

**MINUTES OF THE
ANNUAL CERTIFICATEHOLDERS' MEETING
OF
HERITAGE PARK MANAGEMENT CORPORATION**

Held on 12 November 2019, Tuesday, 9:00 A.M.
at the Filipinas Drive,
The Heritage Park, Bayani Road,
Lower Bicutan, Taguig City

<u>PRESENT:</u>	<u>NO. OF VOTING RIGHTS</u>
Total Number of Issued and Outstanding Heritage Park Investment Certificates with Voting Rights Represented In Person and By Proxy	49,763
Total Number of Issued and Outstanding Heritage Park Investment Certificates with Voting Rights	<u>107,762</u>
Attendance Percentage to Total Issued and Outstanding Heritage Park Investment Certificates with Voting Rights	<u>46.17%</u>

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I. CALL TO ORDER

The President, Mr. Monico V. Jacob ("Mr. Jacob"), who was requested to act as Chairman of the meeting, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Arsenio C. Cabrera, Jr. ("Atty. Cabrera"), recorded the minutes of the proceedings.

II. CERTIFICATION OF NOTICE AND QUORUM

Based on the certification provided by Ms. Lydia G. Hernandez ("Ms. Hernandez"), General Manager of R&H Messengerial and General Services, and in accordance with Section 2.4 of Article II of the By-Laws of the Corporation, Atty. Cabrera certified that notices for the meeting were duly sent to all certificateholders of record as of 31 October 2019 at least two (2) weeks prior to the date of this meeting.

Atty. Cabrera stated that R&H Messengerial and General Services is the courier provider, engaged by Philippine National Bank-Trust Banking Group, the Corporation's stock and transfer agent, to send out the notices for this meeting to all the certificateholders of record as of 31 October 2019.



The certification of Ms. Hernandez regarding the due sending of notices to certificateholders of record as of 31 October 2019 is attached hereto as Annex "A".

Based on the attendance record and the proxies and powers of attorney on hand, present in person and represented in proxy are 49,763 voting rights or 46.17% of the 107,762 total issued and outstanding Heritage Park Investment Certificates with voting rights.

Atty. Cabrera notified the certificateholders that there is no quorum for the valid transaction of business.

The President, Mr. Jacob, however, advised the certificateholders that the meeting can proceed to apprise the certificateholders of the operations at the Heritage Park.

III. REPORT OF THE PRESIDENT

Mr. Jacob, for information purposes, rendered the President's Report.

The highlights of his report are as follows:

- a) The Perpetual Care Fund ("PCF") has shown signs of improvements versus prior years (i.e. 2010) due to initiatives geared towards shoring up revenues.
- b) After net losses for several years, PCF registered profit of PhP2.7 Million as of 31 December 2018.
- c) The statements of revenues and expenses for the period ended 31 December 2019 are set forth below:

	2018 (in PhP)	2017 (in PhP)	% Increase (Decrease)
Revenues			
Interest income on investments, loan and deposits	18,600,362	16,514,225	13%
Other income	35,712,351	26,648,144	34%
Total Revenue	54,312,713	43,162,369	26%
Expenses	51,617,523	51,894,682	(1%)
Net Income (Loss)	2,695,190	(8,732,313)	(131%)

- d) The statements of financial position for the period ended 31 December 2018 are set forth below:

	2018 (in PhP)	2017 (in PhP)	% Increase (Decrease)
Total Current Assets	534,362,907	465,504,752	15%
Total Non-Current Assets	174,246,549	210,234,577	(17%)
Total Assets	708,609,456	675,739,329	5%

Total Current Liabilities	121,338,676	100,292,580	21%
Total Non-Current Liabilities	33,783,264	10,094,326	235%

- e) The PCF's accumulated deficit at PhP322Million is on the back of Inventory held for sale at book value. However, if the inventory is appraised at current market value, this will significantly improve the financial position. Area 2 Estate Lots alone, marked to market, will result in gain for the PCF of PhP586 Million.

- f) Heritage Heights is the latest development within Heritage Park that aims to further elevate its status as the premier memorial park in the country. The development includes 94 Estate Lots that will help in shoring up the PCF for the maintenance and upkeep of the park. The project is in its final stages of securing necessary local government and regulatory permits with projected contribution of PhP200 Million into the PCF.

- g) In order to address the concerns of the certificateholders raised during its meeting held in 2017, the Board of Trustees initiated several projects:
 - i. The National Water Resources Board has mandated Heritage Park to stop the use of 16 deep wells at the Park. As an alternative water source, a Sewage Treatment Plant ("STP") was constructed to treat the gray water from neighboring areas of the Park. STP aims to provide a sustainable and sufficient water source at the park.

 - ii. The Board likewise initiated the improvement of the security office, main gates and security outposts which have deteriorated over the years, requiring its repair and refurbishment.

 - iii. Deployment of 133 trash bins across the park to address disposal of trash and general waste from park visitors. These trash bins are made from steel material to withstand wear and tear and being exposed to the elements.

