacqueline Perl, hereby certify that:

1. I am the duly elected Secretary of Attica CEMETERY ASSOCIATION (the "Association"), a public, not-for-profit regulated cemetery governed under the New York Not-for-Profit Corporation Law.
2. The preceding resolutions were approved by at least a majority vote of the governing board of the Association (the "Board"), a quorum being present, at a meeting duly called and held on March 13, 2021, which resolutions have not been rescinded or modified and are still in full force and effect.
3. At said meeting there were: (i) 8 votes cast for approval of the preceding resolutions; (ii) 0 votes cast against approval of the preceding resolutions; and (iii) 0 abstentions.

IN WITNESS WHEREOF, I have set my hand this 13 day of March, 2021.

  
Name: Jacqueline Perl  
Title: Secretary

# **Exhibit Q**

**Attica Cemetery**

**Lot Owners Approval of Merger**

**RESOLUTIONS OF THE LOT OWNERS  
OF  
ATTICA CEMETERY ASSOCIATION**

ATTICA CEMETERY ASSOCIATION (the "*Association*") convened a meeting of its lot owners on Wednesday, July 21, 201 (the "*Meeting Date*"), and adopted the following preamble and resolutions to authorize, adopt and approve the plan of merger of the Association, a public, not-for-profit regulated cemetery situated in the Village of Attica, New York with and into THE BUFFALO CITY CEMETERY, INC. d/b/a Forest Lawn ("*Forest Lawn*"), pursuant to Section 903(a) of the Not-for-Profit Corporation Law.

**WHEREAS**, a meeting of the lot owners of the Association on the Meeting Date was duly called, and notice for such meeting was duly provided; and

**WHEREAS**, at such meeting, the governing Board of the Association (the "*Board*") presented a plan of merger (the "*Plan of Merger*") setting forth the terms and conditions of the proposed merger of the Association with and into Forest Lawn (the "*Merger*"); and

**WHEREAS**, the Board of the Association has voted to approve the Merger and to adopt the Plan of Merger; and

**WHEREAS**, the lot owners of the Association have determined that the Merger, under the terms and conditions of the Plan of Merger, is in the best interest of the lot owners and meets the financial needs and long-term sustainability of the Association's cemetery operations.

**NOW, THEREFORE, IT IS**

**RESOLVED**, that the Merger of the Association with and into Forest Lawn and the Plan of Merger be, and each hereby is, adopted and approved by the lot owners of the Association; and be it further

**RESOLVED**, that the Board of the Association, its officers and their designees be, and each hereby is, authorized to prepare or have prepared, execute or have executed, and file or have filed any and all documents in order to effectuate, secure and consummate the Merger, including but not limited to the Plan of Merger, an Agreement of Merger, a Certificate of Merger, a Verified Petition for the Merger, and any and all ancillary documents, petitions, agreements, consents and certificates required, and to do or take any other actions required in furtherance of the Merger.

\*\*\*\*\*

**OFFICER'S CERTIFICATE**

I, Frederick C Stevens hereby certify that:

1. I am the duly elected Vice President of ATTICA CEMETERY ASSOCIATION (the "Association"), a public, not-for-profit regulated cemetery governed under the New York Not-for-Profit Corporation Law.
2. Notice of the meeting of lot owners of the Association was duly posted or delivered in the following manner (check all that apply):
  - a.  Written notice was duly sent by first class mail, facsimile or electronic mail to all Lot Owners at least ten (10) and not more than sixty (60) days prior to the meeting in accordance with the New York Not-For-Profit Corporation Law and the Association's by-laws.
  - b.  The notice was published in a newspaper in the county where the Association's principal office is located once a week for three (3) consecutive weeks prior to the date of the lot owners' meeting.
  - c.  The notice was conspicuously posted at the Association's cemetery for at least sixty (60) days prior to the lot owners' meeting, together with the name, telephone number and address of a person from whom a copy of the Plan of Merger could be obtained.
  - d.  The notice was conspicuously posted on the Association's web site, together with a copy of the Plan of Merger or an outline of the material features of the Plan of Merger. (If this box is not checked, then this will certify that the Association does not maintain web site).
3. The preceding resolutions were approved by at least a two-thirds vote of the lot owners of the Association present in person or by proxy, a quorum being present, at a meeting duly called and held on July 21, 2021, which resolutions have not been rescinded or modified and are still in full force and effect.
4. At said meeting there were: (i) 26 votes cast for approval of the preceding resolutions; (ii) 0 votes cast against approval of the preceding resolutions; and (iii) 0 abstentions.

IN WITNESS WHEREOF, I have set my hand this 21<sup>st</sup> day of July, 2021.

  
Name: Frederick C Stevens  
Title: Vice President

# **Exhibit R**

## **Forest Lawn Annual Financial Report**



# 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) 3/31/2021	
Cemetery Name Forest Lawn Cemetery & Crematory	Cemetery County Erie
New York State – Cemetery Five Digit ID Number 15027	Federal ID Number – Nine Digit ID Number 16-0365720
Mailing Address (include name if address is that of an Officer) 1990 Main Street	
City, Town or Village Buffalo	Zip Code 14208

### PERSON KEEPING FINANCIAL RECORDS

Name and Title Annette M. Wargo	Controller/Treasurer	Mailing Address 1990 Main Street	Buffalo	14208
Telephone Number 716-885-1600	E-Mail Address awargo@forest-lawn.com			

NUMBER OF BURIALS – FOR REPORTING YEAR			CEMETERY LANDS – IN ACRES	
Number of Body Burials	1059	Current Lot Price-if multiple prices, write "various"		Sold – To Date
Number of Cremains Buried from NYS Crematories	562	Adult Interment Fee	1562	Unsold - Developed
Number of Cremains Buried from Out-of-State Crematories	56	Cremation Interment Fee	1046	Unsold - Undeveloped
<b>Total Burials for Reporting Year</b>	<b>1677</b>	Cremation Fee for Crematory Use only		<b>Total Acreage</b>
Number Cremations Performed	5232	Estimated Burial Spaces Remaining Including In Ground, Mausoleum Crypts and Columbarium niches		

### INSURANCE COVERAGE – Commercial Crime/Employee Dishonesty

5000000	9/23/2021
AMOUNT OF COVERAGE	EXPIRATION DATE OF POLICY
Directors & Officers	Mount Vernon Fire Insurance Company
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 Forest Lawn Cemetery & Crematory 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.

<b>X</b>	6/28/2021 10:55:50 AM
TRUSTEE SIGNATURE James M. Wadsworth	DATE
Chairman	
NAME AND TITLE (PRINT)	
<b>X</b>	6/28/2021 10:55:50 AM
TRUSTEE SIGNATURE Joseph P. Dispenza	DATE
President/Trustee	
NAME AND TITLE (PRINT)	

# ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

## PART TWO – OPERATING STATEMENT

CEMETERY NUMBER AND NAME	DATE – Reporting Year End
15027 Forest Lawn Cemetery & Crematory	3/31/2021

① Operating Account Balance – Beginning ..... \$ 9,708,775.00

**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 HIGHLIGHTED LINES MUST BE FILLED OUT)

- a. Lot Sales (gross) (includes niche, crypts, mausoleums, etc.)..... \$ \_\_\_\_\_
- b. Interment Income..... \$ \_\_\_\_\_
- c. Foundations..... \$ \_\_\_\_\_
- d. Dividends and Interest (deposited in reporting year)..... \$ \_\_\_\_\_
- e. Donations and Bequests..... \$ \_\_\_\_\_
- f. Other Receipts (complete schedule on next page)..... \$ \_\_\_\_\_
- g. **SUBTOTAL - OPERATING REVENUES...**(Add lines a – f)..... **+\$ 8,418,120.00**

**DISBURSEMENTS (EXPENSES)**

- h. Employee Wages..... \$ \_\_\_\_\_
- i. Independent Contractor - Grave Opening..... \$ \_\_\_\_\_
- j. - Maintenance and Mowing..... \$ \_\_\_\_\_
- k. Salaries of Officers and Directors..... \$ \_\_\_\_\_
- l. Supplies and Repairs..... \$ \_\_\_\_\_
- m. Equipment..... \$ \_\_\_\_\_
- n. Insurance - General Liability..... \$ \_\_\_\_\_
- o. - Workers Compensation..... \$ \_\_\_\_\_
- p. - Commercial Crime/Employee Dishonesty..... \$ \_\_\_\_\_
- q. Vandalism and Assessment Fee..... \$ \_\_\_\_\_
- r. Other Disbursements (complete schedule on next page)..... \$ \_\_\_\_\_
- s. **SUBOTAL - DISBURSEMENTS...**(Add lines h – r)..... **- \$ 7,375,702.00**

② Net Operating Surplus OR Deficit (Operating Revenue - line g Less Disbursements - line s) ..... \$ 1,042,418.00

**TRANSFERS TO OPERATING ACCOUNT (complete this entire section even if you file a CPA Report)**

- From Trust Funds (Retained Income from Previous Years)..... \$ 0.00
- From Other Funds (i.e., Special, Bequests, Pre-need, etc.)..... \$ 0.00

③ **TOTAL TRANSFERS TO OPERATING ACCOUNT**..... **+\$ 0.00**

**TRANSFERS FROM OPERATING ACCOUNT**

- To Permanent Maintenance Fund\*
  - Minimum of 10 % of Lot Sales..... \$ 332,548.00
  - \$35 per Interment..... \$ \_\_\_\_\_
  - Other (Loan Payments, etc.)..... \$ \_\_\_\_\_
- To Perpetual Care Fund..... \$ 0.00
- To Other Funds..... \$ 0.00

④ **TOTAL TRANSFERS FROM OPERATING ACCOUNT TO PM, PC, AND OTHER FUNDS**..... **-\$ 332,548.00**

**Operating Account Balance – ENDING (Total lines 1 – 3 less line 4)**..... **\$ 10,418,645.00**

**DIVIDENDS AND INTEREST**

**Total Dividends and Interest Earned in the Reporting Year (from all accounts)**..... **\$ 1,128,591.00**

\*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 THREE – STATEMENT OF OPERATING FUNDS & TRUST FUNDS

CEMETERY NUMBER AND NAME	DATE – Reporting Year End
15027 Forest Lawn Cemetery & Crematory	3/31/2021

### 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. Charles Schwab	8790	savings	\$ 7,109.00	\$ 7,109.00
2. BlackRock High Yield Bond	8790	mf	\$ 5,145,970.00	\$ 4,804,193.00
3. BlackRock Strategic Income	8790	mf	\$ 1,637,906.00	\$ 1,541,872.00
4. T. Rowe Price High Yield	8790	mf	\$ 6,551,861.00	\$ 6,603,313.00
5. Drake Capital	4262	other	\$ 1,554,515.00	\$ 1,554,515.00
<b>A. Total of Permanent Maintenance Assets at Reporting Year End</b>			<b>\$ 31,356,153.00</b>	<b>\$ 30,640,585.00</b>

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

### PERMANENT MAINTENANCE (PM) FUND RECONCILIATION

1. PM Fund Balance – Beginning	\$ 28,910,110.00
<b>ADDITIONS TO PM</b>	
2. Allocations from Lot Sales (at least 10% of gross lot sales)	\$ 0.00
3. Allocations from Interments (\$35 per interment)	\$ 60,005.00
4. Allocations from Installment Payments (from Part 5A)	\$ 272,543.00
5. Income (Interest and Dividends)	\$ 1,012,020.00
6. Realized Capital Gains	\$ 1,151,043.00
7. PM Loan Repayments	\$ 370,000.00
8. Other Additions to PM	\$ 0.00
9. SUBTOTAL ADDITIONS (Lines 2 through 8)	+ \$ 2,865,611.00
<b>WITHDRAWALS/DEDUCTIONS FROM PM</b>	
10. Transfer of Income (Interest and Dividends)	\$ 1,050,366.00
11. Realized Capital Losses	\$ 0.00
12. PM Loans withdrawn	\$ 0.00
13. Deduction of 2/3 of investment advisory fees on PM account	\$ 84,770.00
14. SUBTOTAL DEDUCTIONS (Lines 10 through 13)	- \$ 1,135,136.00
15. Balance at Reporting Year End (Line 1 plus Line 9, minus Line 14)	\$ 30,640,585.00

# ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

## PART THREE – STATEMENT OF OPERATING FUNDS & TRUST FUNDS

CEMETERY NUMBER AND NAME 15027 Forest Lawn Cemetery & Crematory	DATE – Reporting Year End 3/31/2021
--	--

### 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. _____	_____	_____	\$ _____	\$ _____
2. _____	_____	_____	\$ _____	\$ _____
3. _____	_____	_____	\$ _____	\$ _____
4. _____	_____	_____	\$ _____	\$ _____
5. _____	_____	_____	\$ _____	\$ _____
<b>Total of Special Trust Fund Assets at Reporting Year End</b>			\$ 0.00	\$ 0.00

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

# ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

## PART FIVE – A – SUPPORTING SCHEDULES

CEMETERY NUMBER AND NAME	DATE – Reporting Year End
15027 Forest Lawn Cemetery & Crematory	3/31/2021

### 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	\$ _____
2. 10% of Line 1	\$ _____
3. Less: PM Funds Returned on Cancelled Installment Lot Sales	(\$ _____)
4. Net PM Allocation on Installment Lot Sales (Line 2 minus Line 3)	\$ _____

#### Schedule A-2

1. Installment Payments Collected	\$ 2,525,491.00
2. Less Payments Returned on Cancelled Installment Lot Sales	(\$ 0.00)
3. Net Installment Lot Sales (Line 1 minus Line 2)	\$ 2,525,491.00
4. PM Allocation <u>10</u> % <sup>1</sup> of Line 3	\$ 252,549.10

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.

