

DHPACE
Everything Doors Since 1926



ANNUAL REPORT **2013**

CEO LETTER

According to the Bureau of Economic Analysis real Gross Domestic Product (GDP) for the United States increased 1.9 % in 2013, compared with an increase of 2.8% in 2012 and 1.8% in 2011. Most experts expect the economy to grow between 2.0 and 2.5% in 2014. The consensus is also that growth rates over the next several years are unlikely to exceed 3.0%. While this slow growth is concerning, the growing Federal Debt represents an even greater challenge to our long-term economic health. The Federal Debt held by the Public ended 2013 at 72% of GDP, twice the level in 2007 when it was at 35%.

The Congressional Budget Office (CBO) projects debt will reach 80% of GDP within 10 years while other experts predict even higher debt levels. Major decisions on how to balance spending and taxing policies to fund social programs, health care, defense spending, discretionary programs and the required interest payments on the debt remain unresolved and are the subject of lively debate. Unfortunately, our current slate of politicians appear unwilling to collectively address the substantive issues or take meaningful action towards a sustainable long-term solution. We can only hope the future will change the current state of affairs.

In spite of the soft and uncertain economic recovery, the DH Pace Company increased sales in 2013 by roughly \$49 million or 24% to over \$258 million. Our Service, Construction, Distribution and National Account businesses all made meaningful contributions to this growth. In 2013 we continued to make investments to improve our long-term competitive position in the marketplace. These include:

Hiring. Our workforce increased by 20% as we added 184 new jobs company wide. We expanded training programs, improved businesses processes and enhanced our technology to support our employees in serving customers and to accommodate the needs of our growing organization.

New Locations. In 2013, we opened new offices in four geographical markets: Athens, Georgia; Dalton, Georgia; Bloomington, Illinois; and Omaha, Nebraska

Facility Improvements. In late 2012 we purchased a 225,000 square foot building in Olathe, Kansas to consolidate our Kansas City based operations from five buildings to one. Construction began in 2013 and final relocation to the facility was completed in the 1st quarter of 2014. This newly remodeled facility will provide us with a greatly improved working environment for our employees and provide much needed space for future growth.

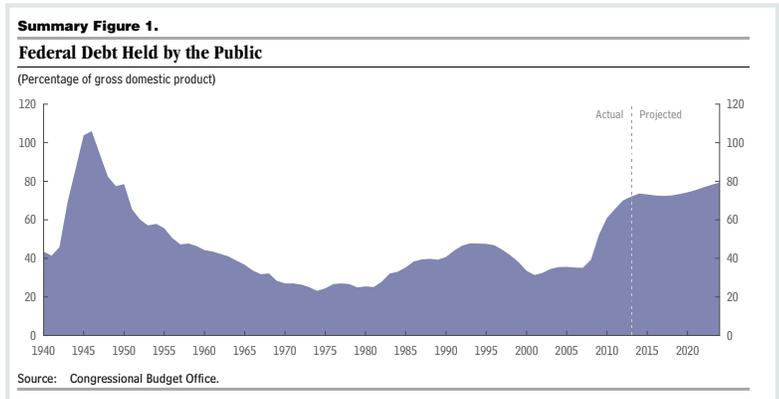
Family Ownership. As a family owned business with three generations actively employed, we take our responsibility for good stewardship very seriously. At the end of 2013, we established long-term voting trusts to create an effective governance structure for decades into the future .

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 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



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 in St. Louis. Two more offices soon followed: one in Kansas City (1927) and another in Atlanta (1935). 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.

The Genuine. The Original.



Recent Highlights

- > In 2003, the DH Pace Systems Integration Division was formed to provide access control, video surveillance, and intrusion alarm system products and services.
- > 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 Facilities Group.
- > 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 Services Division to manage key systems and related security product lines.

