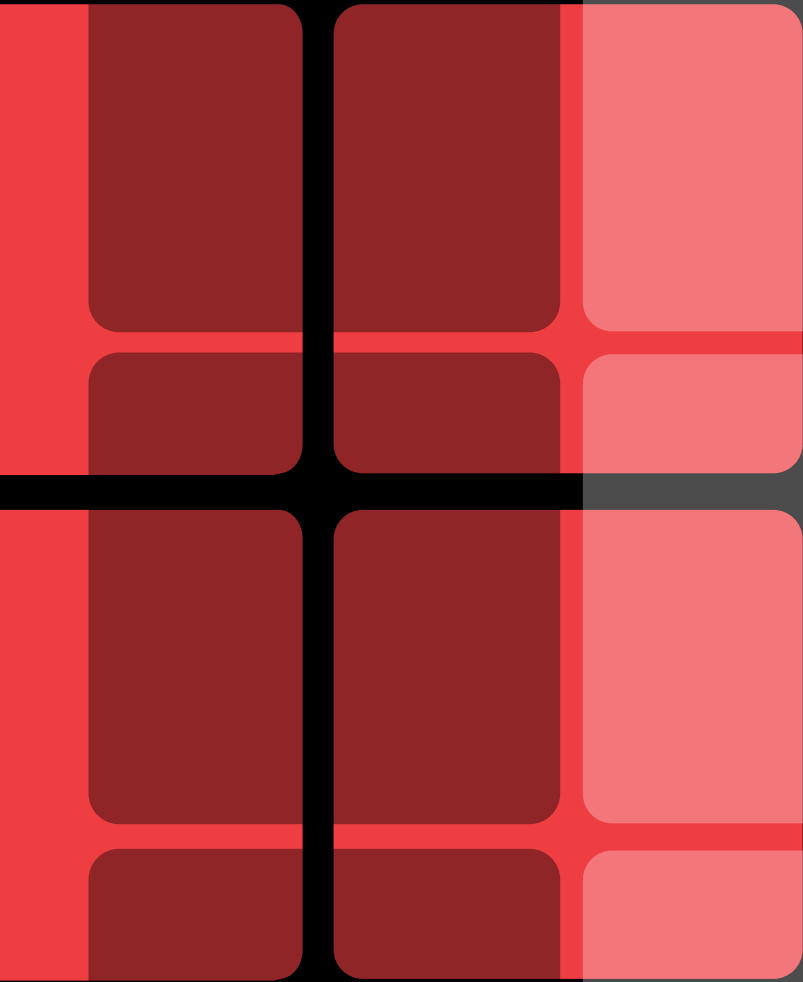


DH PACE

Everything Doors Since 1926



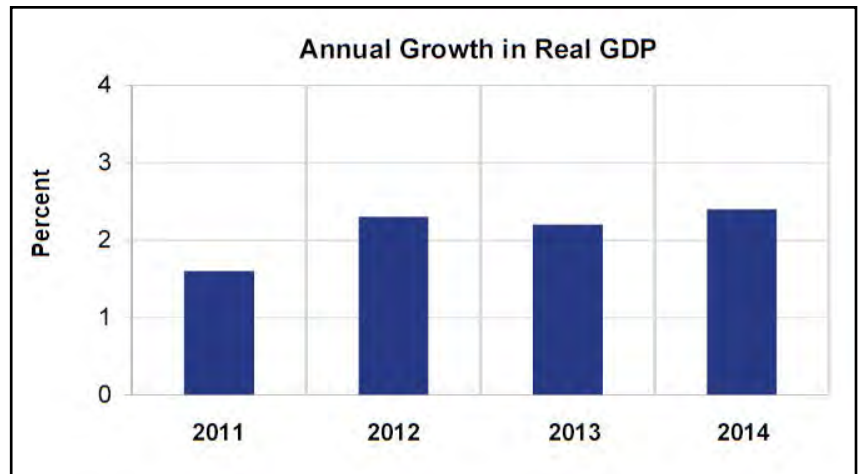
2014 ANNUAL REPORT

CEO LETTER



According to the Bureau of Economic Analysis real Gross Domestic Product (GDP) for the United States increased 2.4 % in 2014, compared with an increase of 2.2% in 2012. The price of goods and services purchased by U.S. residents increased by 1.4% as compared to a 1.3% increase in 2013. The consensus forecast for 2015 is 2.8% growth in GDP and under 1.6% for goods and services.

DH Pace Company increased sales in 2014 by roughly \$31 million or 12% to \$290 million. Our Service, Construction, Distribution and National Account businesses all made meaningful contributions to this growth.



In 2014 we continued to make investments to improve our long-term competitive position in the marketplace. These include:

Hiring. We created 133 net new jobs to end the year at 1,282 employees company-wide. We launched a new learning management system, improved businesses processes and further enhanced our technology to support our employees in serving customers and to accommodate the needs of our growing organization.

New Locations. We welcomed the Bi-State Loading Dock Company in St. Louis, Missouri into our family of Companies and opened new offices in Tucson and Flagstaff, Arizona. The Company also announced plans to open a new office in Orlando, Florida in early 2015.

Vehicle Fleet. We purchased over 100 new vehicles to upgrade and expand our vehicle fleet.

Facility Improvements. We continued to make progress in our multi-year facility improvement initiative. We successfully moved into our new facility in Olathe, Kansas in the first quarter. We also purchased our existing Denver facility and began extensive renovations which are scheduled for completion in mid-2015. Finally,

we contracted for a new build-to-suit facility in Albuquerque, New Mexico with completion scheduled in early 2015.

We are proud to be a privately-held, family-owned business, committed to serving our customers, building a great place to work, and supporting our local communities. We are very thankful for the blessings we have received and we remain optimistic that the best days for our Company and for our Country still lay ahead of us.

May God bless you and your loved ones throughout the year.

Rex E. Newcomer
Chief Executive Officer



MISSION

RESPONSIBILITY AND VALUES

THE DHPACE WAY

LIVING OUR VALUES - LEADING BY EXAMPLE

MISSION STATEMENT

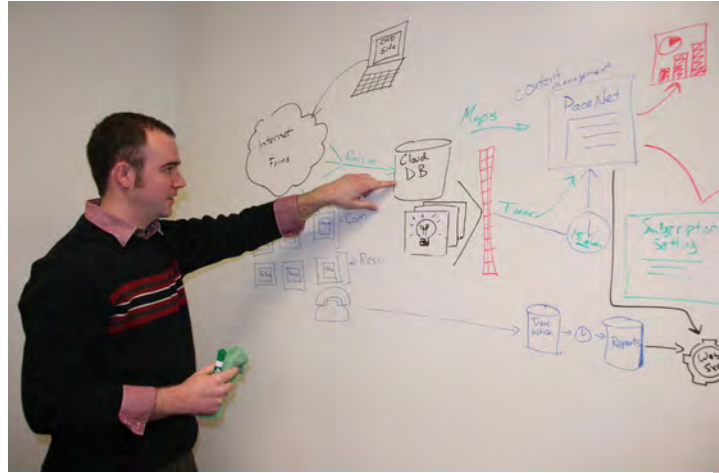
To enhance the lives of people by improving the safety, security, convenience, and aesthetics of the buildings where they live, work, and play.

SOCIAL RESPONSIBILITY STATEMENT

To invest a portion of our time, talent, and financial resources towards improving the lives of people in need; supporting the communities we serve; protecting the environment we share; and providing a better future for the next generation.

VALUE STATEMENTS

- > **RESPECT**
Treating everyone we encounter with consideration
- > **INTEGRITY**
Honest and ethical behavior in everything we say and do
- > **SERVICE**
Building relationships, discovering needs, and providing superior solutions
- > **EXCELLENCE**
Continuous improvement through learning, sharing, teamwork and a common purpose



EMPLOYEES IN ACTION



Serving Our Customers, Our Community, and Each Other

SERVING THE COMMUNITY

Homeless Trailer

The Chandler, AZ community wanted to invest in a new service to help homeless members in the community get back on their feet. A local group put together a plan to provide a place to clean up with a hot shower and a washer and dryer. The idea was to give homeless people the opportunity to get prepared for potential work opportunities. DH Pace employees helped to outfit the portable trailer with some custom made doors to allow the trailer space to be used more efficiently.



Community Support

The Company organized several drives where employees donated needed items for special organizations.

- Denver – BOMA Women’s Professional Clothing Drive, School Supply Drive
- Phoenix – Operation Santa Food Drive
- Kansas City – Three Blood Drives
- Phoenix – Operation Santa Food Drive
- Springfield – A Blood Drive
- St. Louis – A Blood Drive, a Food Drive, and a Toys for Tots Holiday Drive
- Wichita – Two Blood Drives and a Toy Drive



SERVING EACH OTHER

AZ Safety Record

In a time where workplace safety is of the utmost importance, the Arizona division has consistently created a culture of working safe. The Arizona team was recognized for achieving an all-time DH Pace safety record this year by logging more than 1.4 million man-hours over 10 years with zero loss time incidents.