- h) The Board of Trustees has identified the need to re-launch Heritage Park to further solidify its status as the premier memorial park in the country. To support this, various refurbishments, repairs and developments will be undertaken to improve and elevate the Parks overall aesthetic, services, and value. These will include: refurbishment and improvement of perimeter fence, replacement of lamp posts, and road and drainage repairs.

- i) The actions taken on the issues raised during the Annual Certificateholders' Meeting held in 2017 were set forth below:

AREA OF CONCERN	ACTION TAKEN
Public Restrooms	Public Restrooms have been update
Access to electricity for Mausoleum Owners	Electrification study conducted Projected cost at Php138M Further study to be conducted on m ways to electrify 100% of the Park
Trash around the park	Trash bins deployed throughout the Talks ongoing with local government trash collection

In reply to the suggestions of Mr. Gaudencio Hernandez and Ms. Joyce O'Hara, Mr. Jacob stated that mausoleum owners at the Heritage Park shouldered their own electricity costs. However, to ensure safety as the mausoleum owners tapped on electric posts and to put electricity in the other areas of the park, Management will negotiate with Meralco the lowering of the projected cost of PhP138 Million as well as find other ways to provide electricity to the park.

In reply to the query of Messrs. Sabino Malabanan, Jr., Cesar Bautista, Joel Longasa, and Anselmo Avelino, Jr., Mr. Jacob will check with the courier provider the reason on their non-receipt of the notices for the meetings. Mr. Jacob also pointed out that the Corporation held its previous Annual Certificateholders meeting in 2017 but did not convene an Annual Certificateholders' meeting in 2018.

In reply to the query of Mr. Sabino Malabanan, Jr., Management will study on whether a fishing tournament in the Lagoon area will still be feasible.

In reply to the query of Mr. Anselmo Avelino, Jr., Atty. Cabrera stated that copies of the Audited Financial Statements ("AFS") are available upon request at the registration desk and posted in the bulletin board. In reply to the suggestion of Mr. Gaudencio Hernandez and a Certificateholder, Mr. Jacob stated that the Corporation will set-up website and other social media accounts to disseminate relevant information including the AFS.

In reply to the query of Mr. Gaudencio Hernandez, Ms. Aileen Anunciacion R. Zoza, member of the Board of Trustees, stated that the rental income from the lease of the mortuary amounts to about PhP700 Thousand per month contributes to the PCF. She also stated that to increase the PCF, internment fees were likewise imposed at the park. The preservation of the PCF is important for the lot owners to enjoy the benefit from the maintenance of the park. She also stated that one of the benefits of a well-maintained park is the increase in the value of the lots at the

park. Mr. Jacob likewise stated that there are plans to expand the mortuary chapels and negotiate the amount of the lease contract.

In reply to the query of Mrs. Lapay, Mr. Jacob stated that she can coordinate with the sales office to check the status of the amortization of her memorial lots. In reply to the query of Mr. Bantog, Ms. Divinagracia and other certificateholders, Mr. Jacob stated that they can likewise coordinate with the sales office to check the status of their memorial lots.

In reply to the query of Mrs. Lara, Mr. Jacob stated that in the past several years there have been no designated authorized signatories for the Heritage Park Investment Certificates ("HPIC") as the authorized signatories were only appointed in 2017. Mr. Jacob stated that she may coordinate with the sales office the status of her HPIC.

In reply to the queries of various certificateholders, Mr. Jacob stated that (i) due to security issues and other problems, jogging at the park is currently prohibited; (ii) Management will determine locations to put up more restrooms within the Park; and (iii) sales commissions are determined by the sales agent, not by the Corporation.

Mr. Jacob expressed his gratitude to the certificateholders for their attendance and support.

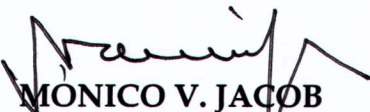
IV. ADJOURNMENT OF ANNUAL CERTIFICATEHOLDERS' MEETING

Mr. Jacob informed the certificateholders that the Annual Certificateholders' Meeting will be adjourned to a date to be determined by the Corporation's Board of Trustees.



ARSENIO C. CABRERA, JR.
Corporate Secretary

ATTEST:



MONICO V. JACOB
*Chairman of the Meeting/
President*

Annex "A"



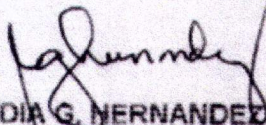
R&H MESSENGERIAL AND GENERAL SERVICES

126 Francisco Andres St., Rosario Complex, Rosario, Pasig City
Tel. No.: 571-1171 • Telefax: 915-0252 • Cell. No.: 0917-6282218
Email add: rnh_messengerial@yahoo.com

CERTIFICATION OF SERVICE RENDERED

I, Lydia G. Hernandez of legal age, married, Filipino, General Manager / Owner of R & H Messengerial and General Services certified that we delivered the Heritage Park Management Corporation notice of Annual Certificateholder's meeting to each stockholders.

This certificate is issued upon the request of Heritage Park Management Corporation.


LYDIA G. HERNANDEZ
General Manager