<sup>1</sup>Enter 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	DATE – Reporting Year End
15027 Forest Lawn Cemetery & Crematory	3/31/2021

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

#### Schedule B

	Interment Services	Merchandise
Balance – Beginning of Reporting Year	\$:#####	\$ 113,400.00
Sales:		
Add - Payments Received This Reporting Year	\$ 73,395.00	\$ 0.00
Less – Payments Received on Contracts Cancelled This Reporting Year	\$ 0.00	\$ 0.00
Less – Contracts Delivered This Reporting Year	\$ 100,028.00	\$ 1,518.00
<b>Balance – End of Reporting Year</b>	<b>\$:#####</b>	<b>\$ 111,882.00</b>

### 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. M&T Bank	0692	savings	\$ 263,937.00	\$ 263,937.00
2. M&T Bank	3767	savings	\$ 131,404.00	\$ 131,404.00
3. _____	_____	_____	\$ _____	\$ _____
4. _____	_____	_____	\$ _____	\$ _____
5. _____	_____	_____	\$ _____	\$ _____
<b>Total Pre-Need Trust Fund Assets at Reporting Year End</b>			<b>\$ 395,341.00</b>	<b>\$ 395,341.00</b>

\*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	\$ 0.00	\$ 0.00
Pre-Need Merchandise	\$ 0.00	\$ 0.00	\$ 0.00
<b>Totals</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>

# 15027 - Forest Lawn Cemetery & Crematory Trustee Changes for Reporting Period Ending 3/31/2021

Change	Title	Name	Address	Phone	Email
delete	Trustee	Dean Jewett			
delete	Trustee	Margot Banta			
add	Trustee	Hugh Russ	140 Pearl Street, Suite 100, Buffalo, NY 14202		

# **Exhibit S**

## **Attica Cemetery Annual Financial Report**



# 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	Cemetery County
Attica Cemetery Association	Wyoming
New York State - Cemetery Five Digit ID Number	Federal ID Number - Nine Digit ID Number
61002	16-0764804
Mailing Address (include name if address is that of an Officer)	
PO Box 221	
City, Town or Village	Zip Code
Attica	14011

### PERSON KEEPING FINANCIAL RECORDS

Name and Title	Secretary	Mailing Address	Attica	14011
Jacqueline Perl		PO Box 221		
Telephone Number		E-Mail Address		
585-591-1681		jacquelineperl@gmail.com		

NUMBER OF BURIALS - FOR REPORTING YEAR			CEMETERY LANDS - IN ACRES	
Number of Body Burials	12	Current Lot Price-If multiple prices, write "various"	780	Sold - To Date
Number of Cremains Buried from NYS Crematories	17	Adult Interment Fee	800	Unsold - Developed
Number of Cremains Buried from Out-of-State Crematories	2	Cremation Interment Fee	550	Unsold - Undeveloped
<b>Total Burials for Reporting Year</b>	<b>31</b>	Cremation Fee for Crematory Use only		<b>Total Acreage</b>
Number Cremations Performed	0	Estimated Burial Spaces Remaining Including In Ground, Mausoleum Crypts and Columbarium niches		

### INSURANCE COVERAGE - Commercial Crime/Employee Dishonesty

50000	2/10/2022
AMOUNT OF COVERAGE	EXPIRATION DATE OF POLICY
directors, employees, officers, volunteers	National Grange Mutual Insurance Company
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 Attica 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.

<input checked="" type="checkbox"/>	TRUSTEE SIGNATURE	Roxanne Christensen	Treasurer	3/6/2021 6:25:17 AM
	NAME AND TITLE (PRINT)			DATE
<input checked="" type="checkbox"/>	TRUSTEE SIGNATURE	Jacqueline Perl	Secretary	3/6/2021 6:25:17 AM
	NAME AND TITLE (PRINT)			DATE

# ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

## PART TWO – OPERATING STATEMENT

CEMETERY NUMBER AND NAME	DATE – Reporting Year End
61002 Attica Cemetery Association	12/31/2020

① Operating Account Balance – Beginning..... \$ 69,752.34

### 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 HIGHLIGHTED LINES MUST BE FILLED OUT)

a. Lot Sales (gross) (includes niche, crypts, mausoleums, etc.).....	\$ <u>11,625.00</u>
b. Interment Income.....	\$ <u>16,725.00</u>
c. Foundations.....	\$ <u>1,258.00</u>
d. Dividends and Interest (deposited in reporting year).....	\$ <u>20,523.76</u>
e. Donations and Bequests.....	\$ <u>400.00</u>
f. Other Receipts (complete schedule on next page).....	\$ <u>51,075.00</u>
g. SUBTOTAL - OPERATING REVENUES...(Add lines a – f)...	<b>+\$ <u>101,606.76</u></b>

### DISBURSEMENTS (EXPENSES)

h. Employee Wages.....	\$ <u>5,654.94</u>
i. Independent Contractor - Grave Opening.....	\$ <u>7,595.00</u>
j. - Maintenance and Mowing.....	\$ <u>20,766.18</u>
k. Salaries of Officers and Directors.....	\$ <u>0.00</u>
l. Supplies and Repairs.....	\$ <u>280.68</u>
m. Equipment.....	\$ <u>0.00</u>
n. Insurance - General Liability.....	\$ <u>1,572.67</u>
o. - Workers Compensation.....	\$ <u>239.00</u>
p. - Commercial Crime/Employee Dishonesty.....	\$ <u>135.00</u>
q. Vandalism and Assessment Fee.....	\$ <u>2,335.00</u>
r. Other Disbursements (complete schedule on next page).....	\$ <u>4,400.93</u>
s. SUBOTAL - DISBURSEMENTS...(Add lines h – r).....	<b>-\$ <u>42,979.40</u></b>

② Net Operating Surplus OR Deficit (Operating Revenue - line g Less Disbursements - line s) \$ 58,627.36

### TRANSFERS TO OPERATING ACCOUNT (complete this entire section even if you file a CPA Report)

From Trust Funds (Retained Income from Previous Years).....	\$ <u>0.00</u>
From Other Funds (i.e., Special, Bequests, Pre-need, etc.).....	\$ <u>0.00</u>

③ TOTAL TRANSFERS TO OPERATING ACCOUNT..... **+\$ 0.00**

### TRANSFERS FROM OPERATING ACCOUNT

To Permanent Maintenance Fund*	
Minimum of 10 % of Lot Sales.....	\$ <u>2,335.00</u>
\$35 per Interment .....	\$ _____
Other (Loan Payments, etc.).....	\$ _____
To Perpetual Care Fund.....	\$ <u>0.00</u>
To Other Funds .....	\$ <u>0.00</u>

④ TOTAL TRANSFERS FROM OPERATING ACCOUNT TO PM, PC, AND OTHER FUNDS..... **-\$ 2,335.00**

Operating Account Balance – ENDING (Total lines 1 – 3 less line 4) ..... \$ 126,044.70

### DIVIDENDS AND INTEREST

Total Dividends and Interest Earned in the Reporting Year (from all accounts)..... \$ 20,523.76

\*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

<b>CEMETERY NUMBER AND NAME</b> 61002      Attica Cemetery Association	<b>DATE – Reporting Year End</b> 12/31/2020
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### Other Receipts – Detail Schedule

Weekend Burial Fees	\$	1,075.00
Transfer from excess from pers		50,000.00
_____	\$	
_____	\$	
_____	\$	
_____	\$	
_____	\$	
_____	\$	
_____	\$	
_____	\$	
_____	\$	
_____	\$	
_____	\$	
_____	\$	
_____	\$	

Other Receipts (must equal total on line f on previous page.)      \$ 51,075.00

### Other Disbursements – Detail Schedule

Disability Insurance	\$	155.71
Advertising		35.30
Vandalism Fee		75.00
Federal Payroll Taxes		1,228.08
Office Supplies		514.69
Professional Services		1,577.92
Utilities		814.23
_____	\$	
_____	\$	
_____	\$	
_____	\$	
_____	\$	
_____	\$	
_____	\$	
_____	\$	
_____	\$	

Other Disbursements (must equal total on line r on previous page.)      \$ 4,400.93

## 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. KeyBank	0280	checking	\$ 69,752.34	69,752.34
2. American National	5277	other	\$ 58,500.00	58,500.00
3. _____			\$ _____	_____
4. _____			\$ _____	_____
5. _____			\$ _____	_____
<b>Total of General Fund Assets at Reporting Year End</b>			<b>\$ 128,252.34</b>	<b>\$ 128,252.34</b>

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

# ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

## PART THREE – STATEMENT OF OPERATING FUNDS & TRUST FUNDS

CEMETERY NUMBER AND NAME	DATE – Reporting Year End
61002      Attica Cemetery Association	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. Key Bank	2961	savings	\$ 90,931.80	\$ 90,931.80
2. National Integrity	6013	other	\$ 20,000.00	\$ 20,000.00
3. US Treasury	8P87	other	\$ 10,000.00	\$ 9,978.69
4.			\$	\$
5.			\$	\$
<b>A. Total of Permanent Maintenance Assets at Reporting Year End</b>			<b>\$ 120,931.80</b>	<b>\$ 120,910.49</b>

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

### PERMANENT MAINTENANCE (PM) FUND RECONCILIATION

1. PM Fund Balance – Beginning	\$ 120,189.58
<b>ADDITIONS TO PM</b>	
2. Allocations from Lot Sales (at least 10% of gross lot sales)	\$ 1,145.00
3. Allocations from Interments (\$35 per interment)	\$ 1,190.00
4. Allocations from Installment Payments (from Part 5A)	\$
5. Income (Interest and Dividends)	\$ 7.28
6. Realized Capital Gains	\$ 0.00
7. PM Loan Repayments	\$ 0.00
8. Other Additions to PM	\$ 0.00
9. SUBTOTAL ADDITIONS (Lines 2 through 8)	+ \$ 2,342.28
<b>WITHDRAWALS/DEDUCTIONS FROM PM</b>	
10. Transfer of Income (Interest and Dividends)	\$ 1,621.37
11. Realized Capital Losses	\$ 0.00
12. PM Loans withdrawn	\$ 0.00
13. Deduction of 2/3 of investment advisory fees on PM account	\$ 0.00
14. SUBTOTAL DEDUCTIONS (Lines 10 through 13)	- \$ 1,621.37
15. Balance at Reporting Year End (Line 1 plus Line 9, minus Line 14)	\$ 120,910.49

# ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION

## PART THREE – STATEMENT OF OPERATING FUNDS & TRUST FUNDS

CEMETERY NUMBER AND NAME		DATE – Reporting Year End
61002	Attica Cemetery Association	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. Five Star Bank	0848	savings	\$ 8,672.50	\$ 8,672.50
2. _____	_____	_____	\$ _____	\$ _____
3. _____	_____	_____	\$ _____	\$ _____
4. _____	_____	_____	\$ _____	\$ _____
5. _____	_____	_____	\$ _____	\$ _____
<b>Total of Special Trust Fund Assets at Reporting Year End</b>			<b>\$ 8,672.50</b>	<b>\$ 8,672.50</b>

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

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**ANNUAL FINANCIAL REPORT OF CEMETERY CORPORATION**

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1. Does your cemetery currently, or has it ever, offered perpetual care? **YES**  
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/cmtv/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? **NO**  
If you answered YES to this question, go online to <http://www.dos.ny.gov/cmtv/forms.htm> and download and file Part Four B – Permanent Maintenance Loan Balance.
3. Does your cemetery sell lots on an installment basis? **NO**  
If you answered YES to this question, go online to <http://www.dos.ny.gov/cmtv/forms.htm> and download and file Part Five-A – Supporting Schedules.
4. Does your cemetery sell merchandise such as bronze markers or interment services on a pre-need basis? **NO**  
If you answered YES to this question, go online to <http://www.dos.ny.gov/cmtv/forms.htm> and download and file Part Five-B – Supporting Schedules.
5. Does your cemetery file Form 990 or Form 990-EZ with the IRS? **YES**  
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 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.