This milestone is a direct result of Arizona’s employees’ ongoing commitment to safety awareness and practices. The local Safety Committee, established to promote and recognize the critical impact of working safely, meets on a monthly basis to identify safety issues and to implement practical solutions to ensure everyone goes home at the end of the day.



Customer Service Week

DH Pace designates one week annually as Customer Service Week to emphasize the importance of consistently delivering a great customer experience and recognizing individual employees and work teams. Offices around the country host events, games, activities, and celebrations. A robust customer survey program gathers feedback from thousands of customers throughout the year.



EMPLOYEES IN ACTION

BUILDING FROM WITHIN

Management and Leadership Training Programs

In 2010, DH Pace launched an updated Management Development Program to provide employees the training and resources required to grow into leadership roles throughout the organization. The Program consists of a multi-year commitment with a curriculum covering management skills, leadership development, process improvement and financial analysis. This ongoing Program is helping to develop the future leaders of the organization and provide management level employees with new and exciting career opportunities.



New LMS Launched for all Employees

The DH Pace University team is currently implementing a Learning Management System or LMS to better organize training resources for all employees. This "cloud based" system permits remote access for employees while they are offsite to facilitate convenient access. Many courses and related training materials are being digitized for use on the LMS platform. Current online courses include: new employee orientation, fleet safety, product level training, and various tutorials with many more topics currently under development.



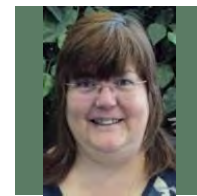
SERVING THE CUSTOMER

Technician: Bryan Arterburn



"Fantastic is how I think about DH Pace. Everything from the phone call for service, to tech repairing video system is always a pleasure. While Bryan made repairs, we had an emergency with a resident. Bryan also works as a fireman and first responder for the county EMS. He was at the door in a flash to assess before our local EMS arrived. He took her pulse and tested her for responsiveness, gathered all her meds for EMS to take with her to the hospital. This is way above the normal service from what I see here day-to-day. DH Pace has a jewel of a technician. I will always ask for Bryan for all my service."

Office: Tanya Foster-McFall



"The dispatcher was extremely pleasant to talk to. I didn't expect that from this type of service. I was impressed with how quickly the serviceman fixed my crooked garage door and then he proceeded to go above and beyond by making sure my opener was more secure and he took the time to show me how to fix my opener if it should ever not stay closed. Now I can use my garage like it was never even broken and the cost was way less than I anticipated. Thank you. I'm so happy I found your number on my garage door."

Technician: Nick Blomgren

Office: September Torpy



"I called in the morning and spoke with September, who stated it would likely be the afternoon before the service call could be made. I asked if there was any chance of a morning call, as I had commitments in the afternoon. September said she would do some checking and call me back. About 20 minutes later she called and stated someone should be at my house before noon, and they would call before coming. About 30 minutes later I received a call from the tech, Nick, who said he'd be here in 20 minutes. He arrived on time and had the spring replaced in about 30 minutes. I cannot tell you how refreshing it is to deal with a company (no, PEOPLE) who do what they say they're going to do. Both September and Nick were polite, professional, and did precisely what they promised. You guys are a breath of fresh air. Thank you!!!"

COMPANY HISTORY



Company History

DH Pace Company traces its roots back to the 1920s with the invention of the upward – acting garage door. In 1926, our first office was established in St. Louis under the distinctive Overhead Door Corporation Red Ribbon logo. We then opened Kansas City (1927) and Atlanta (1935) respectively. In 1973, the operations of these separate entities were consolidated and became divisions of DH Pace Company, Inc. In 1995, the Company took another leap forward when it expanded its products and services under the DH Pace Door Services and DH Pace Construction Services trade names. In 2003, the DH Pace Systems Integration Division was formed to provide access control, video surveillance, and intrusion alarm system products and services.

The Genuine. The Original.



Recent Highlights

- > In 2008, the Company acquired Colorado's largest residential garage door distributor, under the Ankmar brand name which was established in 1956. The Company also consolidated its national service business into a new entity called the DH Pace National Accounts Facilities Group (NAF).
- > In 2010, the Company expanded into the state of New Mexico with offices located in Albuquerque, Santa Fe and Farmington (Four Corners). The Company also opened an office in Joplin, Missouri.
- > In 2012, a new office was opened in Oklahoma City, Oklahoma. The Company also consolidated several existing business functions to form a National Accounts Security Group (NAS) to manage key systems and related security product lines.
- > In 2013, the Company expanded into Northern Georgia with an office in Dalton, under the King Door brand name which was established in 1963, and into Central Illinois with an office in Bloomington, under the Pinnacle Door brand name which was established in 1992. New offices were also opened in Athens, Georgia and Omaha, Nebraska.

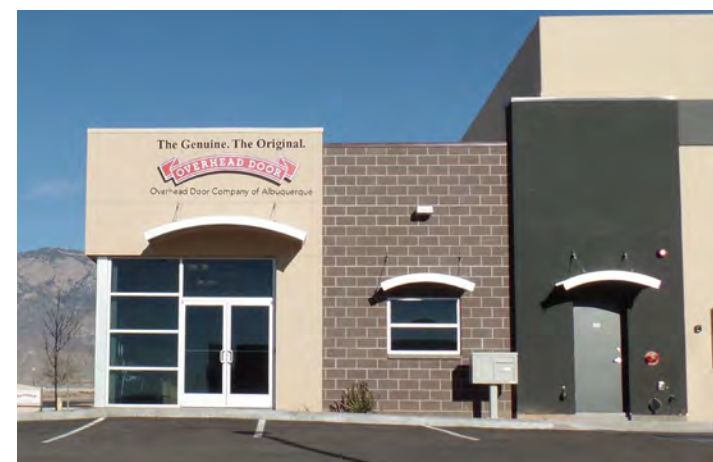
The Company Today

Growing. In 2014, DH Pace sales increased by over \$31 million to \$290 million. The Company created an additional 133 net jobs in 2014 ending the year with a total of 1,282 employees.

Adding Locations. In 2014, we welcomed a new organization into the DH Pace family of Companies, Bi-State Loading Dock Specialists, an industry leading dock equipment sales-service organization which has served the Eastern Missouri, Central and Southern Illinois marketplaces with distinction since 1979. Bi-State is an authorized distributor of the complete line of Kelley brand loading dock solutions, including: dock levelers, vehicle restraints, dock seals and shelters, ergonomic lift products, environmental control systems, energy efficient HVLS fans and aftermarket dock accessories. The Bi-State Team is co-located with their sister Companies in St. Louis, Missouri. The Company also opened new offices in Tucson and Flagstaff, Arizona. The Company also announced plans to open a new office in Orlando, Florida in early 2015.

Upgrading Facilities. DH Pace is in the midst of a multi-year program to expand and update its facilities across the country. In 2012, we relocated our St. Louis operations into a newly remodeled 58,000 square foot facility. In 2014, we consolidated four separate Company locations into a single 228,000 square foot facility in Olathe, Kansas. We entered into a design-build contract for the construction of a 12,000 square foot facility in Albuquerque, New Mexico with relocation planned for early 2015. We also purchased our existing location in Denver, Colorado and began extensive renovations on the 105,000 square foot facility. Each of these renovations include technology upgrades, such as: access control and security systems, surveillance cameras, upgraded wireless network, and enhanced network infrastructure.

Improving Business Systems. In 2014, the Company made numerous improvements to its business operating systems. Business Analysts, Information Systems staff and Training department personnel worked with operating-division employees to lean existing processes, enhance complex software programs, and deliver relevant training programs. Implementation of a new Learning Management System (LMS), development of SharePoint solutions for multiple internal/external processes, and major enhancements to the ERP software platform topped a long list of successful projects that have yielded positive results during the year.



LOCAL MARKET GROUP



DH Pace offers a complete range of door and door related products and services for both new construction projects and existing facilities through its network of 26 Company-owned locations.

DH Pace currently operates under the Overhead Door Ribbon brand name in numerous markets across the United States. This relationship as an authorized distributor partner with Overhead Door Corporation goes back to 1926. The Company also markets certain products and services under DH Pace Group names, including: National Accounts Group, Systems Integration Group, Construction Services Group and Key Service Center. The Company also uses local trade names in several markets. For example, in Colorado, DH Pace trades under the Ankmar name. In Northwest Georgia, DH Pace trades under the King Door Company name. In Central Illinois, DH Pace trades under the Pinnacle Door Company name.