The Company Today

In 2013, Company sales increased by over \$49 million to \$ 258 million. The number of employees increased by 184 ending the year with 1,155 employees. 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 during the year. The Company purchased a 225,000 square foot facility in Kansas City to consolidate its five metro area locations into a single facility. Final relocation to the newly remodeled facility in Olathe, Kansas occurred in the 1st quarter of 2014.

MISSION RESPONSIBILITY AND VALUES

THE **DH**PACE 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



SALES — INSTALLATION — SERVICE

The Company 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, Systems Integration, and Construction Services. In Colorado, DH Pace also trades under the Ankmar name. In Northwest GA, DH Pace also trades under the King Door Company name. In Central IL, DH Pace also trades under the Pinnacle Door Company.

| PRODUCTS | SERVICES |
|---|---|
| COMMERCIAL OVERHEAD DOORS <ul style="list-style-type: none"> • Sectional Doors • Rolling Service Doors • Rolling Counter Doors • Fire-Rated Doors • Security Grilles • High Speed Doors | STANDARD SERVICES & REPAIRS <ul style="list-style-type: none"> • Emergency Repair Service • Preventive Maintenance Programs • Part Sales and Service • Product Installation and Distribution |
| INDUSTRIAL, HIGH SPEED, & SPECIALTY DOORS <ul style="list-style-type: none"> • Cooler Doors • Air Curtains • Traffic Doors • Bug Barrier/Screens • Security Gates • Automated Gate Systems • Sliding Doors • Hangar Doors • Bullet/Blast Doors • Special Application | PREVENTIVE MAINTENANCE PROGRAMS <ul style="list-style-type: none"> • Planned Maintenance Automatic Door Program • Customized Preventive Maintenance Programs Can Serve Any Combination of Our Product Offerings. |
| LOADING DOCK EQUIPMENT <ul style="list-style-type: none"> • Dock Levelers • Vehicle Restraints • Seals and Shelters • In-Plant Equipment | INSPECTION AND TESTING SERVICES <ul style="list-style-type: none"> • Fire and Smoke Code (NFPA 80 and NFPA 105) • Emergency Egress Code (NFPA 101) • Handicapped Accessibility (ANSI A117.1) • Automatic Pedestrian Door Safety (AAADM) • Industry Standards (AIB, JCAHO, HFAP, UL 325) |
| ENTRY DOOR SYSTEMS & AUTOMATIC DOORS <ul style="list-style-type: none"> • Doors and Frames • Finish Hardware • Electronic Security • Automatic Door Assemblies • Specialty Products | SITE ASSESSMENT SURVEYS <ul style="list-style-type: none"> • Mechanical Key Systems • Electronic Security Systems • Energy Audits • School Safety |
| ELECTRONIC SECURITY & GATE SYSTEMS <ul style="list-style-type: none"> • Access Control • Intrusion Alarm • Wireless and IP Solutions • Parking Revenue Systems • Automated Gate Systems • Surveillance | FACILITY STANDARDS CONSULTING <ul style="list-style-type: none"> • Construction Specifications • Facility Standards for Repair and Replacement • End-User Training |
| RESIDENTIAL DOORS <ul style="list-style-type: none"> • Garage Doors • Garage Openers • Entry Doors • Keypads | |



INSPECTION & MAINTENANCE PROGRAMS

The Company offers its commercial customers a full-service garage door 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
- > Emergency Egress Code
- > Handicapped Accessibility
- > Automatic Pedestrian Door
- > Industry Standards

Services And Surveys

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



Preventative Maintenance Programs

Joining a Preventative 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.

Facility Standards Consulting



Consulting services are provided for customers seeking standardized product selection and specifications based on an analysis of current needs, future requirements, product performance, code compliance, and existing facility conditions.

Inspection and Testing Programs



FireCheck®

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.



APPLICATION SPOTLIGHTS

DRAMATIC FRONT ENTRY TRANSFORMATION

Veterans' Hospital Gets Code Check-Up

PROBLEM

A Veterans' Administration (VA) Hospital was preparing for an inspection by the Joint Commission on the Accreditation of Healthcare Organizations (JCAHO) and was concerned that many of their openings were not in compliance with the building code. With six buildings, getting all of the openings inspected and back into compliance quickly was going to be a major challenge.