# Exhibit T

## Operational Projections

**Attica Cemetery Association/Forest Hill  
Financial Forecast July 2021**

	2017	2018	2019	2020
Total # of Acres	30.00	30.00	30.00	30.00
Total PM Fund Endowment	\$ 116,000	\$ 119,000	\$ 120,000	\$ 121,000
PM Fund Endow./Acre	\$ 3,867	\$ 3,967	\$ 4,000	\$ 4,033
Total Endowed Care Fund	\$ 400,000	\$ 385,000	\$ 413,000	\$ 323,000
General Fund	\$ 86,000	\$ 85,000	\$ 76,000	\$ 128,000
Total Cash & Investments	\$ 602,000	\$ 589,000	\$ 609,000	\$ 572,000

General Fund Balance 12/31/2020 \$128,000

	Actual Financial Results								5 year Average			2021	2022	2023	2024	2025
	2013	2014	2015	2016	2017	2018	2019	2020				Projected	Projected	Projected	Projected	Projected
<b>Revenue:</b>																
Grave sales	\$ 9,760	\$ 7,700	\$ 16,200	\$ 10,774	\$ 5,775	\$ 15,225	\$ 6,576	\$ 11,625	\$ 9,995	a	\$ 13,493	\$ 14,842	\$ 16,327	\$ 16,327	\$ 16,327	
Interment fees	18,100	20,700	17,500	11,638	13,325	9,325	14,975	16,725			13,300	13,566	13,837	14,114	14,396	
Foundations	8,296	12,149	10,643	7,078	4,089	3,823	1,471	1,258	\$ 3,544	b	4,784	4,880	4,977	5,077	5,178	
Miscellaneous income	1,575	2,500	1,935	1,287	1,500		806	1,075			-	-	-	-	-	
Donations	1,460	100,020	-	250	325	400	25	400			-	-	-	-	-	
Interest & dividends	10,543	9,438	10,777	9,971	10,810	10,534	10,555	20,524			14,430	14,719	15,013	15,313	15,619	
<b>Total revenue</b>	<b>\$ 49,735</b>	<b>\$ 152,507</b>	<b>\$ 57,055</b>	<b>\$ 40,998</b>	<b>\$ 35,824</b>	<b>\$ 39,307</b>	<b>\$ 34,408</b>	<b>\$ 51,607</b>			<b>\$ 46,007</b>	<b>\$ 48,007</b>	<b>\$ 50,154</b>	<b>\$ 50,831</b>	<b>\$ 51,521</b>	
<b>Expenses:</b>																
Maintenance & Mowing	\$ 26,160	\$ 20,813	\$ 23,563	\$ 25,800	\$ 20,867	\$ 21,125	\$ 21,944	\$ 20,766			\$ 14,625	\$ 14,918	\$ 15,216	\$ 15,520	\$ 15,831	
Foundations	4,376	5,866	5,808	-	2,469	1,770	-	46%			2,215	2,259	2,304	2,351	2,398	
Cemetery General Supplies	1,444	1,110	2,720	1,447	617	760	690	281			500	510	520	531	541	
Wages Secretary	21,080	5,350	5,290	6,282	5,793	5,114	6,792	5,655			-	-	-	-	-	
Insurance	6,806	3,480	1,045	1,762	3,137	2,297	2,145	2,102			3,000	3,060	3,121	3,184	3,247	
Utilities	1,824	1,302	932	733	737	742	735	814			1,000	1,020	1,040	1,061	1,082	
Federal Payroll Taxes	7,601	1,931	1,919	1,115	1,636	1,381	1,558	1,228	22%		-	-	-	-	-	
Schurr Trust	1,200	1,400	-	-	-	-	-	-			-	-	-	-	-	
Grave Opening (Burials)	7,566	6,425	3,640	5,815	2,775	2,835	6,530	7,595			5,719	5,833	5,950	6,069	6,190	
miscellaneous/office	651	1,133	621	660	573	276	434	590			200	204	208	212	216	
Professional fees	1,438	599	661	600	616	988	1,654	1,578			300	306	312	318	325	
Administrative allocation	-	-	-	-	-	-	-	-			600	600	600	600	600	
Advertising	-	-	-	-	-	341	188	35			1,500	1,500	1,500	1,500	1,500	
Website / Memorial Pages	-	-	-	-	-	-	-	-			800	-	-	-	-	
Landscaping	-	200	465	208	200	-	-	-			-	-	-	-	-	
Equipment & Repairs	-	-	-	828	5,689	2,470	1,252	-			-	-	-	-	-	
<b>Total expenses</b>	<b>\$ 80,146</b>	<b>\$ 49,607</b>	<b>\$ 46,662</b>	<b>\$ 45,250</b>	<b>\$ 45,110</b>	<b>\$ 40,099</b>	<b>\$ 43,922</b>	<b>\$ 40,644</b>			<b>\$ 30,459</b>	<b>\$ 30,210</b>	<b>\$ 30,772</b>	<b>\$ 31,346</b>	<b>\$ 31,931</b>	
<b>Change in net assets</b>	<b>\$ (30,411)</b>	<b>\$ 102,900</b>	<b>\$ 10,393</b>	<b>\$ (4,252)</b>	<b>\$ (9,286)</b>	<b>\$ (792)</b>	<b>\$ (9,514)</b>	<b>\$ 10,963</b>			<b>\$ 15,548</b>	<b>\$ 17,796</b>	<b>\$ 19,382</b>	<b>\$ 19,485</b>	<b>\$ 19,590</b>	
Body burials	20	21	13	N/A	N/A	N/A	N/A	N/A								
Cremated burials	12	15	19	N/A	N/A	N/A	N/A	N/A								

- a Sales are projected to increase 35% over the prior 5 year average in 2021 and 10% in each of the next two years
- b Sales are projected to increase 35% over the prior 5 year average in 2021 and 2% thereafter

	2021	2022	2023	2024	2025
Cremation	\$ 425	434	442	451	460
Full body	\$ 725	740	754	769	785

**Current service fees (last increase May 13, 2016)**

Lot price:	Available spaces	# of spaces	value
\$ 725	currently developed	3,000	\$ 2,175,000

# Exhibit U

## Forest Lawn PM Investment Policy

***THE FOREST LAWN GROUP***  
***PERMANENT MAINTENANCE FUND***  
**INVESTMENT POLICY STATEMENT**

*As of June 2016*

## **I. Description**

This Investment Policy Statement (IPS) details the oversight and management of the investment portfolio of the Forest Lawn Group's Permanent Maintenance Fund assets (collectively, the "Permanent Maintenance Fund" or "the Fund").

The Fund's investment objective is to preserve its purchasing power, while providing a continuing and stable funding source to the perpetual maintenance obligation of the Forest Lawn Group. Mindful of the limitations imposed by regulations, to accomplish this objective the Permanent Maintenance Fund seeks to generate a total return that will exceed not only the annual spending needs (as amended from time to time), but also all expenses associated with managing the fund and the eroding effects of inflation. It is the intention that all total return (interest income, dividends, realized gains, and unrealized gains), above and beyond the amount approved for expenditure or distribution, will be reinvested in the Fund.

## **II. Investment Objective and Liquidity**

Consistent with the NYS Division of Cemeteries regulations, distributions from the Fund are generally restricted to interest and dividend income. As a result, significant emphasis is placed on achieving a current yield to meet the on-going funding requirements. Likewise, the Permanent Maintenance Fund can tolerate only limited short- and intermediate-term volatility. To ensure adequate liquidity for distributions and to facilitate rebalancing, the Investment Committee will conduct a periodic review of total fund liquidity.

It should be noted that an exception to this general withdrawal rule exists under NYS Division of Cemeteries regulations titled "Modified Total Return". While this exception allows for withdrawal of principal under certain conditions, its application is limited. The Investment Committee and Management may review future application of this rule as required.

## **III. Asset Allocation**

To achieve its investment objective, the Fund will allocate among several asset classes balancing the current yield needs of the fund with the goal of preserving fund purchasing power. Some use of equity and equity-like investments is likely due to their higher long-term return expectations. Other asset classes may be added to the Fund to enhance returns, reduce volatility through diversification, and/or offer a broader investment opportunity set.

The domestic equity segments are intended to provide long-term growth and offer high expected real returns and liquidity. The international equity segment is intended to enhance return and control risk by reducing the Funds' reliance on domestic financial markets. Flexible capital strategies (including Hedge and Absolute Return Fund of Funds) are employed to offer market comparable returns with lower expected volatility. Fixed income provides stability and protection in deflationary environments. Real assets provides the portfolio with a diversified hedge against inflation as well as a strong yield component. Lastly, Cash provides short-term liquidity and serves as a funding source for distributions and rebalancing.

The Permanent Maintenance Fund will be diversified both by and within asset classes. The purpose of diversification is to provide reasonable assurance that no single security, or class of securities, will have a disproportionate impact on the performance of the total fund. As a result, the risk level associated with the portfolio investment is reduced.

The Fund's current long-term strategic asset allocation is presented in the following table, which also lists the long-term policy target allocations for each asset category and the permissible ranges of actual investment exposure. Policy ranges are intended to be used in conjunction with a disciplined rebalancing process (Section IV).

<b>Asset Class</b>	<b>Policy Target</b>	<b>Policy Range</b>
Global Equity	15.0%	10-20%
Flexible Capital	20.0%	15-25%
Core Fixed Income	40.0%	35-45%
High Yield Fixed Income	15.0%	10-20%
Treasury Inflation Protected Securities	10.0%	5-15%

Since strategic asset allocation and diversification are the primary tools for risk management, the implementation of each underlying asset class shall result in risk (measured variously including volatility and tracking error) and with characteristics (capitalization, style, etc.) similar to the benchmark for each asset class as described in Section V (i.e. no significant over/underweight based on capitalization, style, etc). *In all cases, the Investment Committee shall not engage in tactical asset allocation.*

#### **IV. Rebalancing**

The Investment Committee, in consultation with the Investment Consultant, will review the Fund's asset allocation periodically. The Investment Committee will review deviations from asset class policy targets outside of the allowable ranges at any point in time and if necessary, authorize rebalancing. Recognizing that actual asset allocation may fall outside of allowable ranges due to capital market activity during interim periods, the Investment Committee authorizes the Chair of the Committee (or Chairman of the Board) to initiate rebalancing, in consultation with Staff and the Investment Consultant.

In general, the Fund's average asset allocation should match the targets listed in the table above. The Investment Committee recognizes that investing in certain illiquid investments (i.e. primarily Fund of Funds Hedge Strategies) makes it more challenging to quickly adjust those allocations. As a consequence of these constraints, deviations from policy targets may occur.

Cash receipts due to the Permanent Maintenance Fund shall be invested as soon as practical and in accordance with the current asset allocation policy, unless otherwise approved by the Investment Committee.

## V. Performance Evaluation Benchmarks

Benchmarks are useful to gauge the performance of the fund, but they are best viewed over longer periods, generally three to five years. Benchmarks for each of the broad asset classes are presented in the table below.

<b>Asset Class</b>	<b>Benchmark</b>
Global Equity	FTSE Global All Cap Index (spliced)
Flexible Capital	HFRI Fund of Funds Conservative Index
Core Fixed Income	BB US Aggregate Index
High Yield Fixed Income	BB US Corporate High Yield
Treasury Inflation Protected Securities	BB US Treasury Inflation Notes Index

The Permanent Maintenance Fund will be compared by the independent investment advisor to its Policy Benchmark, which represents the optimal “Policy Portfolio” selected by the Investment Committee. The Policy Benchmark is defined as the sum total of all the policy target weights for each of the asset classes multiplied by the returns of their respective benchmarks. Significant performance deviations from the Policy Benchmark will be explained by the independent investment advisor and appropriate actions taken if necessary.

In addition to the Permanent Maintenance Fund and asset-class benchmarking, all managers within each asset class will be compared to their own relevant style index benchmarks. While a horizon of at least three years is the preferred comparison period, significant short-term differences will be highlighted and, if warranted, action steps recommended to the Investment Committee.

## VI. . Manager Selection and Monitoring

The Investment Committee, in consultation with the Investment Consultant, will select, and monitor external managers to invest the assets of the Permanent Maintenance Fund.

The Forest Lawn Group seeks managers who demonstrate effective strategies, sustainable advantages, and high-quality organizational structures. The Permanent Maintenance Fund expects its active managers to generate superior, relative risk-adjusted performance, net of all expenses. Passive mandates may be used in more efficient (occasionally in less efficient) segments of the capital markets, for the purpose of gaining market exposure. The Investment Committee shall determine the respective maximum allocations to single, active managers.

Attractive firm characteristics include:

- strong reputation in the marketplace and a meaningful, high-quality, institutional client base;
- aligned interests (e.g. significant amount of principal/employee dollars invested in the funds);
- stable and experienced professional team and principals/employees own equity in the firm;
- controlled growth and a manageable level of assets under management; and
- competitive long-term performance among peers.

The Investment Consultant will conduct extensive due diligence prior to recommending each external manager to the Investment Committee. Evaluations typically include meetings with key personnel and at least one on-site visit to the principal office. Research also includes reviews of audited financial statements, reference checks with other clients and business associates, and comparison to competitors. When deemed appropriate, background checks will be conducted. Staff

and consultant will use their respective networks of contacts to gain further confirmation of a manager's abilities and business practices. New firms have additional business risk and are subject to a more rigorous level of due diligence and more stringent ongoing monitoring. Selection of investment managers is not geographically restricted.

The ongoing review and analysis, both quantitative and qualitative, of existing investment managers is just as important as the due diligence implemented during the manager selection process. In addition to performance measurement noted below, staff and/or the Investment Consultant will monitor for consistent implementation of investment strategy and philosophy, appropriate risk controls, adherence to any stated guidelines, and any material changes in the manager's organization and/or personnel.

The performance of the Permanent Maintenance Fund's investment managers will be actively monitored by Staff and/or the Investment Consultant, who will report any meaningful observations and performance deviations to the Investment Committee in a timely manner. Quarterly performance will be evaluated against appropriate benchmarks and peer universes, but emphasis will be placed on relative performance over longer investment periods.