Products

- Commercial Overhead Doors
- Industrial, High Speed, and Specialty Doors
- Loading Dock Equipment
- Entry Door Systems
- Automatic Doors
- Electronic Security and Gate Systems
- Residential Garage Doors and Openers

Services

- Emergency Service
- Part Sales and Service
- Planned Maintenance Programs
- Product Installation and Distribution
- Inspection and Testing Services
- Site Assessment Surveys
- Facility Standards Consulting



LOCAL MARKET GROUP



Office Locations

ARIZONA

Flagstaff
Phoenix
Tucson

COLORADO

Colorado Springs
Denver
Loveland

FLORIDA

Orlando

GEORGIA

Atlanta
Athens
Gainesville
Dalton

ILLINOIS

Bloomington
E. St. Louis

KANSAS

Greater Kansas City
Wichita

MISSOURI

Blue Springs
Central Missouri
Greater Kansas City
Joplin
Springfield
St. Louis

NEBRASKA

Omaha

NEVADA

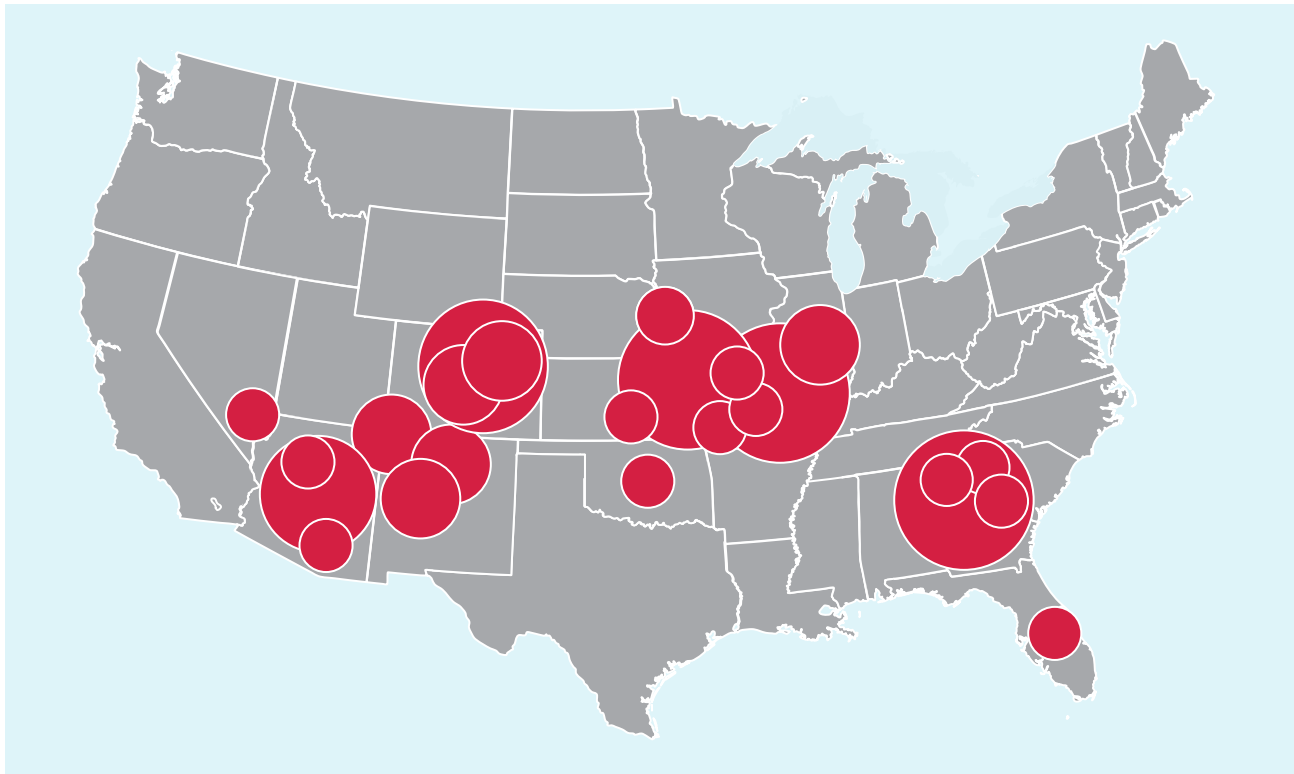
Las Vegas

NEW MEXICO

Albuquerque
Farmington
Santa Fe

OKLAHOMA

Oklahoma City



Construction Services Group
DHPaceConstructionServices.com

Key Service Center
DHPace.com/SecuritySolutions

National Accounts Group
DHPaceNationalAccounts.com

Systems Integration Group
DHPaceIntegration.com

NATIONAL ACCOUNTS GROUP



The DH Pace National Accounts Group provides sales, installation, and service on a full range of door and dock related products to multi-location customers on a regional and nationwide basis. The Company offers customized programs for new construction, remodeling, service, and repair applications that cover all types of openings from the front door to the back dock. As a single provider of these products and services, the DH Pace National Accounts Group, creates significant opportunities for multi-location customers to reduce their total cost of ownership over the lifetime of their facilities.

NEW CONSTRUCTION AND REMODELING

- > National Coverage
- > Specification Consulting
- > Stock Inventory Programs
- > Project Management Services
- > Key Management Programs
- > Site Assessment Surveys

SERVICE AND REPAIR

- > National Coverage
- > Application Consulting
- > Part Replacement Programs
- > Customized Reporting
- > Planned Maintenance Programs
- > Inspection and Testing Services

Consistent nationwide coverage, high performance, and quick response times, along with centralized services such as dispatch, reporting, and invoicing - are some of the hallmarks of the National Accounts Group. Whether a project calls for new facility construction, existing facility repair/replacement, or emergency repair services, the DH Pace National Accounts Group has the capacity, expertise, and customized solutions to professionally handle each customer transaction – anywhere, anytime.





NATIONAL ACCOUNTS GROUP

National Coverage

The National Accounts Group has established a nationwide network capable of performing emergency repairs, routine maintenance, and complete unit replacements anytime and anywhere throughout the United States. At the core of this network is a Company-owned fleet of almost 700 sales, service, and installation vehicles, each manned with a highly trained professional with years of experience. The Company operates a state-of-the-art national call center employing a variety of custom, Internet-based systems that facilitate customer communication and dispatch coordination to deliver these services quickly and professionally.

Full Service Door and Dock Experts

The National Accounts Group develops customized programs to assist multi-location customers managing every type of opening in their facilities, from the front entry doors to the back dock doors and every opening in-between. As an industry-leading distributor for the products and services offered, the Company provides considerable knowledge and expertise in each product category, creating solutions that deliver best-in-class results for each customer's specific needs.

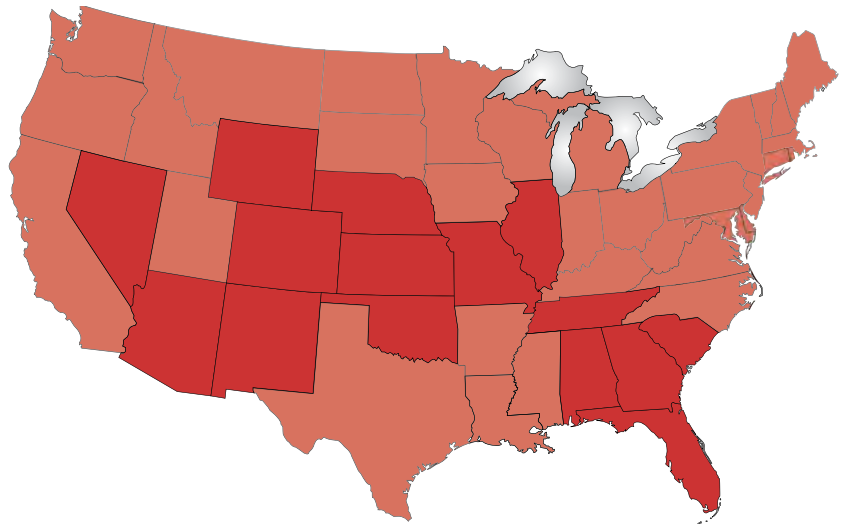
Services from New Facility Construction to Emergency Repair

The National Accounts Group has dedicated, in-house teams that work with architects, general contractors, and related construction professionals to design and deliver a complete door solution on new construction and remodeling projects. An experienced team of project managers, detailers, and purchasing professionals coordinate the delivery of specified materials from coast to coast that meet even the most challenging project requirements. Team members also work with customers to structure service and repair programs in existing facilities that

include planned maintenance, emergency service, and break/fix repair work. The combination of these teams' coordinated efforts permits the Company to develop unique programs to reduce the total cost of ownership for its customers.

Customized Programs

The National Accounts Group works to develop programs to meet the unique needs of each customer. Whether it's customizing how service or project requests are processed, interfacing with a customer's software platforms, creating custom parts inventory programs, or providing detailed performance reporting, the Company is committed to developing and refining the systems necessary to reduce the length of service duration and the total cost of ownership over the life of the opening systems under its care.



The Company's National Accounts Group is centrally headquartered in Olathe, Kansas. Project work is performed throughout all fifty states, Canada, and the Caribbean.