SOLUTION

DH Pace promptly surveyed their facilities and published a report indicating approximately 100 openings required field work ranging from replacing complete openings, to hardware upgrades at existing openings or relabeling of existing doors/frames. The hospital accepted the recommendations and hired the Company to accomplish them. DH Pace completed the work – about 500 hours' worth – in only a month, and the hospital passed their JCAHO inspection on schedule.



Medical Center Benefits From Service Program For Pedestrian Doors



PROBLEM

A healthcare facility's pedestrian doors were breaking down too frequently, creating security and accessibility problems, while increasing expenses due to sudden, costly repairs. Many of the existing automatic doors were not up to American Association of Automatic Door Manufacturers (AAADM) and American National Standards Institute (ANSI) standards, which exposed them to a high level of liability, if an employee or patient were injured by a malfunctioning door.



SOLUTION

DH Pace completed a thorough inspection and adjustment of the doors under a comprehensive Preventative Maintenance (PM) Service Program, resulting in the openings operating efficiently and bringing them back in compliance to both AAADM and ANSI requirements. Under the PM agreement, DH Pace inspects and adjusts the doors on a regularly scheduled basis to assist the healthcare facility in their responsibility to provide a safe environment for patients, visitors, and employees.

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



Improving Performance

Commercial overhead doors are pivotal both in securing a facility and increasing 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 Preventative 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.



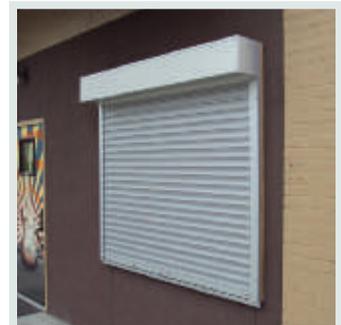
Some of these solutions include:

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
- > Installing emergency egress equipment such as battery backup, chain hoists, or pedestrian doors to allow egress during power failure
- > Adding vision lights or glass sections to increase visibility through the opening

Security

- > Controlling traffic through the opening utilizing access control solutions, including card readers, asset tracking and camera systems
- > Adding timers to reduce the risk of leaving an open entry point to your facility
- > Installing pipe bollards to protect the door opening from equipment damage or drive-through theft



APPLICATION SPOTLIGHTS

COMMERCIAL OVERHEAD DOORS

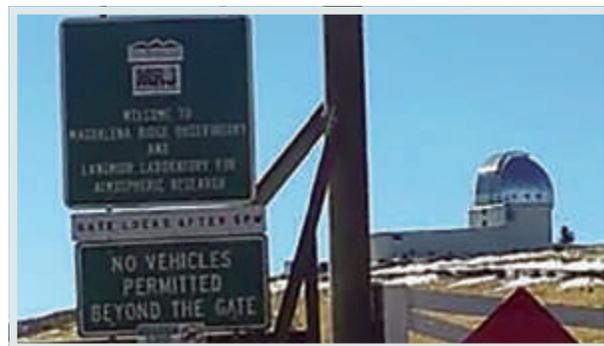
DH Pace Climbs Mountain To Install Commercial Door For Observatory

PROBLEM

An observatory on the summit of a mountain offers a great view of the stars, but getting there is a challenge when the only drivable route is an 8-mile long, unpaved, single-lane road through the forest with multiple hairpin turns climbing to an elevation of 10,700+ feet. Access to the job site was the first challenge. A second challenge was the transport and installation of the very large overhead doors required to allow the movement of their telescope in and out of the building.

SOLUTION

DH Pace was able to navigate the mountain road with the materials and equipment necessary to successfully install two oversized commercial doors, one 28 feet wide by 32 feet high and the second, 16 feet wide by 28 feet high. The new doors make it easy for the conservatory to move their large, high-tech, expensive, and fragile equipment out of the building when necessary, in less time, and at less risk to the telescope and the people handling it.