The Investment Consultant shall recommend corrective action including, but not limited to, termination of a manager with approval of the Investment Committee as deems it appropriate at any time. Corrective action typically occurs as a result of meaningful organizational or process-related change, and, in some cases, sustained relative underperformance. Significant short-term underperformance will also trigger a review.

Manager fees are expected to be reasonable. Incentive performance fees are common in the illiquid asset categories and, in some cases, more traditional asset classes.

## **VII. Duties and Responsibilities of the Investment Managers**

Investment managers retained by the Forest Lawn Group are expected to comply with the following list of duties and responsibilities. These items will be communicated in writing to all retained managers, along with any specific guidelines or constraints to the investment mandate.

- Promptly inform the Investment Committee and staff in writing regarding all significant and/or material matters and changes pertaining to the investment of Fund assets, including, but not limited to:

- investment strategy
- professional staff
- portfolio structure
- guideline changes
- tactical approaches
- all SEC and other regulatory agency
- ownership/organizational structure proceedings affecting the firm
- financial condition

- Promptly vote all proxies and related actions in a manner consistent with the long-term interests and objectives of the Permanent Maintenance Fund set forth herein. Each manager shall keep detailed records of said voting of proxies and related actions and will comply with all regulatory obligations related thereto.

- Utilize the same care, skill, prudence and due diligence under the circumstances then prevailing that experienced investment professionals acting, in a like capacity and fully familiar with such matters would use in like activities for like funds with like aims in accordance and compliance with applicable local, state, and federal laws, rules, and regulations, including but not limited to, those pertaining to fiduciary duties and responsibilities.

### **VIII. Use of Derivatives and Leverage**

In general, the Permanent Maintenance Fund will not make direct use of derivatives or leverage. However, the Care Fund may have exposure through certain investment managers, such as those in the Private Equity, Flexible Capital, and Real Assets. When prudently used, derivative instruments and strategies can be an important element of general portfolio management. Derivatives offer investment management firms effective alternatives to trading physical securities, provided firms have the technical knowledge of the market factors, the quantitative skills to analyze the securities over a range of scenarios and the ability to determine reasonable valuation before purchasing. Portfolio management agreements or manager guidelines must explicitly authorize the use of derivatives, or clearly state when their use is permitted.

### **IX. Spending and Distribution Policy**

Spending is guided by several factors including NYS Division of Cemeteries regulation and the value of the portfolio. Generally, the Board will approve a spending policy limiting annual expenditures for permanent maintenance in accordance with operating requirements but not to exceed interest and dividend income.

### **X. Conflict of Interest**

If any member of the Investment Committee, staff, or the Investment Consultant shall have, or appear to have, a conflict of interest that impairs or appears to impair the respective member's ability to exercise independent and unbiased judgment in the good faith discharge of his or her duties, he or she shall disclose such conflicts prior to meaningful discussion. All parties must also comply with any other conflicts of interest policies adopted by the Forest Lawn Group.

### **XI. Implementation**

In order to keep the Investment Policy Statement current, this information is subject to no less than annual review.

**XII. story**

**2006/2007**

In furtherance of its Care Funding Plan adopted by the Cemetery Trustees on October 24, 2006, the Forest Lawn Group appointed an Investment Consultant (Prime, Buchholz & Associates; "PB&A") following a competitive RFP process. PB&A undertook a review of the current asset allocation of the Care Fund (including a review of NYS regulation) as well as a review of current and historical investment performance.

As a result of its review, PB&A recommended a change to asset allocation, focusing on significantly reducing portfolio volatility while continuing to provide sufficient income to fund operating needs (in compliance with NYS regulations) and maintaining fund purchasing power. The recommended asset allocation included a new allocation to Hedge Strategies and PB&A led the Committee through a detailed education and due diligence process including presentations from prospective managers. As a result, the Committee (and Board) approved the Permanent Maintenance Fund asset allocation as:

Flexible Capital	35.0%
Core Fixed Income	45.0%
High Yield Fixed Income	10.0%
Treasury Inflation Protected Securities	10.0%

Following the asset allocation review, PB&A reviewed current and prospective investment managers/funds for each mandate. Upon recommendation, the Committee approved appointment of several new investment managers/funds.

**2016**

In January, Staff has provided a target cash requirement including support to the operating budget (≈ \$450K) as well as capital investment (≈ \$250K). Based on an objective of providing on-going income (interest and dividends) of approximately \$700K along with the potential of additional growth. As a result, PB&A recommended a change to asset allocation, focusing on increasing the expected geometric return, while also increasing the income to fund operating needs (in compliance with NYS regulations) and maintaining fund purchasing power. The recommended asset allocation included an allocation to Global Equity, increase high yield, reduce fixed income. Additionally, PB&A recommended that the asset allocation targets be reviewed [not less than] every two years. Due to the sensitivity of the portfolio objective to current yields, a significant change in projected income should trigger review of targets. As a result, the Committee (and Board) approved the Permanent Maintenance Fund asset allocation as:

Global Equity	15.0%
Flexible Capital	20.0%
Core Fixed Income	40.0%
High Yield Fixed Income	15.0%
Treasury Inflation Protected Securities	10.0%

# **Exhibit V**

## **Forest Lawn Endowed Care Investment Policy**

***THE FOREST LAWN GROUP***  
***Endowed Care Fund***  
**INVESTMENT POLICY STATEMENT**

*As of April 2011*

## **I. Description**

This Investment Policy Statement (IPS) details the oversight and management of the investment portfolio of the Forest Lawn Group's Endowed Care assets (collectively, the "Endowed Care Fund" or the "Fund").

The Endowed Care Fund's investment objective is to preserve its purchasing power, while providing a continuing and stable funding source to the perpetual maintenance obligation of the various endowed care lots at The Forest Lawn Group. Mindful of the limitations imposed by regulations, to accomplish this objective the Endowed Care Fund seeks to generate a total return that will exceed not only the annual spending needs (as amended from time to time), but also all expenses associated with managing the fund and the eroding effects of inflation. It is the intention that all total return (interest income, dividends, realized gains, and unrealized gains), above and beyond the amount approved for expenditure or distribution, will be reinvested in the Endowed Care Fund.

## **II. Investment Objective and Liquidity**

Consistent with the NYS Division of Cemeteries regulations, distributions from the Endowed Care Fund are generally restricted to interest and dividend income. As a result, significant emphasis is placed on achieving a current yield to meet the on-going funding requirements. Likewise, the Endowed Care Fund can tolerate only limited short- and intermediate-term volatility. To ensure adequate liquidity for distributions and to facilitate rebalancing, the Investment Committee will conduct a periodic review of total fund liquidity.

It should be noted that an exception to this general withdrawal rule exists under NYS Division of Cemeteries regulations titled "Modified Total Return". While this exception allows for withdrawal of principal under certain conditions, its application is limited. The Investment Committee and Management may review future application of this rule as required.

## **III. Asset Allocation**

To achieve its investment objective, the Endowed Care Fund will allocate among several asset classes balancing the current yield needs of the fund with the goal preserving fund purchasing power. Some use of equity and equity-like investments are likely due to their higher long-term return expectations. Other asset classes may be added to the Fund to enhance returns, reduce volatility through diversification, and/or offer a broader investment opportunity set.

The domestic equity segments are intended to provide long-term growth and offer high expected real returns and liquidity. The international equity segment is intended to enhance return and control risk by reducing the Funds' reliance on domestic financial markets. Flexible Capital strategies (including Hedge and Absolute Return Fund of Funds) are employed to offer market comparable returns with lower expected volatility. Fixed income provides stability and protection in deflationary environments. Inflation hedging assets provide the portfolio with a diversified hedge against inflation as well as a strong yield component. Lastly, Cash provides short-term liquidity and serves as a funding source for distributions and rebalancing.

The Endowed Care Fund will be diversified both by and within asset classes. The purpose of diversification is to provide reasonable assurance that no single security, or class of securities, will have a disproportionate impact on the performance of the total fund. As a result, the risk level associated with the portfolio investment is reduced.

The Endowed Care Fund's current long-term strategic asset allocation is presented in the following table, which also lists the long-term policy target allocations for each asset category and the permissible ranges of actual investment exposure. Policy ranges are intended to be used in conjunction with a disciplined rebalancing process (Section IV).

<b>Asset Class</b>	<b>Policy Target</b>	<b>Policy Range</b>
Flexible Capital	28.0%	18-38%
Global Public Equity	7.0%	4-10%
Intermediate Term Treasury	35.0%	25-45%
Investment Grade Bond	10.0%	5-15%
High Yield Fixed Income	10.0%	5-15%
Treasury Inflation Protected Securities	10.0%	5-15%

Since strategic asset allocation and diversification are the primary tools for risk management, the implementation of each underlying asset class shall result in risk (measured variously including volatility and tracking error) and with characteristics (capitalization, style, etc.) similar to the benchmark for each asset class as described in Section V (i.e. no significant over/underweight based on capitalization, style, etc). *In all cases, the Investment Committee shall not engage in tactical asset allocation.*

**IV. Rebalancing**

The Investment Committee, in consultation with the Investment Consultant, will review the Fund's asset allocation periodically. The Investment Committee will review deviations from asset class policy targets outside of the allowable ranges at any point in time and if necessary, authorize rebalancing. Recognizing that actual asset allocation may fall outside of allowable ranges due to capital market activity during interim periods, the Investment Committee authorizes the Chair of the Committee (or Chairman of the Board) to initiate rebalancing, in consultation with Staff and the Investment Consultant.

In general, the Endowed Care Fund's average asset allocation should match the targets listed in the table above. The Investment Committee recognizes that investing in certain illiquid investments (i.e. primarily Fund of Funds Hedge Strategies) makes it more challenging to quickly adjust those allocations. As a consequence of these constraints, deviations from policy targets may occur.

Cash receipts due to the Endowed Care Fund shall be invested as soon as practical and in accordance with the current asset allocation policy, unless otherwise approved by the Investment Committee.

**V. Performance Evaluation Benchmarks**

Benchmarks are useful to gauge the performance of the fund, but they are best viewed over longer periods, generally three –to five years. Benchmarks for each of the broad asset classes are presented in the table below.

<b>Asset Class</b>	<b>Benchmark</b>
Flexible Capital	HFRI Fund of Funds Conservative Index
Global Public Equity	MSCI AC World Index
Intermediate Term Treasury	BC US Treasury 5-10 Year Index
Investment Grade Bond	BC U.S. Credit 5-10 Year Index
High Yield Fixed Income	BC High Yield Index
Treasury Inflation Protected Securities	BC US Treasury Inflation Notes Index

The Endowed Care Fund will be compared by the Investment Consultant to its Policy Benchmark, which represents the optimal “Policy Portfolio” selected by the Investment Committee. The Policy Benchmark is defined as the sum total of all the policy target weights for each of the asset classes multiplied by the returns of their respective benchmarks. Significant performance deviations from the Policy Benchmark will be explained by the independent investment advisor and appropriate actions taken if necessary.

In addition to the Endowed Care Fund and asset-class benchmarking, all managers within each asset class will be compared to their own relevant style index benchmarks. While a horizon of at least three years is the preferred comparison period, significant short-term differences will be highlighted and, if warranted, action steps recommended to the Investment Committee.

## **VI. Manager Selection and Monitoring**

The Investment Committee, in consultation with the Investment Consultant, will select, and monitor external managers to invest the assets of the Trust Fund.

The Forest Lawn Group seeks managers who demonstrate effective strategies, sustainable advantages, and high-quality organizational structures. The Endowed Care Fund expects its active managers to generate superior, relative risk-adjusted performance, net of all expenses. Passive mandates may be used in more efficient (occasionally in less efficient) segments of the capital markets, for the purpose of gaining market exposure. The Investment Committee shall determine the respective maximum allocations to single, active managers.

Attractive firm characteristics include:

- strong reputation in the marketplace and a meaningful, high-quality, institutional client base;
- aligned interests (e.g. significant amount of principal/employee dollars invested in the funds);
- stable and experienced professional team and principals/employees own equity in the firm
- controlled growth and a manageable level of assets under management; and
- competitive long-term performance among peers.

The Investment Consultant will conduct extensive due diligence prior to recommending each external manager to the Investment Committee. Evaluations typically include meetings with key personnel and at least one on-site visit to the principal office. Research also includes reviews of audited financial statements, reference checks with other clients and business associates, and comparison to competitors. When deemed appropriate, background checks will be conducted. Staff and consultant will use their respective networks of contacts to gain further confirmation of a prospective manager’s abilities and

business practices. New firms have additional business risk and are subject to a more rigorous level of due diligence and more stringent ongoing monitoring. Selection of investment managers is not geographically restricted.

The ongoing review and analysis, both quantitative and qualitative, of existing investment managers is just as important as the due diligence implemented during the manager selection process. In addition to performance measurement noted below, staff and/or the Investment Consultant will monitor for consistent implementation of investment strategy and philosophy, appropriate risk controls, adherence to any stated guidelines, and any material changes in the manager's organization and/or personnel.

The performance of the Trust Fund's investment managers will be actively monitored by Staff and/or the Investment Consultant, who will report any meaningful observations and performance deviations to the Investment Committee in a timely manner. Quarterly performance will be evaluated against appropriate benchmarks and peer universes, but emphasis will be placed on relative performance over longer investment periods.