KEY

SERVICE CENTER



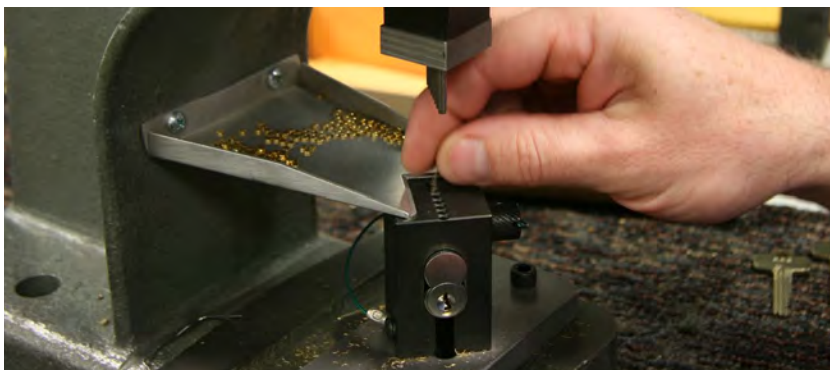
Key Service Team helps Customer Complete Large Security Project

PROBLEM

A company with operations located across the country needed to rapidly update their key system at all their locations to meet regulatory requirements. The project goal was to increase security, restrict access to authorized personnel and to bring the facilities into regulatory compliance standards.

SOLUTION

DH Pace formed a project team and developed a plan to complete the work within 90 days. The work consisted of designing a new system, keying over 900 cores, cutting almost 2,000 keys and installation at over 300 locations. DH Pace coordinated the installation, including several changes to complete all of the work in just 69 days.



Key Service Center

The DH Pace Key Service Center establishes new key systems, manages existing key systems and develops customized inventory programs to support customer requirements. The Company offers a full range of locksmith services including cutting keys, pinning cores, managing key system security, and creating and maintaining key systems. The Company also provides security consulting to ensure our customers are receiving the right solution for their specific needs. The Key Service Center has the infrastructure in place to support local, regional or large multi-location national clients.

Core Competencies:

- > Audit existing security systems
- > Create new security systems
- > Supply and install security systems
- > Integrate mechanical and electronic security access maintenance programs for existing systems



Construction Services

The DH Pace Construction Services Group specializes in turnkey carpentry and general trades packages where the services are provided under one, single contract. Services include furnishing and installing work within the following Construction Specification Institute (CSI) divisions: 2, 6, 8, 10, 11, and 12. The DH Pace Construction Services Group will coordinate purchasing, submittals, procurement, and installation of all materials provided allowing our clients to focus their efforts on other areas of the project.

The Construction Services Group provides a comprehensive offering of products and services, including: millwork, carpentry, overhead doors, entry door systems, industrial and high speed doors, gate systems, and integrated security systems. Division 10 specialty products, such as restroom partitions and accessories, lockers, and mailboxes, are also available. The Construction Services Group also works with owners and end-users on the coordination of multi-year, multi-phase building upgrade and renovation projects.

The DH Pace Construction Services Group achieves professional project management through industry-leading software to deliver projects that are on-time, under budget, and consistently exceed customer expectations. Representative projects include:

- > Phoenix Children's Hospital
Phoenix, AZ
- > Marriott Star Pass Resort
Tucson, AZ
- > Washington Convention Center
Washington D. C.
- > Federal Express World Headquarters
Memphis, TN
- > Western Missouri Medical Center
Warrensburg, MO
- > Progress West Healthcare Center
St. Louis, MO
- > AOL - Online Data Center
Manassas, VA
- > HCA Independence Regional Hospital
Independence, MO
- > Georgia State University Science Building
Atlanta, GA
- > Federal Reserve Bank
Atlanta, GA
- > Kansas City Municipal Auditorium
Historical Door Replacement
Kansas City, MO
- > Joplin High School
Joplin, MO
- > SLN Conception Abbey
Conception, MO
- > Buffet Cancer Center
Des Moines, IA

CONSTRUCTION SERVICES



AUTOMATIC DOOR SYSTEMS



Properly designed operating automatic pedestrian doors allow for the safe and uninterrupted flow of traffic while providing controlled access per building requirements. Automatic Door Systems (ADS) offer a wide variety of functions and options from retail and airport entrances to ADA-compliant automatic operators for schools and hospitals. When correctly designed, installed, serviced, and maintained, Automatic Door Systems can enhance a building's aesthetics, functionality, safety, and security, while producing significant energy savings over their lifespan. The Company's American Association of Automatic Door Manufacturers (AAADM) Certified Inspectors provide maintenance, repair, and annual inspections of automatic pedestrian door systems in accordance with ANSI Standards A156.10, A156.19, A156.27, and A156.38. Some of the Company's Automatic Door Systems products include:

Improving Performance

Automatic Door Systems are usually installed in high-traffic areas that handle public access many times within a 24-hour period. To help keep these openings operating properly and in the most efficient manner, the Company offers Automatic Door System inspections, planned maintenance (PM) servicing, and repair/replacement of worn or outdated component parts, all by AAADM Certified personnel and in accordance with ANSI standards. Customized programs are developed for each building based on facility needs, frequency of usage, condition, age of the openings, and related performance considerations.

Increasing Safety and Security at the Door

AAADM Certified Inspections are recommended, at a minimum, on an annual basis for a wide range of safety and liability reasons. Inspections include the certification of proper operating conditions once serviced and/or repaired to recommended standards, proper labeling of the opening for standards compliance, and review with the facility's management on the safe operation of the opening, which includes a daily inspection process the facility staff can perform in-house.

- > High and Low Energy Door Systems
- > Automatic Sliding Doors
- > Automatic Swinging Doors
- > Automatic Revolving Doors
- > ADA Compliant Operators
- > Automatic Bi-Folding Doors
- > ICU Doors
- > Sensors and Safety Products





Hotel Automates Door to Serve Guests

PROBLEM

Guests carrying luggage were having trouble navigating the original swing doors in the building. The owner knew they needed an automatic door solution to aid their guests. They were looking for a company that could do the work from start to finish and could handle the installation and future maintenance on the doors.

SOLUTION

The DH Pace team removed the existing swing doors and glass to install new bi-parting sliding doors. Motion sensors were used to automate activation and insulated glass was added on the outside to improve energy efficiency. Surrounding finishes (paint & drywall) were coordinated with the new door system so the finished product was seamlessly integrated into the existing space.



DH Pace Saves New Construction Hospital Project

PROBLEM

Coordination issues between the doors and hardware, automatic doors, security system, electrical and fire systems were plaguing the General Contractor and owner on a large hospital project.

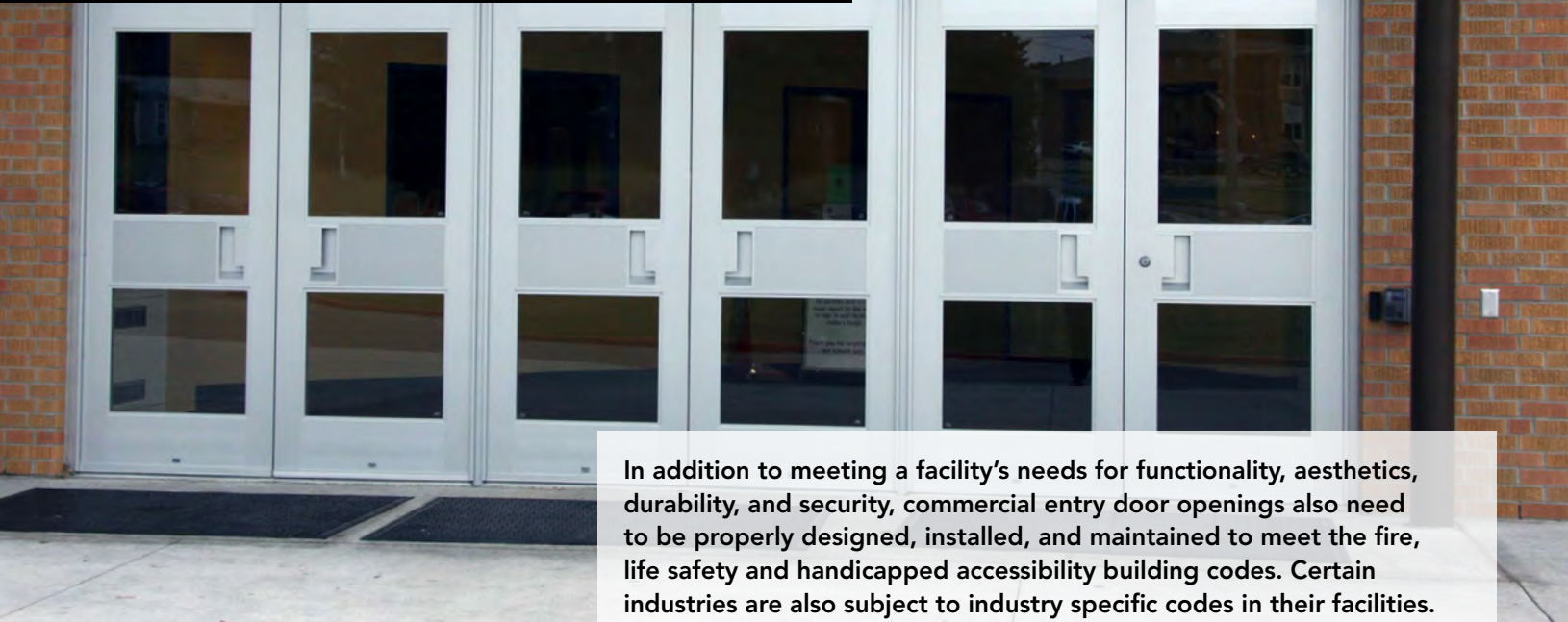
SOLUTION

Scope gaps and contractor failures were plaguing the project for the contractor in areas where DH Pace wasn't supplying materials or the labor for the project. Fortunately, due to our ability to deliver on the work, we were selected to help. By making the recommendations to help the contractor, the team secured the hollow metal business and the hardware business, as well as the readers, fire, and security elements.



