

Mike Ball Patrol Manager ADT Holdings, Inc. 9201 Oakdale Ave. Chatsworth, CA 91311 Direct (818) 428-3179 mikeball@adt.com www.adt.com

April 13, 2018

Danny Gibson Brookside HOA Los Angeles, California

RE: Proposal for consideration

Danny,

Thank you for giving ADT Holdings, Inc. the opportunity to bid on becoming the security patrol provider for the Brookside community.

ADT Holdings, Inc. is a subsidiary of ADT LLC (DBA) ADT Security Services. ADT Holdings, Inc. provides armed security patrol and standing guard services to ADT LLC customers in Southern California and Las Vegas, Nevada. With over 160 armed officers and a fleet of 65 patrol vehicles we are a viable player in today's security industry, specifically in the affluent communities in Los Angeles. Through acquisition this security patrol operation has existed in Southern California for over 35 years with deep roots in prominent homeowner's associations similar to the Brookside Association. We maintain a strong expertise in the security patrol industry with an average of 24 years tenure in our senior patrol management group. We are a locally driven operation with our dispatch Center, administration, and senior management all located in Torrance and Chatsworth California, driven to meet our customers' expectations.

Our management team has extensive experience in providing tailored armed security patrol services to Association controlled areas with specific needs such as yours.

I respectfully submit this proposal for your review with the confidence that ADT Holdings, Inc. can meet your expectations with long term successes. I look forward to continuing our discussions.

Sincerely, ADT Holdings, Inc.

By: Mike Ball Patrol Manager

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Proposed Bid One

(1) Dedicated armed patrol officer and vehicle 24-hours per day, seven days per week, 365 days per year to patrol the Brookside Association. Except for mandatory activities such as vehicle maintenance, refueling and authorized break reliefs, the ADT Officer will be within the Brookside HOA area boundaries at all times unless there is a major crime or life-threatening situation that would require immediate assistance from the closest ADT Patrol Officer. Those situations are extremely rare.

Monthly Investment

\$21,000

Term options

Minimum 1-year agreement

Proposed Bid Two

(1) Dedicated armed patrol officer and vehicle 16-hours per day, seven days per week, 365 days per year to patrol the Brookside Association. Except for mandatory activities such as vehicle maintenance, refueling and authorized break reliefs, the ADT Officer will be within the Brookside HOA area boundaries at all times unless there is a major crime or life-threatening situation that would require immediate assistance from the closest ADT Patrol Officer. Those situations are extremely rare.

Monthly Investment

\$14,000

Term options

Minimum 1-year agreement

Proposed Bid Three

(1) Dedicated armed patrol officer and vehicle 8-hours per day, seven days per week, 365 days per year to patrol the Brookside Association. Except for mandatory activities such as vehicle maintenance, refueling and authorized break reliefs, the ADT Officer will be within the Brookside HOA area boundaries at all times unless there is a major crime or life-threatening situation that would require immediate assistance from the closest ADT Patrol Officer. Those situations are extremely rare.

Monthly Investment

\$7,000

Term options

Minimum 1-year agreement

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Proposed patrol officers'work schedule

		Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
	6:00 AM to							
Day Shift	2:00 PM	Shift 1	Shift 1	Shift 1	Shift 1	Shift 1	Shift 4	Shift 4
Evening	2:00 PM to							
Shift	10:00 PM	Shift 4	Shift4	Shift 2	Shift 2	Shift 2	Shift 2	Shift 2
Graveyard	10:00 PM to							
Shift	6:00 AM	Shift 3	Shift 3	Shift 5	Shift 5	Shift 3	Shift 3	Shift 3

ADT Holdings, Inc personnel are scheduled to work 8.5 hour shifts and receive a 30 minute uninterrupted meal break before the fifth (5th) hour of their work schedule. Meal breaks are provided in this manner to meet the requirements of state law.

The patrol officer is also entitled to take two (2) 10 minutes breaks during his or her shift.