The Investment Consultant shall recommend corrective action including, but not limited to, termination of a manager with approval of the Investment Committee as deems it appropriate at any time. Corrective action typically occurs as a result of meaningful organizational or process-related change, and, in some cases, sustained relative underperformance. Significant short-term underperformance will also trigger a review.

Manager fees are expected to be reasonable. Incentive performance fees are common in the illiquid asset categories and, in some cases, more traditional asset classes.

## **VII. Duties and Responsibilities of the Investment Managers**

Investment managers retained by the Forest Lawn Group are expected to comply with the following list of duties and responsibilities. These items will be communicated in writing by the Investment Consultant to all retained managers, along with any specific guidelines or constraints to the investment mandate.

- Promptly inform the Investment Committee and staff in writing regarding all significant and/or material matters and changes pertaining to the investment of Fund assets, including, but not limited to:
  - investment strategy
  - portfolio structure
  - tactical approaches
  - ownership/organizational structure
  - financial condition
  - professional staff
  - guideline changes
  - all SEC and other regulatory agency proceedings affecting the firm
- Promptly vote all proxies and related actions in a manner consistent with the long-term interests and objectives of the Endowed Care Fund set forth herein. Each manager shall keep detailed records of said voting of proxies and related actions and will comply with all regulatory obligations related thereto.
- Utilize the same care, skill, prudence and due diligence under the circumstances then prevailing that experienced investment professionals acting, in a like capacity and fully familiar with such matters would use in like activities for like funds with like aims in accordance and compliance with

applicable local, state, and federal laws, rules, and regulations, including but not limited to, those pertaining to fiduciary duties and responsibilities.

### **VIII. Use of Derivatives and Leverage**

In general, the Trust Fund will not make direct use of derivatives or leverage. However, the Trust Fund may have exposure through certain investment managers, such as those in the Private Equity, Flexible Capital, and Inflation Hedging. When prudently used, derivative instruments and strategies can be an important element of general portfolio management. Derivatives offer investment management firms effective alternatives to trading physical securities, provided firms have the technical knowledge of the market factors, the quantitative skills to analyze the securities over a range of scenarios and the ability to determine reasonable valuation before purchasing. Portfolio management agreements or manager guidelines must explicitly authorize the use of derivatives, or clearly state when their use is permitted.

### **IX. Spending and Distribution Policy**

Spending is guided by several factors including NYS Division of Cemeteries regulation and the value of the portfolio. Generally, the Board will approve a spending policy limiting annual expenditures for permanent maintenance in accordance with operating requirements but not to exceed interest and dividend income.

### **X. Conflict of Interest**

If any member of the Investment Committee, staff, or the Investment Consultant shall have, or appear to have, a conflict of interest that impairs or appears to impair the respective member's ability to exercise independent and unbiased judgment in the good faith discharge of his or her duties, he or she shall disclose such conflicts prior to meaningful discussion. All parties must also comply with any other conflicts of interest policies adopted by the Forest Lawn Group.

### **XI. Implementation**

In order to keep the Investment Policy Statement current, this information is subject to no less than annual review.

### **XII. History**

#### ***2006/2007***

In furtherance of its Care Funding Plan adopted by the Cemetery Trustees on October 26, 2006, The Forest Lawn Group appointed an Investment Consultant (Prime, Buchholz & Associates; "PB&A") on November 28, 2006, following a competitive RFP process. PB&A undertook a review of the current asset allocation of the Endowed Care Fund (including a review of NYS regulation) as well as a review of current and historical investment performance.

At that time, it was determined that the Endowed Care Fund asset allocation and investment management (Alliance Bernstein) would remain unchanged.

**2009**

As a result of subsequent underperformance and other factors related to Alliance Bernstein and the committee's desire to manage the Endowed Care Fund consistent with the Permanent Maintenance Fund, PB&A recommended a change to asset allocation, focusing on significantly reducing portfolio volatility while continuing to provide sufficient income to fund operating needs (in compliance with NYS regulations) and maintaining fund purchasing power. The recommended asset allocation included a new allocation to Hedge Strategies. As a result, the Committee (and Board) approved the Endowed Care (Trust) Fund asset allocation as:

Flexible Capital	28.0%
Global Public Equity	7.0%
Intermediate Term Treasury	35.0%
Investment Grade Bond	10.0%
High Yield Fixed Income	10.0%
Treasury Inflation Protected Securities	10.0%

Following the asset allocation review, PB&A reviewed current and prospective investment managers/funds for each mandate. Upon recommendation, the Committee approved appointment of several new investment managers/funds.

# Exhibit W

## Certificate of Merger

**CERTIFICATE OF MERGER**

**OF**

**THE BUFFALO CITY CEMETERY, INC.**  
(a New York cemetery corporation)

**AND**

**ATTICA CEMETERY ASSOCIATION**  
(a New York cemetery corporation)

**INTO**

**THE BUFFALO CITY CEMETERY, INC.**  
(a New York cemetery corporation)

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**UNDER SECTION 904 OF THE NOT-FOR-PROFIT  
CORPORATION LAW**

1. The constituent corporations to the merger are as follows:
  - a. The Buffalo City Cemetery, Inc., d/b/a Forest Lawn (“Forest Lawn”), a New York cemetery corporation.
  - b. Attica Cemetery Association (the “Association”), a New York cemetery corporation.
2. The name of the surviving corporation is “The Buffalo City Cemetery, Inc.”
3. As to each constituent corporation, the following is a description of the members of the constituent corporations:
  - a. The members of Forest Lawn are the lot owners (as defined in Section 1512 of the Not-for-Profit Corporation Law) of Forest Lawn Cemetery in Buffalo, New York and the other cemeteries in the Forest Lawn Group, including any and all others added from time to time.
  - b. The members of the Association are the lot owners (as defined in Section 1512 of the Not-for-Profit Corporation Law) of Forest Hill Cemetery in Attica, New York.
  - c. Neither entity has any holders of any certificates evidencing capital contributions or subventions.

4. No amendments or changes to the Certificate of Incorporation of the surviving corporation shall be effected by the merger.
5. The merger shall be effective on the date that this Certificate of Merger is filed by the Department of State.
6. The certificate of incorporation of Forest Lawn was filed with Erie County on November 21, 1864 and a certificate of type for Forest Lawn was filed with the New York Department of State on November 16, 1970.
7. The certificate of incorporation of the Association was filed with Wyoming County on November 3, 2853.
8. The plan of merger was approved by the board of trustees of Forest Lawn on June 26, 2018 and by the members of Forest Lawn on July 24, 2018, and by the board of trustees of the Association on September 26, 2018 and by the members of the Association on September 26, 2018.

*[signatures follow on the next page]*

**IN WITNESS WHEREOF**, the undersigned have, on behalf of their respective corporations, subscribed this Certificate of Merger effective as of the \_\_ day of \_\_\_\_\_, 2019.

**THE BUFFALO CITY CEMETERY, INC.**

By: \_\_\_\_\_  
Joseph P. Dispenza, President

**ATTICA CEMETERY ASSOCIATION**

By: \_\_\_\_\_  
Frederick C. Stevens, Vice President

CERTIFICATE OF MERGER  
OF  
THE BUFFALO CITY CEMETERY, INC.  
(a New York cemetery corporation)  
AND  
ATTICA CEMETERY ASSOCIATION  
(a New York cemetery corporation)  
INTO  
THE BUFFALO CITY CEMETERY, INC.  
(a New York cemetery corporation)

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Under Section 904 of the Not-for-Profit Corporation Law

Filed by:  
Courtney Scanlon  
HODGSON RUSS, LLP  
The Guaranty Building  
140 Pearl Street, Suite 100  
Buffalo, New York 14202

# **Exhibit X**

**Draft Verified Petition to Supreme Court**

**STATE OF NEW YORK  
SUPREME COURT: COUNTY OF ERIE**

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In the Matter of the Application of

**THE BUFFALO CITY CEMETERY,  
INC. (d/b/a Forest Lawn)**

and

**ATTICA CEMETERY ASSOCIATION  
(a/k/a Forest Hill Cemetery),**

Petitioners

**VERIFIED PETITION**

Index No. \_\_\_\_\_

For an Order Approving Their Plan of Merger Under Section 907-a of the Not-for-Profit Corporation Law and Authorizing the Filing of a Certificate of Merger under Section 904 of the Not-for-Profit Corporation Law, and for Approval of a Transfer of Funds to the Surviving Corporation

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TO THE SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF ERIE:

Petitioners, THE BUFFALO CITY CEMETERY, INC. d/b/a Forest Lawn (hereinafter "Forest Lawn") and ATTICA CEMETERY ASSOCIATION (hereinafter the "Association") for their Verified Petition herein respectfully allege:

1. Petitioners desire to effectuate a merger pursuant to which the Association shall be merged with and into Forest Lawn, with Forest Lawn being the Surviving Corporation (the "Surviving Corporation").
2. The constituent corporations to the merger are as follow:
  - a. Petitioner Forest Lawn, formed under the name THE BUFFALO CITY CEMETERY, INC., is a cemetery corporation formed as a not-for-profit corporation and duly organized and existing under the Not-for-Profit Corporation Law of the State of New York ("NPCL"), with its office located at 1411 Delaware Avenue, Buffalo, NY 14209. A copy of the Certificate of Incorporation of Forest

Lawn, and any amendments thereto, is attached as Exhibit A. A copy of the By-laws of Forest Lawn is attached as Exhibit B.

- b. Petitioner Association, formed under the name Attica Cemetery Association, and also known as “Forest Hill Cemetery”, is a cemetery corporation duly organized and existing under the NPCL, with its office address at P.O. Box 221 Attica, NY 14011, and its physical address at 40 High Street, Attica, NY 14011. A copy of the Certificate of Incorporation of Association, and any amendments thereto, is attached as Exhibit C. A copy of the Bylaws of Association is attached as Exhibit D.
  - c. The name of the Surviving Corporation is “The Buffalo City Cemetery, Inc.” The Surviving Corporation shall continue as a corporation organized under the Certificate of Incorporation of Forest Lawn and shall be governed by the Bylaws of Forest Lawn.
3. Forest Lawn currently maintains and has under its care public cemeteries located in the following New York municipalities: Buffalo, Hamburg, West Seneca, and Williamsville.
  4. Association currently maintains and has under its care a public cemetery located in the Village of Attica, Wyoming County, New York.
  5. The trustees of Forest Lawn and the trustees of Association are listed in Exhibits E and F, respectively. The trustees of Forest Lawn shall be the trustees of the Surviving Corporation.
  6. The following is a description of the members of the constituent corporations:
    - a. The members of Forest Lawn are the lot owners (as defined in Section 1512 of the NPCL) of Forest Lawn Cemetery in Buffalo, New York and the other cemeteries in the Forest Lawn Group, including any and all others added from time to time.
    - b. The members of Association are the lot owners (as defined in Section 1512 of the NPCL) of Forest Hill Cemetery in Attica, New York.
  7. The Plan of Merger attached as Exhibit G (the “Plan of Merger”) was adopted by the Board of Trustees of Forest Lawn (the “Forest Lawn Board”) at a meeting of the Forest Lawn Board duly called and held in accordance with law on June 15, 2021 and by the members of Forest Lawn at a meeting of the lot owners duly called and held in accordance with law on [DATE]<sup>1</sup>. [No/\_\_\_] votes against the adoption of the resolution approving the Plan of Merger were cast at either the Forest Lawn Board meeting or the Forest Lawn lot owners’ meeting at which the resolution was adopted. Copies of the Forest Lawn Board and lot owner resolutions approving the Plan of Merger are attached as Exhibits H and I, respectively.

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<sup>1</sup> Note: Per direction from the Division of Cemeteries, lot owner meetings to approve the Plan of Merger will be held after review and approval of this petition by the Cemetery Board.

8. The Plan of Merger was adopted by the Board of Trustees of Association (the “Association Board”) at a meeting duly called and held in accordance with law on March 13, 2021 and by the members of Association at a meeting of the lot owners duly called and held in accordance with law on [DATE]<sup>2</sup>. No votes against the adoption of the resolution approving the Plan of Merger were cast the Association Board meeting at which the resolution was adopted, and [no/ \_\_\_] votes against the adoption of the resolution approving the Plan of Merger were cast the Association lot owners meeting at which the resolution was adopted. Copies of the Association Board and lot owner resolutions approving the Plan of Merger are attached as Exhibits J and K, respectively.
9. The purposes and activities of Forest Lawn are the operation of cemeteries. The purposes and activities of Association are the operation of a cemetery. The object and purpose of the merger is to promote the purposes of both entities by joining Association with a grouping of multiple, geographically close cemeteries in a “cluster” of cemeteries owned and managed by Forest Lawn as the Surviving Corporation. Through this “cluster” approach, it is the object and purpose of the merger to achieve a critical mass of endowment and revenue dollars, under the direction of the Surviving Corporation’s specific skill sets and professional experience in critical operating disciplines, so that the cluster cemetery group will be managed more effectively for revenue growth, economies of scale and cost reduction. This, in turn, will help to modernize the operations of the Forest Hill Cemetery, streamline its costs and administrative burdens, and ultimately position the Surviving Corporation to better address the need for financially and operationally strong nonprofit regulated cemeteries in New York, and for the benefit of the lot owners and the public at large.
10. Forest Lawn’s statement of all property, and the manner in which it is held, and of all liabilities and of the amount and sources of the annual income of Forest Lawn is attached as Exhibit L in the form of its most recent annual report filed with the New York State Division of Cemeteries.
11. Association’s statement of all property, and the manner in which it is held, and of all liabilities and of the amount and sources of the annual income is attached as Exhibit M in the form of its most recent annual report filed with the New York State Division of Cemeteries.
12. This merger is permitted by Sections 901, 1506, and 1506-d of the NPCL.
13. Attached as Exhibit N is the approval of the New York State Cemetery Board.
14. Attached as Exhibit O is that certain Merger Agreement dated July 13, 2021 entered into by and between the constituent corporations.
15. Forest Lawn holds restricted funds, including funds in the nature of permanent

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<sup>2</sup> Note: Per direction from the Division of Cemeteries, lot owner meetings to approve the Plan of Merger will be held after review and approval of this petition by the Cemetery Board.

maintenance funds mandated by Section 1507(a) of the NPCL, and as described in the financial statements set forth in Exhibit L. No restricted funds will be required to be returned transferred or conveyed to any third party by reason of the merger.