After a thorough project review DH Pace was selected to provide and install the entry doors and hardware, card readers, auto doors and security system. DH Pace was able to internally coordinate the issues to ensure everything worked together at the job-site. Today, DH Pace is a single-source service provider at the hospital for many of the door systems, including the automatic doors and ICU units. The General Contractor is now working to use this integrated approach on future projects with DH Pace.

ENTRY DOOR SYSTEMS



In addition to meeting a facility's needs for functionality, aesthetics, durability, and security, commercial entry door openings also need to be properly designed, installed, and maintained to meet the fire, life safety and handicapped accessibility building codes. Certain industries are also subject to industry specific codes in their facilities. The Company has trained and certified professionals that work with building owners, architects, contractors, and maintenance personnel to provide the best products, services, and solutions on a project by project basis. Some of the company's entry door systems products and services include:

Improving Performance

The Company can assist building stakeholders in increasing the performance of entry door systems (EDS) throughout the facility through specification writing and consultations; product and application reviews; establishing building standards for EDS openings; designing custom planned maintenance (PM) programs specific to the facility's EDS openings; and combining these products, services, and programs to meet each customer's needs to lower total cost of ownership on both new construction and existing facilities.

- > Hollow Metal Doors and Frames
- > Wood, Laminate, and FRP Doors
- > Finish Hardware
- > Access Control Products
- > Master Key Systems
- > Locksmith Services
- > Restroom Accessories and Toilet Partitions
- > Specialty Products - Divisions 8/10
- > Aluminum Storefront

Increasing Safety and Security at the Door

Through proper design and implementation of mechanical key systems, electronic access control systems (standalone, networked, and wireless), and proper application of mechanical and electrified hardware, the Company offers custom solutions that can effectively increase a facility's safety and security while still meeting the increasing demands of code compliance and industry standards and requirements. These solutions include:

- > NFPA - 80 (fire), NFPA - 101 (life safety) and NFPA105 (smoke) inspections, reports, and recommendations
- > Master Key Systems design, key record management, and locksmith services
- > Specifications and building standards consulting, product, and application review
- > Planned maintenance Programs for entry door systems and related openings





DH Pace Designs Unique Glass and Aluminum Sliding Doors

PROBLEM

Faced with limited space and facility issues that prevented the use of standard size doors an existing hospital turned to DH Pace for a customized solution.

SOLUTION

DH Pace designed an attractive door to meet the functional needs of the application. A full scale mock-up was built to test the design and functionality of the doors. After approval, over ninety doors went into production and were subsequently successfully installed. Today, the hospital is using the doors to improve the efficiency of the facility and enjoying the unique look and feel of the openings.



Church Considers Security Options as Part of Door Upgrade

PROBLEM

The church needed to secure an area where children studied while still permitting authorized members to enter and leave the facility conveniently. The current method of securing the doors caused a severe safety risk for the school children in the case of a fire and was a significant code violation.

SOLUTION

To resolve the customer's concerns, DH Pace installed an access control system including electromagnetic locks and different forms of releasing devices ensuring a code compliant solution while increasing safety. The Company also replaced the wood transom with glass to allow for better lighting of the area and increased the door height from 6'8" to 7'0" to improve the functionality of the opening.

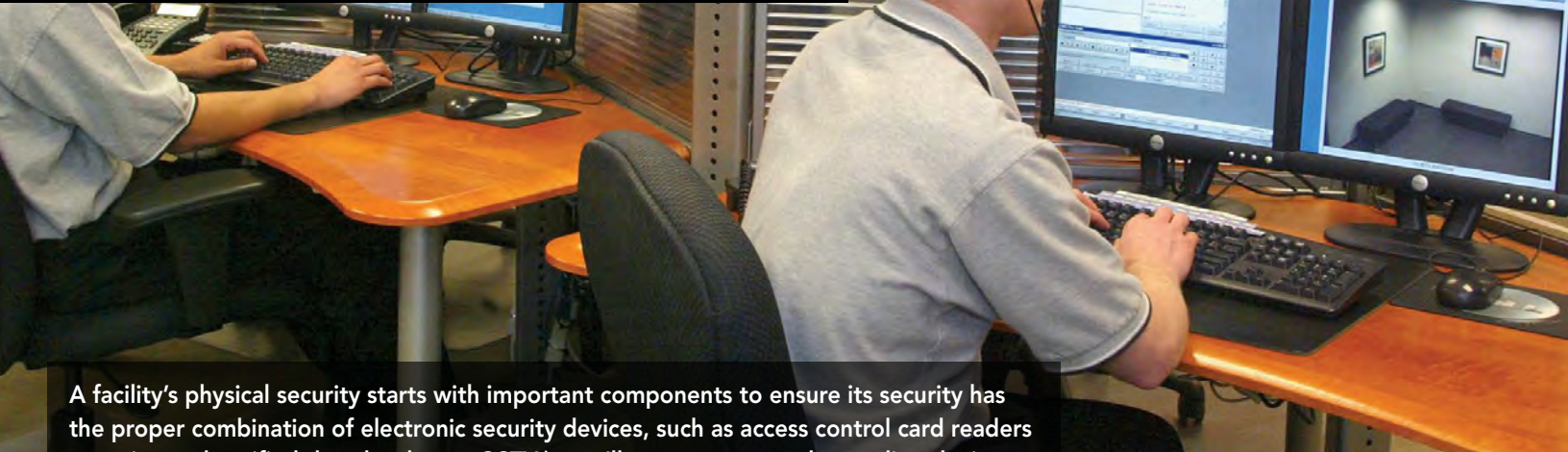


Before



After

ELECTRONIC SECURITY



A facility's physical security starts with important components to ensure its security has the proper combination of electronic security devices, such as access control card readers to activate electrified door hardware; CCTV/surveillance cameras and recording devices; intrusion detection and alarm systems; and the operating software to program, run, and monitor these various security components. Physical security requirements vary widely based on building type, function, security levels and risks, public versus private usage, and asset protection value. Security systems can be stand-alone, networked, integrated, hard-wired, wireless, or hosted in "the cloud," and can include almost any combination of these elements for proper deployment.

The Company offers a broad range of electronic security products and services to provide customers with the very best physical security system to meet the needs of their facilities. The Company's trained and certified Electronic Security Specialists examine personnel needs, budgets, existing conditions, and future requirements in order to design, install, program, service, and repair all types of security products and systems. Additionally, the Company offers multiple levels of Planned Maintenance (PM), Service Plans, and Monitoring Programs in support of the physical security systems and customers we serve. Some of the Company's Electronic Security products include:

- > Access Control Systems
- > Intrusion Detection Systems
- > Video Surveillance
- > Parking Control and Revenue
- > Gate Operators
- > Telephone Entry and Intercom Systems
- > Mass Notification Systems
- > Monitoring Services

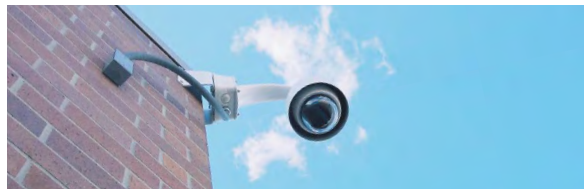


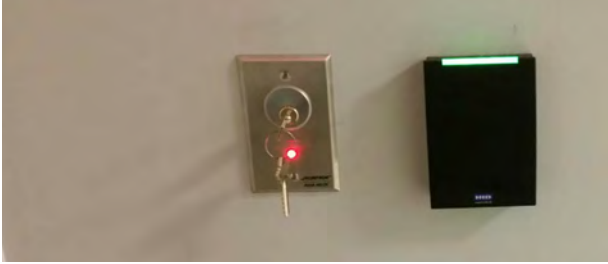
Improving Performance and Technology

With technological advancements and improvements constantly being made to physical security products, operating software, and networking systems, it is imperative that a facility's security provider offers products, systems, and services built with forward and backward compatibility to maximize investment. The Company works with facility owners and managers, IT Directors, and related stakeholders of a building's security system(s) on an ongoing basis to ensure they are current with newly released products and technologies that can lower costs, improve performance, and integrate new technology expansion into existing security systems.