Proposed pay rate schedule for patrol officers

		1 – 5 years of	
		experience	
	Entry level hourly	average rate of	
	rate	pay	Field Training Officer
Patrol Officer	\$14.00	\$14.42 - \$16.21	\$16.00 +

Hierarchy of Officers

All Patrol Officers report to shift Team Managers. Shift Team Managers report to a Patrol Manager. If the HOA selects the 24 hour 7 days per week option, ADT Security will provide an area Lead Officer to ensure that work responsibilities on all shifts are being completed correctly. The Lead Officer also acts as a liaison between the HOA, members and ADT on a regular bases. Lead Officers handle the day to day operations of the area, including the covering or a shift 5 days a week. Lead Officers are not a replacement for a shift Team Manager or the Patrol Manager, AKA Account Manager.

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ADT Holding, Inc. employs 18 full time dispatchers and one full time Dispatch Manager to provide quality service to our customers for their dispatching needs. Shift times are from 5:00 AM - 1:30 PM, 1:00 PM - 9:30 PM & 9:00 PM - 5:30 AM. We ensure that there is 24/7 coverage by trained dispatchers.

Customer calls for assistance can be called into our local dispatch center at the number listed below or may call the patrol car cell phone to contact the officer directly.

Address and telephone number of Patrol Dispatch Center

- Telephone number (310) 829-7981
- 21171 S. Western Ave. Torrance, CA 90501

Police Liaison

ADT Holdings, Inc. will maintain communication with the Los Angeles Police Departments senior lead officer for your area and are poised to work with the police to review crime trends and gather information of crime within your community. We receive and review daily Crimemapping reports Crime information is shared within the area Officers to ensure that they are knowledgeable of crime trends and details within the area.

Vacation Watch Services

The vacation watch service consists of a patrol officer conducting a perimeter check and relocating mail and papers to a predetermined location. Residents can call in to the Patrol Dispatch Center to request a vacation watch by providing a start and end date along with any information they would like the patrol officer to be aware of. The patrol officers begin the vacation watch as requested and check the property on a random basis three (3) times a day, usually during the days, evenings, and late night.

Residents can also request extra patrol when they are home alone or if they need the added peace of mind in having their home checked. A ticket is generated and provided to the patrol officer to provide extra patrol to a resident's home.

All security inspections or extra patrols are documented on the special watch ticket and on the patrol officer's daily field activity report.

Escorts

Residents may request a patrol officer to meet them at their home to ensure they leave safely or arrive safely for their peace of mind. The resident can call the patrol officer directly on the provided cell phone or call into the Patrol Dispatch Center with their request.

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ADT LLC Alarm Sales, Monitoring and Service

ADT is a full-service security company and the #1 security company in North America. ADT serves millions of customers and has been protecting Americans since 1874. ADT helps secure the majority of the Fortune 500 companies, most financial institutions and many federal facilities. These are companies with people on staff whose job is to evaluate and select security companies. What this means to you is that when people have the means to do the research, they choose ADT.

We do of our own monitoring and billing. The products and services we offer are considered to be the best value in our industry. We use UL-listed components, products and solutions. Our technicians are trained according to some of the strictest quality assurance standards in our industry. The most important part of any security system is the monitoring service. ADT has a comprehensive network of interconnected monitoring facilities strategically located throughout the United States. This means if there is a regional issue such as extreme weather where we are unable to staff a monitoring center; our other centers will take over so your service will go uninterrupted. What this means to you is that we're there when you need us. In addition to all that, with Interactive Solutions, you'll get be able to maximize the control and notification capabilities of your alarm system in order to give you more peace of mind than ever before.

Alarm sales, installation, monitoring, and service are a separate agreement between the resident and ADT LLC.

ADT LLC maintains a Sales Manager and Service Manager in the Torrance office which will be responsible to provide these services.

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QUALIFICATIONS

ADT Security Services has been in business for 142 years. ADT purchased Westec/Edison Security in 1999 and Bel Air Patrol in 2002. Through the company transitions, we have been providing dedicated patrol services to Hancock Park, Windsor Square, Mount Olympus HOA, Benedict Hills and SMPA since September 1987. We currently provide services many HOA's, including several high profile West side HOA's such as:

24 - Hour Dedicated Armed Security Patrol Accounts - References

- Benedict Hills Homeowners Association Approximate members 330
- Mount Olympus HOA Approximate members 240
- Santa Monica Protective Association Approximate members 1000

ADT Security draws Team members from a variety of backgrounds, including but not limited to ex-military and law enforcement. Many of our current team members are current members of the military as reserves and participate in monthly training drills and two weeks a year of military training in chosen field.