16. Association holds restricted funds, including funds in the nature of permanent maintenance funds mandated by Section 1507(a) of the NPCL and funds in the nature of perpetual care funds mandated by Section 1507(c) of the NPCL, and as described in the financial statements set forth in Exhibit M and Exhibit P.
17. The funds designated by Association as perpetual care funds are held in certain accounts and investments described on Exhibit P (the "Perpetual Care Accounts"). Upon review of the funds in the Perpetual Care Accounts, the Petitioners have determined that only certain of these funds are properly designated as perpetual care funds within the meaning of Section 1507(c) of the NPCL, while the remainder of the funds in the Perpetual Care Accounts, which have no special restrictions, are more properly designated as general operating funds.
18. The Petitioners respectfully request that upon the closing of the merger (which will be effective upon the filing date of the Certificate of Merger, or such other date as may be specified therein), Forest Lawn shall combine the Association's permanent maintenance funds with its existing permanent maintenance fund. The combined funds will be used for the continued perpetual maintenance of Forest Hill Cemetery and Forest Lawn's other cemetery properties, consistent with the requirements set forth in Section 1507 of the NPCL. The combination of the Association's permanent maintenance funds with Forest Lawn's permanent maintenance fund will benefit Forest Hill Cemetery and Forest Lawn's existing cemetery locations by increasing the overall amount of funds available for future maintenance.
19. The Petitioners further respectfully request that upon the closing of the merger, Forest Lawn shall (a) transfer and combine those funds in the Perpetual Care Accounts that are properly designated as perpetual care funds with and into the Forest Lawn perpetual care fund, which funds will be used for the continued perpetual care of certain plots and other items in Forest Hill Cemetery and Forest Lawn's other cemetery properties, consistent with the requirements set forth in the instruments related thereto; and (b) transfer and combine the remainder of the funds in the Perpetual Care Accounts with and into Forest Lawn's general operating funds.
20. Upon the closing of the merger, Forest Lawn will assume unrestricted title and interest in all assets and assume all liabilities of the Association, including, but not limited to the right to access, transfer and use any funds of the Association.

**WHEREFORE**, Petitioners request an Order of this Court, in the proposed form attached as Exhibit Q, pursuant to Section 907-a of the Not-for-Profit Corporation Law, approving the Plan of Merger attached as Exhibit G and authorizing the filing of a Certificate of Merger, a copy of which is attached as Exhibit R, and, as of the effective date of the merger,

approving the assumption of all assets and liabilities of the Association including, but not limited to, the transfer of the Association's permanent maintenance funds to the Forest Lawn permanent maintenance fund, the transfer of the funds in the Perpetual Care Account with and into the Forest Lawn perpetual care fund and general operating funds, as more particularly set forth on Exhibit P, and for such other and further relief as may be appropriate.

**[SIGNATURE PAGE FOLLOWS]**

Dated: \_\_\_\_\_, 2021  
Buffalo, New York

**THE BUFFALO CITY CEMETERY, INC.**

By: \_\_\_\_\_  
Joseph Dispenza, President

Dated: \_\_\_\_\_, 2021  
Attica, New York

**ATTICA CEMETERY ASSOCIATION**

By: \_\_\_\_\_  
Name:  
Title:

**VERIFICATION**

STATE OF NEW YORK    )  
                                  :SS.  
COUNTY OF ERIE        )

I, the undersigned, Joseph Dispenza, being duly sworn, depose and say:  
I am the President of The Buffalo City Cemetery, Inc., one of the petitioners named in the above  
Petition. I reside at \_\_\_\_\_ . I have read the foregoing Petition  
and know the contents thereof, and the same is true of my own knowledge.

\_\_\_\_\_  
Joseph Dispenza

Sworn to me this \_\_\_\_\_ day of  
\_\_\_\_\_, 2021

\_\_\_\_\_  
Notary Public

**VERIFICATION**

STATE OF NEW YORK    )  
                                  :SS.  
COUNTY OF WYOMING   )

I, the undersigned, Frederick C. Stevens, being duly sworn, depose and say:  
I am the Vice President of Attica Cemetery Association, one of the petitioners named in the above  
Petition. I reside at \_\_\_\_\_ . I have read the foregoing Petition  
and know the contents thereof, and the same is true of my own knowledge.

\_\_\_\_\_  
Frederick C. Stevens

Sworn to me this \_\_\_\_\_ day of  
\_\_\_\_\_, 2021

\_\_\_\_\_  
Notary Public

# **Exhibit Y**

**Proposed Supreme Court Order**

At the Supreme Court of the State of New York,  
held in and for the County of Erie at  
\_\_\_\_\_, New York, on \_\_\_\_\_  
\_\_\_\_, 2019.

**STATE OF NEW YORK  
SUPREME COURT : EIGHTH JUDICIAL DISTRICT**

\_\_\_\_\_  
In the Matter of the Application

of

**THE BUFFALO CITY CEMETERY, INC.**  
**(d/b/a Forest Lawn), a New York Cemetery**  
**Corporation**

and

**ATTICA CEMETERY ASSOCIATION (a/k/a Forest**  
**Hill Cemetery), a New York Cemetery Corporation**

ORDER APPROVING  
PLAN OF MERGER AND  
CERTIFICATE OF MERGER

Index No.: \_\_\_\_\_

In Support of an Order Approving Their Plan of  
Merger under Section 907-a of the Not-for-Profit  
Corporation Law and Authorizing the Filing of a  
Certificate of Merger under Section 904 of the  
Not-for-Profit Corporation Law, and for Approval  
of a Transfer of Trust Funds to the Surviving  
Corporation

\_\_\_\_\_  
Upon reading the Verified Petition of The Buffalo City Cemetery, Inc. (d/b/a Forest Lawn) (“Forest Lawn”) and Attica Cemetery Association (“Association”), verified on the \_\_\_ and the \_\_\_ days of \_\_\_\_\_, 2019, and the exhibits attached thereto, and the governing Boards and members of both corporations having approved the Plan of Merger, and all required governmental approvals having been obtained for the merger, and Petitioners having duly served notice upon the Attorney General of the State of New York and the Attorney General of the State of New York having no objection to the requested merger, and neither of the Petitioners nor any third party having raised with the Court any objections to the proposed merger, and the Court having given due consideration hereto, and it appearing to the satisfaction of the Court that the provisions of Article 9 of the Not-for-Profit Corporation Law of the State of New York (the “NPCL”), including Section 907-a of the NPCL, as applicable to the merger of not-for-profit corporations have been complied with, and that the interests of the constituent corporations and the public interest would not be adversely affected by the merger of the petitioning corporations;

Now, upon motion of the Petitioners, it is hereby:

**ORDERED**, that the Plan of Merger is approved and the Certificate of Merger is authorized to be filed with the Department of State and with the County of Wyoming in which the Association is located; and it is further

**ORDERED**, that as of the effective date of the merger, Forest Lawn, as surviving corporation, will assume unrestricted title and interest in all assets and assume all liabilities of the Association, including the right to access, transfer and use any funds of the Association, and (i) the Association's permanent maintenance funds shall be transferred to Forest Lawn's existing permanent maintenance fund, and (ii) the Association's perpetual care funds shall be transferred to Forest Lawn's existing perpetual care fund and general operating fund, as described in the Petitioners' Verified Petition; and it is further

**ORDERED**, that a signed copy of this Order shall be sent to the New York State Attorney General's office; and it is further

**ORDERED**, that a copy of the Certificate of Merger as filed with the Department of State of New York shall be sent to the New York State Attorney General's office.

E N T E R:

\_\_\_\_\_  
Justice of the Supreme Court

\_\_\_\_\_  
Date

## **EXHIBIT 3**

**MEMORANDUM**

**STATE OF NEW YORK - DEPARTMENT OF STATE**

**TO:** Lewis Polishook, Director **DATE:** 10/27/2020  
**FROM:** Karen DeYoung, Sr. Accountant  
**SUBJECT:** Attica Cemetery Association # 61-002  
Wyoming County  
**RE:** Field Examination & Trust Fund Verification  
1/1/2012 to 12/31/2019 (pc funds to 10/9/2020)

**Officer Contacted:** Ms. Jacqueline Perl, Secretary  
Attica Cemetery Association  
3025 Dunbar Road  
Attica, New York 14011  
585-591-1681

**Audit Conducted:** Ms. Perl's place of employment  
5135 Transit Road  
Depew, New York 14043

**Officer cc:** Mr. Rick Stevens, Vice - President  
Attica Cemetery Association  
264 Maplewood Road  
Attica, New York 14011  
716-474-3649

Ms. Roxanne Christensen; Treasurer  
Attica Cemetery Association  
45 West Street  
Attica, New York 14011  
585-813-3125

Ms. Kim Clark; Trustee  
Attica Cemetery Association  
703 McGrath Road  
Attica, New York 14011  
585-813-2695

Mr. Thomas Gadd; Trustee  
Attica Cemetery Association  
3011 Lindsey Road  
Attica, New York 14011  
716-560-3008

**Mr. John Goodridge; Trustee  
Attica Cemetery Association  
319 E Main Street  
Attica, New York 14011  
585-356-4361**

**Mr. Don Herman; Trustee  
Attica Cemetery Association  
3742 E Main Road  
Attica, New York 14011  
585-345-6162**

**Mr. Timothy Moran; Trustee  
Attica Cemetery Association  
19 Lincoln Avenue  
Attica, New York 14011  
585-291-2176**

**Mr. James Zeilman; Trustee  
Attica Cemetery Association  
146 W Main Street  
Attica, New York 14011  
585-813-8765**

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The subject cemetery was audited on October 7<sup>th</sup> and October 8<sup>th</sup>, 2020 for the period of January 1, 2012 through December 31, 2019. *Note: Bank statements including a portion of October 2020 were used to update perpetual care totals as noted below in the perpetual care portion of the audit.* The Secretary was present for the audit, the Treasurer was available by telephone as needed. Overall, records were good condition. All assets were eventually verified, stocks purchased by the cemetery proved to be the most problematic because of an individual selling lots and collecting payment on behalf of the cemetery, this will be covered in detail in the financial condition portion of the audit. The cemetery currently has a commercial crime policy in place however after reviewing specific language of the coverage – it appears that volunteers are not named as insured and should be. A copy of the Commercial Crime coverage (memo dated April 12, 2016) was discussed and is included with this report. Deeds are issued and signed by the Treasurer and Vice – President (the cemetery doesn’t have a President). The cemetery ***does not keep*** a copy of the deeds issued. This was discussed at length as the cemetery should be keeping a copy. The Secretary indicated that the cemetery was never told to retain a copy. The importance of the cemetery having sufficient documentation to support all activity on the cemetery grounds comes into concern. A deed copy is a legal document of which the cemetery should have been keeping a copy. The cemetery issues a receipt labeled “certificate of sale” The cemetery keeps a copy of this document. ***The cemetery also does not issue a deed if they are unaware of any next of kin.*** It was explained that a deed should be issued and if an “at time of need” purchase the funeral home or the lawyer (whichever arranged for the lot purchase and burial) should be

given the deed to be included with the estate paperwork. The cemetery needs to document each lot with a deed. There are a number of certificate of sales missing as indicated on the summary provided as part of this audit. Additionally there are a number of deed numbers missing as indicated on the summary provided as part of this audit. The Rules and Regulations are sent out with the issued deed. Revisions to the rules and regulations took place in 2016 however there is no documentation to determine if they had ever been approved by the Division. All rules and regulations must be approved by the Division prior to their implementation. At this time, we are asking for a copy to be reviewed by the Division. **Please forward a copy to the Albany Division office for review by our investigative unit. Please include a cover letter indicating that the Rules and Regulations have been used but that the cemetery is unsure if they have been approved as needed by the Division.** A bequest in the amount of \$1,000.00 (Spink) was received in 2013. A copy of the Will was obtained for inclusion in the Division's folder. No restrictions were placed on this bequest. A bequest in the amount of \$100,000.00 (Merle) was received during 2014. A copy of the Will was obtained for inclusion in the Division's folder. No restrictions were placed on the bequest. The cemetery holds an annual lot owner's meeting and it was indicated that it is advertised for three (3) consecutive weeks as is required.