Electronic Security solutions include:

- ✓ Video monitoring pedestrian traffic in and out of a facility
- ✓ Discovering and correcting gaps in a facility's security system through site surveys
- ✓ Customizing a security system service plan for a facility
- ✓ Integrating security systems throughout a facility, on-site or off-site





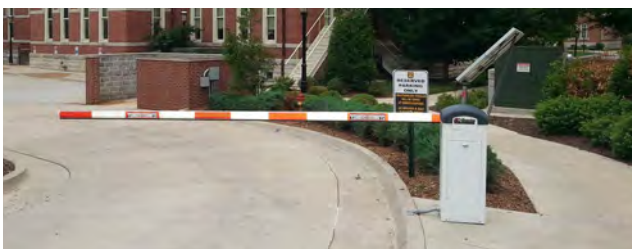
Upgraded Systems with Significant Cost Savings

PROBLEM

A manufacturing customer knew that they needed to improve their access control and video systems, but also wanted to be more proactive in their response time to incidents. They engaged DH Pace to provide guidance on the current technologies available, along with a recommendations on how to implement a three-year plan to get from their current to the new systems they needed.

SOLUTION

DH Pace recommended an access control system that utilized their existing equipment, eliminated their annual software upgrade fees, and provided more features including immediate email or text notifications of incidents to security personnel. The cost of migration of their current access control system to a new system actually reduced costs for the customer. DH Pace also recommended IP cameras and video management software that allowed security personnel to view live video from any workstation or portable devices, such as tablets or smart phones. The video system also had analytics available to notify security personnel when vehicle traffic is approaching their facility or traveling in the wrong direction or in unauthorized areas, giving the customer the more capable approach they were searching for in their system at a lower cost.



Solar Powered Gate Gives University Parking Control

PROBLEM

The facilities team at the University needed to temporarily limit the number of vehicles entering and parking in a restricted parking area. They could not cost justify a temporary solution, nor did they want to inconvenience the drivers using the temporary parking area. The situation was complex due to many constraints with the project. The gate options were limited due to the parking area and the lack of electricity being available.

SOLUTION

DH Pace designed a solution to fit the budget using solar power instead of electric power to operate the gate. Shifting to the solar powered option allowed the use of an automated swing arm solution without the added cost of running electricity to the gate. Thus making it possible for university officials to operate the gate without having to operate the gate manually. The gate is operated by a hand-held remote, similar to a garage remote, for easy access to authorized drivers. The solution was convenient for drivers and fit into the limited budget of the university.



LOADING DOCK EQUIPMENT



Loading docks are the first and last point of contact for materials handling at any facility. It is where supplies first arrive and where shipments leave. With modern, fast-paced loading docks, selecting and properly installing the best dock equipment for the job plays a major role in safety and productivity. Creating safe and efficient bridges between facilities and their trucks and trailers is no easy task. With so many different kinds of dock levelers available today, in such a wide variety of sizes, shapes, and mounting styles, choosing the right one can be more complicated than ever. The Company can assist customers in design and selection for all types of facilities. Some of The Company's Loading Dock Equipment products include:

- > Dock Levelers
- > Dock Seals
- > Dock Shelters
- > Vehicle Restraints
- > Dock Safety Accessories
- > Dock Equipment Planned Maintenance

Improving Performance

The Company can help a facility's loading docks perform more efficiently. An expert evaluation by specialized Company representatives can reveal potential problems, design custom solutions, install them, and train facility owners on how to use them. Some of our performance solutions include:

- ✓ Adding weather seal kits at dock positions to keep debris away from dock equipment moving parts, thus avoiding costly downtime and preventing employee injuries
- ✓ Adding the correct size and type of bumpers to protect the building during loading and unloading by keeping trailers from damaging buildings when backing into the dock
- ✓ Improving employee morale and productivity with the installation of a climate-controlled, dock-area, high-volume, low-speed (HVLS) fan
- ✓ Installing portable dock ramps in areas where permanent concrete ramps are not an option, to make loading and unloading more efficient



Increasing Safety and Security at the Dock

Consideration must also be given to dock safety, communications, operator environment, and energy conservation. In a busy shipping area, there can be many opportunities a day at each loading dock for serious mishaps to occur. Installing safety equipment not only reduces costs and injuries, but improves operational efficiency. Safety equipment can include:

- ✓ Vehicle restraints and wheel chocks to help prevent trailer creep
- ✓ Light communication systems
- ✓ Handrails, track guards, door guards, and bollards to keep employees and equipment from dangerous areas



National Retailer Looks For Temperature Control Solution In Warehouse

PROBLEM

A national retailer had received complaints from warehouse employees about their work area being too cold in the winter and too warm in the summer months.

SOLUTION

The retailer contacted DH Pace to design a solution. The DH Pace team recommended the installation of 12' High Volume, Low Speed (HVLS) Fans to help circulate the air and increase energy efficiency. In the winter months, the fans move warm air collecting at the ceiling down to employee levels improving employee comfort and lowering heating costs. In warmer months, the fans are operated in the reverse direction to provide a cooling effect to the employees. This simple solution provided much needed relief to the warehouse employees and improved productivity sufficiently to justify the investment.

Microbrewery Looks For Help With Loading Dock

PROBLEM

A leading microbrewery contacted DH Pace to solve an approach issue with their loading dock. The loading dock area had a fairly steep decline in the approach that didn't leave enough room for the trailer to safely access the specified standard hydraulic pit style levelers and bumpers. Re-pouring the approach or re configuring the concrete leveler pit was not an option as they had already been poured.

SOLUTION

DH Pace recommended a design to cantilever the dock leveler out from the building slightly and supply special dock bumpers to fit the custom application. This solved the safety concern, allowed for efficient use of the dock space and was the most cost effective solution for the customer.

COMMERCIAL OVERHEAD DOORS



Specialized Company representatives' work with general contractors, architects, property managers, facility managers, and business owners at all levels in the selection and maintenance of commercial overhead door openings to improve performance and promote safety and security. Some of the Company's Commercial Overhead Door products include:

- > Sectional Doors
- > Rolling Service Doors
- > Rolling Counter Doors
- > Fire-Rated Doors
- > Security Grilles
- > Operators

Improving Performance

Commercial overhead doors are pivotal both in securing a facility and increases accessibility, and it is imperative that they open and close on demand. Doors and operators contain many moving parts, which increase the opportunity for failure, but performing routine planned maintenance can keep moving parts properly adjusted and lubricated to maintain efficient and safe operation.

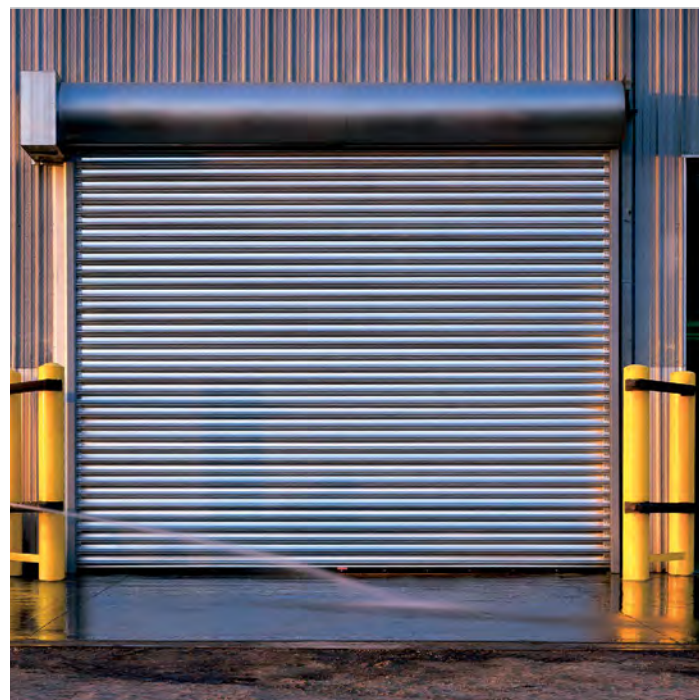
Increasing Safety and Security at the Door

Increasing safety and security in the workplace is a top priority for building owners, which makes it a top priority for the Company, too. The Company has multiple solutions to meet overhead door safety and security requirements for every application.

Some of these solutions include:

SAFETY

- ✓ Upgrading existing door operators to new UL 325 compliant operators that include continuously monitoring safety devices such as photoelectric safety sensors and/or pneumatic safety edges
- ✓ Incorporating lights or alarms to help communicate when it's safe to travel through or around an opening





Store Break-In Prompts Customer to Upgrade

PROBLEM

The owners were concerned about recent burglaries in the area. The police had informed them that thieves were breaking into businesses by ramming the front of a store with a stolen vehicle and then hooking a chain to the store front security bars and pulling the entire storefront system out of the opening. While the owners already had bollard posts in front of the building to prevent a ramming they wanted to increase store security further.

SOLUTION

DH Pace installed an electric security shutter on the exterior of the building to further protect the building from break-ins. In addition, several sensitive areas inside the building were also protected with security shutters. The use of steel security shutters on the exterior also served to protect the storefront and glass from destruction. The entire system is controlled by a keyed security switch.



High-end Auto Manufacturing Facility Built with Custom Doors

PROBLEM

This high performance automotive manufacturer needed customized doors throughout the facility. The sectional doors needed to match the glass at the curtain walls of the building. The security grills, fire doors, and rolling steel doors had to fit within the tight space constraints of structural steel in the Technical Design Center. In the showroom the customer needed folding fire curtains that would drop from the ceiling in the event of smoke or a fire and the curtains had to fit to a custom radius to match the contour of the space.