New Hire training process

Minimum of 80 hours of in field training with a Field Training Officer:

- Policy and Procedure Training
- Driving Skills
- Report Writing
- · Use of Force policy and procedures
- Use of the Radio
- Practical Training in Patrol
- Procedures and tactics
- Follow-up training on arrest and control techniques
- Including a written test on Policy and Procedures and Criminal Law
- Check Ride with Supervisor prior to being released on their own.
- Evaluation of actual or simulated responses to numerous types of calls or incidents
- Evaluation of driving skills
- Evaluation of radio skills

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In Service Training *I* 12 hours of continuing education every year (state requires 8 hours) Updated or refresher training in:

- Patrol Tactics
- Report Writing
- · Communication skills
- Use of Force & Deadly Force
- Policy and Procedures
- Safety

Patrol Officer Equipment and required training

Patrol Officers are equipped with baton, pepper spray, firearms and wear mandatory body armor.

Patrol Officers are required to complete State mandated training to work as a security officer and must complete additional state mandated courses to carry pepper spray, batons and firearms. Each Officer must qualify twice a year with their firearm and provide documentation to the State governing body known as the Bureau of Security and Investigative Services, AKA BSIS.

The BSIS and the Dept. of Justice conduct their own background checks of applicants for security guard and gun licenses. ADT Security hires an outside background agency to conduct additional background checks as well.

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ADT offers a very attractive and comprehensive benefits package to all of our Patrol Team Members. ADT's investment in our Team Members pays out in happy Team Members providing excellent service to our customers.

Description of benefits available to patrol officers

ADT Employee Benefits	Description		
Medical and Dental Insurance	ADT provides employees with comprehensive, high-quality medical and dental care at an affordable cost for the individual employee and their family.		
401(K)	ADT's 401(K) plan helps eligible team members build significant resources for long-term needs.		
Life Insurance	ADT offers high-quality insurance benefits to ensure financial protection. ADT has a comprehensive suite of life insurance programs to choose from, including basic coverage at no cost to the employee with options to purchase additional coverage.		
Vacation Pay	New employees currently receive two (2) weeks of accrued vacation pay per year. Five year employees currently receive three (3) weeks. Ten year employees currently receive four (4) weeks.		
Holiday Pay	Employees currently receive eight (7) hours holiday pay for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Employees who work on a company recognized holiday will be paid for the holiday and paid at a rate of one and a half times their regular pay.		
Floating Holiday Pay	Employees currently receive four (4) floating holidays per year.		
Bereavement Pay	Employees are currently eligible to receive three (3) bereavement days for eligible relatives.		
Disability Insurance	ADT offers employees the opportunity to purchase long-term disability (LTD) coverage.		
Dependent Care Reimbursement Account	ADT offers a Dependent Care Reimbursement Account option for employees to set aside pre-taxed funds for qualifying work-related child care, elder care or other dependent care expenses.		
Health Care Reimbursement Account	ADT offers a health care reimbursement account that allows employees to save on qualifying health care expenses.		
Domestic Partner Benefits	ADT offers domestic partner benefits to same or opposite sex domestic partners to the same extent that benefits are offered to a spouse, as legally and administratively permissible under our plan.		
Employee Assistance Program (EAP)	The Employee Assistance Program, or EAP, provides our participants and their household members with access to health and wellness information, self-administered assessments, online articles, and personal improvement programs.		
Tuition Reimbursement	Employees are eligible to receive up to \$7,500 per year in reimbursement for tuition and books.		

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Detailed description of patrol services to the individual Brookside homeowner

Data Service account

ADT Holdings, Inc. will create a patrol service account for all individual members to maintain customer's information and contact information. This patrol service account will be used to document all responses or observations concerning a customer's residence.

Armed Response

The armed response consists of the patrol officer responding to calls for assistance or alarm activations. Brookside residents will have the option of calling the patrol officer directly on a cell phone which will be maintained in the patrol car or call the Patrol Dispatch Center to request armed response.

Patrol officers will respond to all requests for assistance to ensure the safety of the residents and to protect property and will determine if additional patrol or police resources are needed.

Alarm activations received at the Patrol Dispatch center by ADT LLC or foreign alarm companies will be radio dispatched to the patrol officer to respond and investigate the alarm. A record of the response is maintained in the customers patrol service account or ADT LLC alarm account with dispatch time, arrival time, and departure time. The resolution of the alarm is also recorded. The patrol officer will endeavor to determine the nature of the alarm activation and will call for police to respond if a sign of a crime is found. The patrol officer will leave a notification on the property if the alarm is determined to be a false alarm.