The results of the examination are as follows:

### **Permanent Maintenance:**

The cemetery had a surplus of \$1,621.37 in the P/M accounts as of 12/31/19. The cemeteries allocation is 10% of gross lot sales along with the \$35 per burial to the Permanent Maintenance fund. The Permanent Maintenance liability as of 12/31/19 is \$118,857.12. Permanent Maintenance assets are held in a CD, a savings account, a US Treasury Note along with an annuity totaling, at cost, \$ 120,478.49. The surplus of \$1,621.37 is available.

**Note: Any account holding permanent maintenance assets needs to be labeled as permanent maintenance. Please contact the bank, life insurance company and US Treasurer to have a designation line added that reads Permanent Maintenance.**

### **Perpetual Care:**

The cemetery has a surplus of \$10,044.75 in the P/C accounts as of 10/09/2020. Please read below for explanation. The P/C funds are held in a number of investments to include a savings account, two (2) insurance annuities (Gary Wysko; annuitant), stock in six (6) different companies and two US Treasury Notes at cost totaling \$293,751.22 as of a combined 12/31/19 and 10/9/2020.

The cemetery has historically purchased and held a number of stock shares without the use of a brokerage account that would compile and manage their investments. ***A number of the shares the cemetery has come into possession of are the result of stock splits etc., these are reflected with a zero (\$0.00) cost basis.*** They purchase shares and then use various stock transfer companies to hold their physical shares in all but one (1) instance. The cemetery has held (since 1962) physical shares of Exxon. This has been problematic as back in and around 1983 a replacement certificate had to be requested as a stock split certificate could not be found. ***Holding physical shares of stock is not recommended.*** Physical shares of General Motors stock certificates are also

held by the cemetery however it was noted that the shares have a zero-value due to a bankruptcy filing by the company.

Unfortunately, the use of stock transfer companies has been problematic for the cemetery as well. The cemetery has listed various shares of stock as assets holding perpetual care funds however the cemetery didn't verify which stocks were still held in their name (on a year to year basis). A large number of stocks were no longer in the cemetery's name as they had been abandoned to NYS as will be explained next. In preparation for this audit I researched the NYS abandoned property website and found two (2) companies listed for the cemetery; Honeywell International and Vista Outdoor Inc. I provided the information to the Treasurer to claim the funds abandoned to the state in the cemetery's name held by the Comptroller's Office. In late September the Treasurer emailed to tell me she had received two checks one for \$9,203.94 and another for \$343.84 and asked me where the funds should be deposited. Indicating to me they were stock related I instructed the Treasurer to deposit the funds into a perpetual care account (perpetual care was the only asset designation type that held stocks) explaining that at the time of the audit in October I'd determine what happened and that I had concerns that the shares of stock were reflected as held but appeared to have actually been abandoned to the state. As the audit date approached additional checks were automatically received by the Treasurer from the NYS Comptroller's Office – Abandoned Properties Unit as they now had a current address and contact person to be able to communicate with.

**In total the cemetery received seven (7) checks totaling \$134,915.68 from the abandoned properties unit of the Comptroller's office.**

I am unable to determine from the records available to the Division exactly when the shares of stock were abandoned to the state. From what I can tell from the Comptroller's website, it appears that securities are considered abandoned after three (3) years of inactivity. The most common reason is incorrect mailing / contact information. The specifics of each occurrence for this cemetery is not available. When pressed for additional information the state provided a letter to the cemetery which is part of this report. The detail indicated one check in the amount of \$9,203.94 represented dividends not received by the cemetery for a total of three (3) different companies. The other checks were all for the liquidation of the shares of stock previously thought to be held by the cemetery but that had been sometime prior to 2020 abandoned to the state.

Stocks abandoned:

Advansix	28 shares
Chemours	18 shares
Honeywell International	720 shares
Garrett Motion	72 shares
Resideo Technologies	120 shares
Vista Outdoors	162 shares

**Note:** 40 physical shares of stock are held in General Motors stock by the cemetery. A notation was made by the cemetery that General Motors stock had a zero-value due to bankruptcy filed by the company as of 3/31/2011. This transaction would have been prior to this audit period; however, the physical shares remain in the cemeteries lockbox and were presented during this audit.

The audit period ending date is 12/31/19 however the perpetual care analysis had to be expanded to account for the correction to the stocks still held by the cemetery vs what the cemetery understood to be owned. The perpetual care bank accounts were updated through the date of the last deposit of \$120,391.20 (payment of the Honeywell share of stock abandoned) which was deposited 10/9/2020. The ending balances will reflect that date.

**The final concern I have about the abandonment of the various stocks abandoned is that the dividends previously paid on these shares will no longer be received by the cemetery. Dividends have been a large portion of the cemetery's revenue in past years.**

As of the date of this report the cemetery is still verifying the ownership of the six (6) remaining stocks I believe to still be held by it and they are:

Chevron Texaco	202 shares
Delphi Automotive	27 shares
DuPont	115 shares
Solutia / Eastman Kodak	80 shares
Exxon / SONJ	1024 shares
Pfizer	560 shares

**Note: Any account holding perpetual care assets needs to be labeled as perpetual care. Please contact the bank, life insurance company and US Treasurer to have a designation line added that reads Perpetual Care.**

### **Special Trust:**

The Evelyn R Schurr Trust: The Last Will and Testament bequest was left to the cemetery as of 9/17/2010 in the amount of \$10,000.00. The Will designated the care of six graves to include: Evelyn and Glenn Schurr, Arthur and Helen Meisner and Charles and Ella Roberts. During the previous audit the cemetery had accidentally deposited the bequest into the general funds. The previous auditor stated in the audit report that the funds were restricted and that future funds had to be set aside to reestablish the entire \$10,000.00. The cemetery started putting amounts of money aside to rebuild the account balance however it never came close because shortly after, the cemetery board then calculated the yearly amount of care of the six (6) graves to be \$1,800.00 per year until the entire amount was exhausted. There was no documentation provided to support how the cemetery's board arrived at \$1,800.00 per year.

**As of 12/31/19 there was no separate account holding any portion of the Evelyn R. Schurr Trust.**

It is the Division's position that the amount of \$1,800.00 per year was excessive and that the cemetery was incorrect to exhaust the entire trust balance. To arrive at a reasonable cost per grave applying the fee then to the six (6) graves, a calculation was done by the Division based on the cemeteries average total mowing cost using the past six (6) years of mowing expense. The average paid to the mowing vendor was \$20,120.00 per year. This amount divided by an estimate of 1000 graves (a conservative estimate) that make up the cemetery equals \$20.12 per grave.  $\$20.12 \text{ per grave} \times 6 \text{ graves} = \$120.72 \text{ per year}$ .  $\$120.72 \text{ per year} \times 11 \text{ years (2010 through 12/31/2020)} = \$1,327.92$  of claimable expenses to maintain the six (6) graves identified in the Schurr will. See enclosed worksheet supporting calculation.

**The cemetery must replace establish a new account and deposit the remainder of the bequest of \$8,672.08.** Original bequest \$10,000.00 less earned \$1,327.92 = \$8,672.08.

**Going forward – on a yearly basis the cemetery can withdraw \$120.72 or a similar amount based on the years mowing bill divided by 1000 graves (all graves mowed by vendor) to establish an updated amount per grave x 6 graves. Documentation must be available to support future withdrawals from this account. The account must remain separate and identifiable and can only be reduced by reasonable charges incurred for the lot care.**

This account must be set up as a special trust and the bank information must contain a designation line (2<sup>nd</sup> line on account) that reads Evelyn R. Schurr Funds in the amount of \$8,672.08. This will need to be transferred from the perpetual care Key Bank account ending xxxx2902. The perpetual care accounts as a total have a surplus of \$10,044.75 which will cover the deficit in the Schurr Trust.

**Note: Upon receipt of this report the cemetery must reestablish a separate account as instructed above. Please forward proof of its establishment to both the Division headquarters in Albany as well as to Senior Accountant; Karen DeYoung via email.**

### **General Fund:**

General fund assets are held in two (2) accounts; a checking account and a life insurance account (Jacqueline Perl: annuitant), at cost totaling \$76,146.00 as of 12/31/19.

### **Financial Condition:**

The cemetery's total funds have increased by \$254,658.20 since the previous audit. This is a result of an unrestricted bequest (Merle) of \$100,000.00 and the funds received as a result of the abandonment of numerous shares of stock and the resulting realized gain of \$122,159.74. (total proceeds \$125,711.74 – cost of Honeywell \$3,552.00 = \$122,159.74)

During the eight (8) year audit period, the cemetery experienced operating losses in seven (7) of the eight (8) years. The cemetery does not fundraise and should be, in fact over the audit period only \$2,080.00 was received in donations in addition to the Merle bequest. A sample package of additional example letters and newsletters was provided during the audit. A copy of

which is included with this report. It is also important for the cemetery to explore volunteer help with mowing and other various upkeep. Checking with a local Boy Scout or Girl Scout clubs, Day of Caring events or even the inmate work programs at local jail facilities can provide a source of free assistance. The cemetery does not receive any support from the Town of Attica. A copy of §165a; *Voluntary Municipal Assistance to a public cemetery corporation* was provided during the audit and is enclosed with this report as well. The Town can assist with grant money, products such as fuel for mowing, gravel for the driveway, etc. The cemetery files Federal form 990 as required. Current service charges were approved with the last Board Order issued on 4/18/2016 and are \$725.00 for a full burial and \$425.00 for a cremation. The cemetery's lot price is also \$725.00 which causes confusion when reviewing the cemetery's receipt "certificate of sale" book. This was problematic for both the Division as well as the Secretary when reviewed more closely. The certificate of sale receipt is primarily used to document deed but in other instances a burial and a deed is paid for. It is recommended that a lot price is not set the same as a burial price to help distinguish between the two. It is recommended that the cemetery revisit its service charges as four (4) years have passed since the last request to increase prices. A review of the cemetery's annual lot owner's meeting minutes shows guidance not to increase rates since 2017 reported in the minutes. A comprehensive review of the service charges compared to the dig fee and resulting net available to the cemetery after burial. The cemetery retains \$355.00 per full burial after paying the digger, the permanent maintenance allocation and the \$5.00 vandalism fee paid. In comparison the cemetery retains only \$230.00 per cremation burial after paying the digger, the permanent maintenance allocation and no \$5.00 if a NYS ash. During this audit period the cemetery buried 114 full burials at a net of \$335.00 each raised \$40,470.00. In contrast again during the audit period the cemetery buried 112 cremation burials at a net of \$230.00 each raising only \$25,760.00. Industry has been experiencing an increase in cremation burials and as such the price charged to the public must be set in such a way to allow for sufficient income for cemetery operations. The net available to the cemetery is \$125.00 less each time a cremation burial takes place. This indicates to me that the cremation should be increased to \$550.00 or \$600.00. The full should also be increased to at least \$800.00. A template was completed and is included for your reference. Your cemetery is an asset to the community and the burial fee schedule can be higher than the surrounding cemeteries for the prestige of having the right to be buried in the Attica Cemetery.

A concern that arose during the audit is that a prior board member / caretaker that is no longer on the board is selling graves and taking payment for graves and prepaid burials. He was previously the caretaker with a separate lawn mowing and grave digging business. The individual is no longer the owner of the landscaping/grave digging business. The business is still mowing and digging for the cemetery but was taken over by family members. Because he is very familiar with the cemetery maps etc., the cemetery has accepted his continued assistance. The cemetery's commercial crime insurance does not appear to cover an individual as no specific title fits the function he provides. The closest "title" would be volunteer however the commercial crime coverage specifically leaves out "volunteer". ***As a result, this individual should not be accepting payments on behalf of the cemetery in any capacity as theft insurance will not cover this individual.***

This individual also attends the cemetery's annual lot owner's meetings which is problematic because the cemetery should be going out to bid to be sure their mowing price is the most competitive they can find given the financial situation of the cemetery. The cemetery is utilizing the company previously owned by him that is now owned by his sons and wife. This individual should be stepping out when bids are reviewed or when any discussion of the price submitted by the mowing/digging company is reviewed because the company is owned by his sons and wife.

The cemetery has voted to merge into Forest Lawn Cemeteries and as such the Treasurer has been combining accounts (as CD's matured etc) to lessen the total number of accounts previously managed. Please note that the option to merge or not requires a change in state law, it is not a Division of Cemeteries decision. As such, the cemetery needs to be able to continue operating in a fiscally responsible way until such time the law is/ is not passed. There should be an alternative plan if the law doesn't pass. To allow the cemetery to continue to operate it either needs to increase its revenues or a decrease in expenses the cemetery. The cemetery has available funds of \$88,750.66 however on average it costs the cemetery \$53,125.00 per year to operate. In less than two years the cemetery will be insolvent.

Increases to the burial fees is needed, increase lot fees (set at an amount different than the service fee amount) bid out the mowing and reduce the number of mowings per season to be able to stretch the available funds further. Solicit donations from the lot owners and surrounding community members. The cemetery needs a backup plan in the interim.

A number of handouts were provided at the time of the audit, the ones listed below are included with this report as well. Additionally, you may find helpful resources on our website: [www.dos.ny.gov](http://www.dos.ny.gov). You will find a tab for "cemeteries" once on the website.