SOLUTION

DH Pace worked with a number of their manufacturer partners to develop special products, colors, and shapes to accommodate the unique design and functional needs of the facility. Highly trained DH Pace employees installed the customized doors within the limited space available and to exacting standards.

INDUSTRIAL HIGH SPEED AND SPECIALTY DOORS



Specialized Company representatives' work with business owners, facility managers, property managers, architects, and general contractors at all levels in the selection and maintenance of industrial, high speed, and specialty door openings to improve performance and promote safety and security. Some of the Company's industrial, high speed, and specialty products include:



- > High Speed Performance Doors
- > Freezer/Cooler Doors
- > Air Curtains
- > Traffic Doors
- > Bug Barrier/Screens
- > Security Gates
- > Automated Gate Systems
- > Sliding Doors
- > Hangar Doors
- > Special Applications

SECURITY

- ✓ Incorporating access control and monitoring devices to restrict unauthorized traffic
- ✓ Installation of secondary protection measures such as barrier gates, bollards, or overhead doors on exterior applications that call for high performance doors

Improving Performance

Enrolling in the Company's planned maintenance (PM) program provides customized service calls that include visual inspection, testing, adjustment, and lubrication for each door registered for PM Service. Regularly scheduled PM services save a facility substantial time and money by reducing costly downtime.

Company representatives' design customized PM programs to meet the needs of all types of businesses. PM Service is ideal for industries such as food processing, manufacturing, distribution, and all types of industrial facility openings.

Increasing Safety and Security at the Door

Many industrial, high performance or specialty openings call for specialized safety and security solutions. The Company's Safety and Security experts work with companies to pinpoint their needs and develop and employ solutions to meet them.





Unique Doors and Architectural Panels Add New Life to Facility

PROBLEM

The city facility was using bi-folding hangar doors, which opened outward for a large opening, in one of their municipal garages. The doors were very slow and were in constant need of repairs.

SOLUTION

DH Pace recommended replacing the current bi-folding doors with four-fold doors, which opened upward. In addition, the team recommended covering the doors with the same architectural panels that were being placed on the building during its renovation. The result was a much quicker, safer, and more reliable door for the City with great curb appeal.



High Performance Doors Improve Employee Safety in Manufacturing

PROBLEM

An automotive manufacturer with a fast-paced facility wanted to increase the safety levels during welding operations, while maintaining the efficiency of the team.

SOLUTION

Safety regulations associated with rotating industrial machinery and robotics require that automotive manufacturers provide some method to protect employees from workplace hazards associated with potentially dangerous equipment. This is frequently accomplished with light curtains or other devices that cut power to a machine when a person gets too close. High Performance Machine Protection Doors provide a safer alternative by providing a physical barrier between the operator and machine, instead of just a beam of light.

The protection doors were installed by DH Pace to meet a high standard by OSHA, as well as RIA 15.06, for indication of the door being closed before the machines starts its process. These rugged doors are designed for years of continuous operation in manufacturing conditions and can be expected to reliably cycle five times per minute for three shifts a day.



RESIDENTIAL DOORS



Residential garage doors are the largest and heaviest moving objects in most homes, and their proper maintenance and operation is critical to a family's safety and security. Garage doors often act as a visual centerpiece for the home, and we're proud to offer our residential customers the opportunity to add a beautiful yet functional aesthetic to their homes. Our garage doors not only add curb appeal, but also add to a home's resale value. Trained Company representatives' work with homebuilders, architects, property managers, and homeowners at all levels in the selection, installation, service, and repair of residential garage doors and operators, entry doors, and security gates. Some of our Residential Doors products include:

Improving Performance

The Company offers multiple product and service solutions for residential garage door openings and operating systems. These can include:

- ✓ The addition and proper placement of an exterior keypad and/or interior actuator that allow the homeowner and their family to open and close the garage door safely and conveniently
- ✓ The replacement of the garage door operator with a model designed to better raise and lower the load of the door, as well as offer quieter operation, which is especially useful if there are living quarters above the garage area
- ✓ Better insulation of the opening through higher R-value steel doors, gasketing, and related accessories in order to provide a more comfortable space and lower energy costs
- ✓ An annual planned maintenance (PM) program that inspects, adjusts, and lubricates the working parts of each garage door and operator to ensure they are in safe and proper working condition

- > Sectional Doors
- > Garage Door Openers
- > Steel Insulated Doors
- > Entry, Storm, and Patio Doors
- > Entrance and Security Gates
- > Carriage House Style Doors
- > Multi-Family Access Control
- > Carport Enclosures

Increasing Safety and Security at the Home

Most residential garage doors incorporate the use of a heavy spring that is tightly wound for proper operation. For the home owner's safety, only professionals should adjust or replace these springs, along with the tension cables and other working parts of the garage door system. Visit DHPace.com for information regarding garage door and opener safety tips.





APPLICATION SPOTLIGHTS

RESIDENTIAL DOORS

Custom Wood Door frames New Storage Space

PROBLEM

A customer was interested in creating a garage door entrance into their basement. The problem was that he needed to cut a custom opening in the existing home foundation.

SOLUTION

DH Pace worked with the home contractor to ensure the basement foundation wall was cut to specifications. A custom Ranch House Collection Wood Carriage House Style door was built that matched the home's entry door. The new 10'x7' opening into the new garage space gave the customer access to an inside storage space for the homeowner's equipment.



Enclosing a Carport can Offer Many Opportunities for Home Improvement and Appeal

PROBLEM

The homeowner had a vision for a new custom carport door matching the architecture of the home and existing window design. Unfortunately, the attached carport lacked the headroom and depth for a traditional garage door and opener.

SOLUTION

DH Pace built a custom wood door that was side-opening, instead of a standard overhead door. The side-opening door was then paired with an opener that used a rod design to move the swinging doors to allow to allow for the entire system to be hidden away and maximize space. The door was also designed to match the look and feel of the existing home.



INSPECTION & MAINTENANCE PROGRAMS



The Company offers its commercial customers a full-service program by selling, installing and servicing all types of commercial doors and related products in the new construction and existing facility marketplace. From the front door to the back dock, the Company helps facility owners increase safety, improve performance, maintain code compliance and reduce costs through a variety of custom-designed Facility Inspection and Maintenance Programs.



Inspection and Testing Services

- > Fire and Smoke Code
- > Life Safety
- > Handicapped Accessibility
- > Automatic Pedestrian Door
- > Industry Standards

Services and Surveys

- > Planned Maintenance Programs
- > Site Assessment Surveys
- > Facility Standards Consulting
- > End-User Training
- > Key System Assessments

Planned Maintenance Programs

Joining a planned maintenance (PM) Service Program can save substantial time and money by reducing costly break-downs and extending the life and efficiency of all doors, gates, operators, and dock equipment. A PM includes: inspection, testing, adjustment, and lubrication of a door and its moving parts, allowing technicians to spot potential problems before they become large, expensive ones.

AAADM: The Company's Inspectors are certified by the American Association of Automatic Door Manufacturers (AAADM) to provide maintenance, repair, and annual inspections of automatic pedestrian door systems to assist building owners in maintaining openings that are in compliance with AAADM's standards.

Inspection and Testing Programs

FireCheck®: This Program is designed to assist facility owners and tenants in their legal obligation to maintain code-compliant fire and smoke-rated openings that are safe for their employees and customers.

National Fire Protection Association (NFPA) standards require building owners to have rolling, sliding, and swinging fire doors inspected and tested annually and to maintain written documentation of such inspections. Defective, damaged, or non-functional fire doors can lead to tragic results and may subject building owners and managers to catastrophic losses and increased legal liability.

Site Assessment Surveys

Site Assessment Surveys can include a wide variety of code-related areas to meet our customers' needs, such as: NFPA - 80, NFPA - 101, NFPA - 105, IBC, JCAHO, AIB, HFAP, ADA, and UL 325.





Auto Door Program Solves Hospital Maintenance Problem

PROBLEM

An existing Hospital was having issues with some of their automatic doors and asked DH Pace to survey the facility. The DH Pace inspection determined many of the openings in the facility hadn't been serviced properly resulting in safety issues and possible code violations.

SOLUTION

DH Pace presented a new Planned Maintenance Agreement (PMA) program for automatic doors to the Facility Director. This program included the ambulance bay doors, operable walls, and manual ADA doors. The customer signed up for a three year PMA contract on all their automatic doors. The PMA Contract offers customers an annual price per opening that includes labor and service charges on future calls while providing them an annual American Association of Automatic Door Manufacturers (AAADM) Inspection and a planned maintenance call.

The benefits of a planned maintenance contract are:

- Improved budget planning
- Upfront pricing
- Increased operational efficiency and reliability of equipment
- Documentation to ensure liability is limited
- Risk management through accident prevention
- Summary checklist of work performed, along with recommendations for needed repairs or product replacement
- Decreased costly downtime



Healthcare Organization Uses FireCheck® Program to get ready for JCAHO Inspection

PROBLEM

A pending JCAHO inspection was approaching rapidly and the healthcare organization realized that performing the inspections would be too difficult to complete in-house. The customer had heard of the FireCheck® inspection program offered by DH Pace and requested a proposal.