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<u>Detailed description of patrol officer selection, hiring and training process (i.e. background investigation, drug tests, academy training. etc.)</u>

Patrol officer selection & hiring

Applicants are required to complete an employment application, which is reviewed by Patrol Management.

Qualified applicants are given a written test in security scenarios. We look for applicants who possess some knowledge in handling patrol situations, good common sense, excellent moral character, and the ability to read and write English.

If the patrol recruiter believes they are a strong candidate, they have a second interview with the patrol manager.

In the first section of the interview, applicants must demonstrate they possess a good work ethic and a track record as a successful employee. We also look at the ability of the applicant to communicate and provide excellent customer service to our customers in this part of the interview.

The second part of the interview is a focus on the applicant's security experience and actual job knowledge. We look for individuals who have experience providing proper patrols, arrest procedure knowledge, penal codes, tactical training, report writing training, administration of justice classes, and other related training certification.

If an applicant successfully passes the interview they are offered a job contingent upon successful completion of our background check.

Once the background check is completed the applicants is hired.

Background Checks

ADT Holdings, Inc. conducts in depth background of each potential employee.

The background consists of the following:

- Previous Employment Verification
- Education Verification
- Criminal History
- Multi-State Sex Offender Search
- Motor Vehicle Report
- Federal Criminal History
- Drug Screening

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ADDITIONAL INFORMATION

Account Manager

ADT Holdings, Inc. will assign an account manager to manage the armed security patrol service for Brookside Association.

Excellence in Service Delivery

Excellence Program for Brookside HOA				
Preparation for Excellence	Description			
Hire Patrol Personnel specifically for the Brookside contract	ADT Holdings, Inc. will endeavor to hire new patrol officers with experience providing armed security patrol services for communities similar to Brookside. We will seek top performers and ensure each employee is able to provide excellent written and verbal communication skills. A proper mix of new employees and current employees may be assigned to ensure strong job knowledge and expertise.			
Develop training materials	Training materials will be based on requirements of BSIS, the observations of ADT Management and the Brookside HOA "Post Orders"			
Continued Excellence	Description			
GPS reports	GPS reports will be run as needed to investigate any concerns ADT or our customers may have regarding visibility and response to calls for services.			
Daily Field Activity logs	Daily Field Activity logs will be reviewed by the Lead Patrol Officer and/or by Patrol Team Managers.			
Incident review and reports	All major incidents will require a Patrol Team Manager to respond to Brookside HOA to review the incident with the Brookside HOA patrol officer. The Patrol Team Manager will ensure the incident was handled properly and reported properly. Incident reports will be reviewed for accuracy, proper grammar and spelling.			
Job Knowledge - Competency check rides	A ride along by the Account Manager or the Patrol Team Manager will be conducted on an annual basis to verify patrol officers maintain the required job knowledge necessary to work in the Brookside HOA.			
Training of new employees	All new Patrol Officers hired to work within the Brookside Community will be trained by an Officer or supervisor that is familiar with Brookside HOA policies and procedures.			
Patrol Officer performance	ADT Holdings, Inc. will monitor patrol officer performance closely and provide performance management when necessary.			

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Radio System

The radio system's performance has been tested in the Brookside HOA community and performs well. The Patrol vehicle is also provided with a cell phone as a back up to our radio system.

Motorola Moto-Turbo digital radio system

- Console radios assigned to the Patrol Dispatch Center (Torrance, CA)
- (3) repeater sites (Palos Verdes, Lukens, Shaw)
- Mobile radios hardwired in patrol vehicles
- Portable radios assigned to patrol officers to use when outside of vehicle
- Back-up dispatch capabilities from our Chatsworth, CA office

Cellular Telephone

A cellular phone will be provided and maintained in the patrol car. If desired, this cell phone can be used as an option for residents to contact the patrol officer directly.

GPS Service

ADT Holdings, Inc. utilizes DriveCam by Lytx for GPS services and to monitor driving behaviors and traffic accidents involving ADT Patrol cars.

GPS capabilities:

- Web based detailed reports
- Stop reports
- Idle reports
- Speed reports
- Location reports
- Exception reports

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