**Note: After reconciling the burial activity to the vandalism and assessment payments it has been determined that the cemetery owes an additional \$82.00 to the NYS Division of Cemeteries. Please see enclosed letter for additional direction.**

Additional Information:

Town of Attica

\$725.00 per lot	Acres:	29.10
\$725.00 adult interment lbo 4/18/16	Sold:	22.60 est
\$425.00 cremated remain lbo 4/18/16	Unsold:	6.50 est

GF: \$ 76,146.00

ST: \$ (8,672.08)

PM: \$ 120,478.49

PC: \$ 293,751.22

Enclosures: Commercial Crime Insurance  
NYS Comptroller's Office letter dtd 10/13/2020 reference# 14539543  
Sample letter writing examples  
Service charge worksheet – completed for your reference  
Sample Rules and Regulations  
§ 605. Notice of meeting of members  
Lot/Deed Log  
Interment Log  
§165a; Voluntary Municipal Assistance to a Public Cemetery Corporation

**Needed: Copy of Rules and Regulations – please send to Albany Division headquarters for approval**

## **EXHIBIT 4**

**From:** [David F. Fleming](#)  
**To:** [Polishook, Lewis \(DOS\)](#)  
**Cc:** [Young, Alicia \(DOS\)](#); [Seelman, Michael \(DOS\)](#)  
**Subject:** Responses on Forest Hill/Attica  
**Date:** Tuesday, August 24, 2021 2:19:35 PM  
**Attachments:** [image001.png](#)  
[Responses on Attica to DOS 8.24.2021.pdf](#)

*ATTENTION: This email came from an external source. Do not open attachments or click on links from unknown senders or unexpected emails.*

Good afternoon. The following and attached are responses and exhibits related to your recent questions regarding the Forest Hill/Attica Application.

Thank you.

David

**Response to questions of NYS Division of Cemeteries Director Lewis  
Polishook  
August 24, 2021**

**Notices:**

1. If I understand your submission correctly, Forest Hill/ Attica mailed notice to all lot owners (or at least tried to do so). I would like to see an affidavit of mailing for that too or at least a statement that the mailing was made and by whom.

**RESPONSE:**

Yes, Forest Lawn paid for a professional fulfillment service, PDM, to mail notices to Forest Hill/Attica available lot owner records, regardless of age of record, existence of the street or the cemetery the address dates to.

The following is a breakdown of the mailing process:

- Leilon Duff, Mergers Project Manager and/or Meghann Surrectt, Corporate Secretary, completed a notice template for the mailing.
- Chris Converse, Vice President, has the list of lot owners from the Forest Hill/Attica contact person. Documents available included:

Lot Owner Cards, Certificates of Ownership and Certificates of Sale. These were scanned by Forest Lawn staff (both sides of documents), then sent to Legacy<sup>2</sup> Infinity Data Services to capture names, addresses and zip codes of known Lot Owners along with any existing mailing list.

- Mark DePalma, Marketing and Communications Manager, sends the notices to PDM (mailing fulfillment service.)
- PDM prints the notices and envelopes, assembles the mailings, and sends via First Class mail to allow for return mail that is undeliverable. **Additionally, Forest Lawn skips the requirement of the US Post Office that any invalid address isn't mailed to in order to**

**comply with the statute.**

- Postmaster certification goes to Mark DePalma.
- Returned mail is sent to Meghann Surrectt and she records the numbers into an excel spreadsheet

For the Buffalo Cluster presented to the Board, there were four batches of mailing.

Here is the breakdown (notarized affidavits attached as **Exhibit A:**

- The first batch of notices were mailed on May 15, 2021
- The second notice batch was mailed on May 28, 2021
- The third notice batch was mailed on June 11, 2021
- Here are the details for each batch sent:

Mailed:	Quantity	Data Capture Cost	Postage Paid
Batch 1:			
Attica/Forest Hill	206	\$ 300	\$ 254
Lancaster Rural	1,759	\$ 1,200	\$ 2,130
Quaker Settlement	86	N/A	\$ 105
<b>Batch Total</b>	<b>2,051</b>	<b>\$ 1,500</b>	<b>\$ 2,489</b>
Batch 2:	39	N/A	\$ 140
Freedom			
<b>Batch Total</b>	<b>39</b>	<b>N/A</b>	<b>\$ 140</b>
Batch 3:	1,565	\$ 1,300	\$ 1,780
Oakwood			
<b>Batch Total</b>	<b>1,565</b>	<b>\$ 1,300</b>	<b>\$ 1,780</b>
Batch 4:	465	\$200	\$600 (expected)
Griffins Mills			
*notices are expected to mailed this week			
<b>Batch Total</b>	<b>465</b>	<b>\$200</b>	<b>TBD</b>
**nothing mailed for Freedom Rural lot owners– no records to mail – they have no records and the cemetery is full and the records were destroyed many years ago.			

2. The notice on page 78 only refers to “Forest Hill” and not to “Attica.” I know Attica is commonly known as Forest Hill but I would have used both names in the legal notice. We will have to mention this in our write-up, but I don’t know that it’s necessarily fatal—I’ve always heard the cemetery referred to as Forest Hill and this is the notice to the Forest Lawn lot owners. For future filings, I would definitely have Forest Lawn specify the location as well as the name of the cemeteries to be acquired.

**RESPONSE:**

- Mailed notices (**Exhibit B**) were sent with “Forest Hill”.
- The newspaper notification (**Exhibit C**) was updated prior to print and listed both “Attica Cemetery Association (Forest Hill)” in the title and “Attica Cemetery Association” in the body of the notice. See page two of **Exhibit C** for a copy of the newspaper notice.
- Forest Hill/Attica Cemetery does not have a website for posting. Forest Lawn did post a notice to their lot owners which was posted until August 2, 2021. The screen grab of Forest Lawn’s website was included in the application. For your reference a copy of the actual notice may be found as **Exhibit D**. The Plan of Merger was linked by clicking the target cemetery name.

3. Merger Agreement:

- a. The merger agreement refers to the balance sheet as of 12/31/17. That’s almost four years ago.

**RESPONSE:**

The merger process for this and other cluster cemeteries has now been conducted twice. This was done because the state changed the process for mergers following the preparation of the previous documents. The cemeteries have had access to all financial documents which are also public documents. The Annual Report and Tax Returns may be found as **Exhibit E**.

- b) Approval by Forest Lawn: The resolution states that only two lot owners appeared by 650 voted by proxy:

**RESPONSE:**

For over two decades, following discussions with Forest Lawn and the Division’s representative, like other cemeteries, Forest Lawn has implemented their proxy system by sending proxies with all deeds once the burial rights are paid in full.

Proxies created by Forest Lawn’s local counsel are valid for five years and valid for all lot owner meetings, which is written in the form.

The proxies for the current year are outlined as being valid to vote at all meetings.

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4. Forest Hill Approval:

- a) I can’t read the document—does it say the lot owners voted for, 26-0?

**RESPONSE:**

- The vote count listed on voting and the attendance sheet is attached as **Exhibit F**.
- Cemetery meeting minutes (**Exhibit G**) outlined that the decision was unanimous.
- It is important to note that the cemetery has an attorney on the board who as given direction to the board and lot owners at this and the last two lot owner and board meetings for approval for mergers.

b) Forest Hill Board meeting: Which board members were in attendance?

**RESPONSE:**

Taken from the meeting minutes (**Exhibit H**):

- Present: Roxanne Christensen, Kim Clark, John Goodridge, Timothy Moran, Jacqueline Perl
- Absent: Thomas Gadd, Don Herman, Jim Zeilman

5. Forest Hill financials: the cover letter talks about losses but they made over \$50k last year; from the documents this seems to be a one-off transfer.

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As indicated in the 2020 regulatory report, revenues include a \$50,000 transfer from the permanent maintenance fund. This item was not included in the Analysis prepared by Forest Lawn as it is not considered revenue. **The cemetery has operated at an operating deficit in each of the four years 2016-2019.** In 2020, increases in grave sales/interment fees of \$7,000 and interest & dividends of \$11,000 resulted in an operating surplus of \$11,000 (not \$61,000).

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Forest Hill/Attica is like most struggling cemeteries. They have no one in their “office”. In this case, this is an area to house the lawnmowers which also has a desk.

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in Buffalo Cluster is Lancaster Rural), so establishing one for them would be a significant step forward. Once records for each cemetery are digitized, Forest Lawn may easily make them publicly accessible on the respective cemetery's website, which would be a gigantic move forward.

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Under U.S. Treasury regulations, we are required to inform you that any advice contained in this e-mail or any attachment hereto is not intended to be used, and cannot be used, to avoid penalties imposed under the Internal Revenue Code.

**Response to questions of NYS Division of Cemeteries Director Lewis Polishook  
August 24, 2021**

**Notices:**

1. If I understand your submission correctly, Forest Hill/ Attica mailed notice to all lot owners (or at least tried to do so). I would like to see an affidavit of mailing for that too or at least a statement that the mailing was made and by whom.

**RESPONSE:**

Yes, Forest Lawn paid for a professional fulfillment service, PDM, to mail notices to Forest Hill/Attica available lot owner records, regardless of age of record, existence of the street or the cemetery the address dates to.

The following is a breakdown of the mailing process:

- Leilon Duff, Mergers Project Manager and/or Meghann Surrect, Corporate Secretary, completed a notice template for the mailing.
- Chris Converse, Vice President, has the list of lot owners from the Forest Hill/Attica contact person. Documents available included:

Lot Owner Cards, Certificates of Ownership and Certificates of Sale. These were scanned by Forest Lawn staff (both sides of documents), then sent to Legacy<sup>2</sup> Infinity Data Services to capture names, addresses and zip codes of known Lot Owners along with any existing mailing list.

- Mark DePalma, Marketing and Communications Manager, sends the notices to PDM (mailing fulfillment service.)
- PDM prints the notices and envelopes, assembles the mailings, and sends via First Class mail to allow for return mail that is undeliverable. **Additionally, Forest Lawn skips the requirement of the US Post Office that any invalid address isn't mailed to in order to comply with the statute.**
- Postmaster certification goes to Mark DePalma.
- Returned mail is sent to Meghann Surrect and she records the numbers into an excel spreadsheet

For the Buffalo Cluster presented to the Board, there were four batches of mailing.

Here is the breakdown (notarized affidavits attached as **Exhibit A:**

- The first batch of notices were mailed on May 15, 2021
- The second notice batch was mailed on May 28, 2021
- The third notice batch was mailed on June 11, 2021
- Here are the details for each batch sent:

Mailed:	Quantity	Data Capture Cost	Postage Paid
Batch 1:			
Attica/Forest Hill	206	\$ 300	\$ 254
Lancaster Rural	1,759	\$ 1,200	\$ 2,130
Quaker Settlement	86	N/A	\$ 105
<b>Batch Total</b>	<b>2,051</b>	<b>\$ 1,500</b>	<b>\$ 2,489</b>

Batch 2: Freedom	39	N/A	\$ 140
<b>Batch Total</b>	<b>39</b>	<b>N/A</b>	<b>\$ 140</b>
Batch 3: Oakwood	1,565	\$ 1,300	\$ 1,780
<b>Batch Total</b>	<b>1,565</b>	<b>\$ 1,300</b>	<b>\$ 1,780</b>
Batch 4: Griffins Mills *notices are expected to mailed this week	465	\$200	\$600 (expected)
<b>Batch Total</b>	<b>465</b>	<b>\$200</b>	<b>TBD</b>
**nothing mailed for Freedom Rural lot owners– no records to mail – they have no records and the cemetery is full and the records were destroyed many years ago.			

2. The notice on page 78 only refers to “Forest Hill” and not to “Attica.” I know Attica is commonly known as Forest Hill but I would have used both names in the legal notice. We will have to mention this in our write-up, but I don’t know that it’s necessarily fatal—I’ve always heard the cemetery referred to as Forest Hill and this is the notice to the Forest Lawn lot owners. For future filings, I would definitely have Forest Lawn specify the location as well as the name of the cemeteries to be acquired.

**RESPONSE:**

- Mailed notices (**Exhibit B**) were sent with “Forest Hill”.
- The newspaper notification (**Exhibit C**) was updated prior to print and listed both “Attica Cemetery Association (Forest Hill)” in the title and “Attica Cemetery Association” in the body of the notice. See page two of **Exhibit C** for a copy of the newspaper notice.
- Forest Hill/Attica Cemetery does not have a website for posting. Forest Lawn did post a notice to their lot owners which was posted until August 2, 2021. The screen grab of Forest Lawn’s website was included in the application. For your reference a copy of the actual notice may be found as **Exhibit D**. The Plan of Merger was linked by clicking the target cemetery name.

3. Merger Agreement:

- a. The merger agreement refers to the balance sheet as of 12/31/17. That’s almost four years ago.

**RESPONSE:**

The merger process for this and other cluster cemeteries has now been conducted twice. This was done because the state changed the process for mergers following the preparation of the previous documents. The cemeteries have had access to all financial documents which are also public documents. The Annual Report and Tax Returns may be found as **Exhibit E**.

- b) **Approval by Forest Lawn:** The resolution states that only two lot owners appeared by 650 voted by proxy:

**RESPONSE:**

For over two decades, following discussions with Forest Lawn and the Division's representative, like other cemeteries, Forest Lawn has implemented their proxy system by sending proxies with all deeds once the burial rights are paid in full.

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# Exhibit A