SOLUTION

DH Pace performed the inspection of all the required doors and assisted the Customer in getting the repairs completed and the facility up to code in time for their inspection by JCAHO. DH Pace inspected over 800 doors and over 300 doors required work to ensure they passed the final inspection. The hospital passed the JCAHO inspection with zero deficiencies on any of the 800 openings.



CORPORATE RESPONSIBILITY



CEO Statement

In 2014, our organization continued to grow sales, expand our geographical footprint and increase our involvement in the communities we serve. However, the economy continued to recover slowly, and unfortunately, many people have not felt the recovery as underemployment remains high. Our ability as a society to create jobs and grow them into meaningful career opportunities is critical to unlocking the potential of our most valuable resource, our people. In addition, the willingness of individuals and organizations to serve the community through a vast array of charitable organizations helps to provide an important safety net to those less fortunate. Last year, charitable giving by Americans increased to over \$335 billion, excluding the wide range of government programs targeting income inequality.

We are proud of the work our employees did in 2014, mindful of the progress we have yet to make as a society and committed to doing our part in 2015 and beyond in making it a reality.

- Rex E. Newcomer, CEO

Serving Our Customers

TRAINING AND DEVELOPMENT. The Company continued to invest in education for our employees, customers and the industry with the purchase of a Learning Management System (LMS), which is the main repository for our training content. The LMS also serves to communicate, facilitate, track, and report on all internal and external training participation, certifications, and industry credentials for all employees. During 2014, the Company – through its DH Pace University program – delivered 4,520 learning hours via online and traditional classroom events to 1,264 participants.

PROCESS IMPROVEMENT. This full time Team includes certified Lean Six Sigma Black Belts and internally trained Business Analysts working together to improve the company's efficiency and effectiveness by providing value-added and service-oriented solutions. In 2014 major initiatives included customized electronic document management within an ERP software system; real-time, dynamic reporting

for inventory management; and SharePoint solutions for facilities management, company apparel ordering, and after-hours service calls company-wide.

Code Compliance: Compliance with Codes and Standards is important to preventing injuries, property loss and minimizing liabilities.



Each passing year brings new opportunities to provide safer opening solutions to the markets we serve. During 2014, the Company focused on the updates to the Fire Code (NFPA 80) with respect to the annual inspection of fire rated swinging doors, as well as working with our commercial customers to make all their upward-acting door operators compliant with the updated UL 325 code for entrapment. To help with the education and communication of these changes, the Company employs Code Resource Specialists at the national and local level. These employees are charged with providing training, assisting in evaluating code related issues, and in developing possible solutions.

Serving Employees

WELLNESS. The Company places the wellbeing of its employees amongst its top organizational priorities. As a part of this commitment, the Company has developed a robust wellness program to include a Wellness Coordinator who is dedicated to ensuring program cohesion, and supporting employees in their efforts to maintain wellbeing. Multi-faceted educational programs are provided to employees to address all areas of wellness including physical activity, financial wellness, nutrition, stress management, and health risk management. These programs are delivered on-site, online, and via telephonic coaching, or a combination of these. Employees and covered spouses on the health plan had the opportunity to complete an online health assessment and a routine preventive exam in order to receive a discounted insurance premium rate. These strategies have been successful in improving the wellbeing of the employees as well as keep healthcare costs below the national average.



CORPORATE RESPONSIBILITY

COMMUNICATIONS. Consistent and frequent communication to employees is imperative for their individual success. Open and honest feedback from employees is vital to the overall success of the organization. Employee surveys continue to be a strong communication feedback tool for the Company, with five activity specific surveys conducted this past year. Employee town hall forums were also held in each of the Company's operating divisions with numerous employee suggestions implemented as a direct result. Quarterly employee newsletters continue to communicate corporate and divisional information, while an expanded Intranet site offers employees both direct and remote access to the most current Company news and events.

BENEFIT PROGRAMS. The diverse needs of our employees, an ever-changing marketplace and economic factors make the selection of the right mix of benefits a challenging task. We are committed to providing competitive benefits and encourage our employees to use the available benefit programs to fit their personal needs and situations. We provide our employees with an annual compensation and benefit summary which outlines in detail the value of their entire compensation and benefit programs for which they participate. The health programs available to employees include medical, dental, vision, flexible savings and health savings account. Programs that make our employees feel more secure include 401k, company paid long term disability, company paid life and accidental death and dismemberment, voluntary short term disability, voluntary life, voluntary accident and critical illness.

SERVICE IN THE COMMUNITY

The Company has a longstanding tradition of supporting charitable causes in the communities it serves. With the financial support of the Company, the Newcomer Family Foundation invests in the long-term support of a number of charitable organizations who focus on education, health and human services. In 2014, the Newcomer Family Foundation provided grants to 13 organizations supporting such causes as emergency food assistance, urban healthcare clinics, and scholarships for lower-income students attending parochial schools. The Company also empowers local employee teams called TeamIMPACT, which encourage co-workers to get involved in charitable activities, wellness events, and employee

team building activities. In 2014, over 21 TeamIMPACT related events were held company-wide where employees donated time, money and/or talent to support a wide variety of causes.



Promoting Environmental Sustainability

RECYCLING. The Company actively encourages various recycling projects. In 2014, 1,570 tons of steel, 42 tons of aluminum, one ton of plastic and 176 tons of paper and cardboard were recycled. The Company's fleet department recycled over 2,435 gallons of waste oil, over 698 tires and 226 vehicle batteries.

GREEN BUILDING MOVEMENT. The Company supports the green building movement by investing in the necessary knowledge, training, and certifications to support sustainable construction practices. The Company is certified in a number of its locations by the Forest Stewardship Council® (FSC-C011089), and supports the work of the U.S. Green Building Council (USGBC) by participating in the LEED green building certification system.

GOVERNANCE PRACTICES

E. E. Newcomer Enterprises, Inc. is the parent company of DH Pace Company, Inc. The eight member Board of Directors meets quarterly, and consists of six outside directors, and two management directors. The three family directors also serve as Trustees on various Family Trusts that own shares in the Company.

Eric Hansen, Board Chairman, Attorney, Payne & Jones, Chartered

Rex E. Newcomer, President - CEO, E. E. Newcomer Enterprises, Inc.

Robert C. Newcomer, Attorney, R.C. Newcomer Law Office

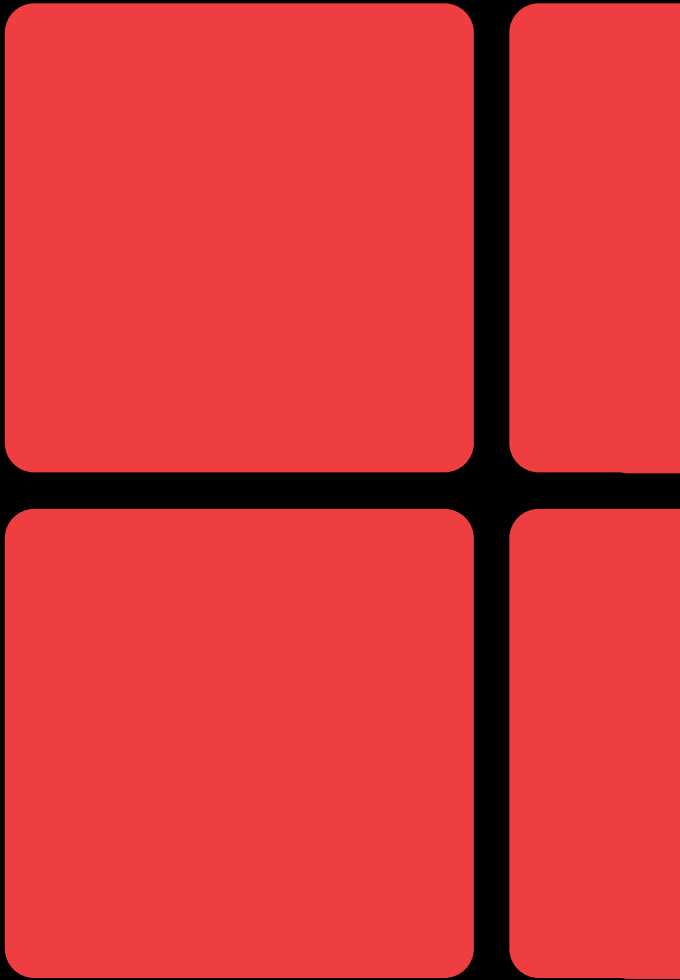
N. Nelson Newcomer, Sr. Vice President, E. E. Newcomer Enterprises, Inc.

David Bywaters, President / Treasurer, Lawrence-Leiter & Company

Paul J. Fissel, Banking Consultant

Lloyd Hill, Senior Partner, Hillco World Wide, LLC

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Contact us today for all your door needs at DHPace.com