DH Pace Helps University Solve Equipment Storage



PROBLEM

A university was concerned about their concession stand equipment and inventory being unattended, so they would move the equipment and materials to a secured area after every event. The time and inconvenience of setting up and taking down the drink dispenser, popcorn machine and snack area after each event made it tedious to continue to operate the concession stand – especially for smaller events.



SOLUTION

The DH Pace team recommended a commercial overhead door solution that secured each of the windows of the concession stand, allowing the inventory and equipment to be stored inside of the concession area permanently. This solution has freed up the staff to focus on other issues and increased the profit generated by events.

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



Improving Performance

Enrolling in the Company's Preventative 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.

Some of these include:

Safety

- > Adding enhanced actuation and detection devices such as interlocks, in-ground loops, motion detectors, and presence sensors
- > Minimizing injury and damage by installing wireless or pneumatic reversing edges
- > Installing barrier systems and enhanced signage to safely direct the flow of traffic
- > Incorporating full width vision panels, windows, or light kits to increase visibility

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



APPLICATION SPOTLIGHTS

INDUSTRIAL, HIGH SPEED, AND SPECIALTY DOORS

Automotive Dealership Improves Efficiency And Aesthetics With New Service Bay Doors

PROBLEM

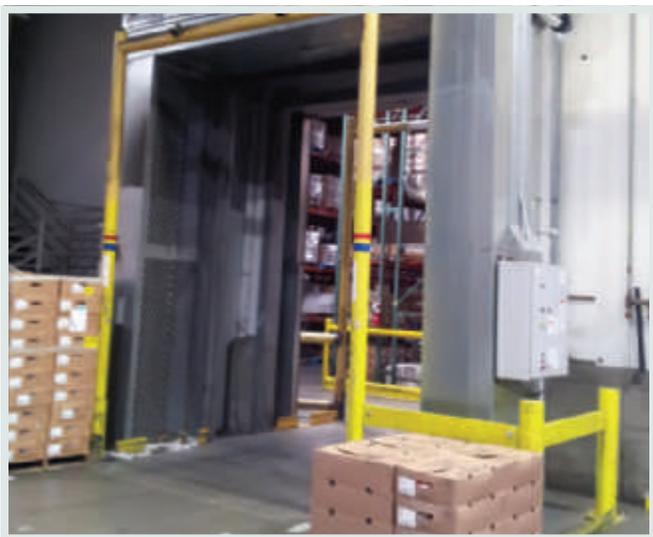
A regional automotive group's existing service center consisted of only one drive-through service bay thereby limiting the amount of customers they could serve at one time and resulting in excessive maintenance costs due to the high cycles on these sectional doors.

SOLUTION

DH Pace recommended expanding the capacity of the service center to three drive-through bays using Full view High Performance Aluminum Doors to improve the department's efficiency and enhance the aesthetics. The recommendation was accepted and the work completed on-time and as budgeted. As a result, the service department is operating more profitably, customer service has improved, and the facility has a new more upscale look.



Grocery Store Saves Energy And Preserves Food Quality With Comprehensive Cold Storage Solution



PROBLEM

A national grocery store was looking to expand their cold storage footprint with the addition of 13 freezer doors while improving energy efficiency and meeting all food safety requirements.



SOLUTION

DH Pace installed 13 specialized cold-storage doors which operated quickly and effectively in the harsh environment required by the application. The five high speed doors are capable of moving at a rate of up to 8 feet per second to improve the efficiency of forklift traffic and to minimize utility costs. The doors were also designed to operate in an environment from minus 20 degrees up to 34 degrees Fahrenheit and were equipped with a heating package and defrosting system. The doors are also highly insulated with R-values up to 28 to minimize energy loss. These doors are now providing a comprehensive cold-storage solution for the client that increased efficiency and productivity while also reducing energy costs.

LOADING DOCK EQUIPMENT

Loading docks are the first and last point of contact at any facility. It is where supplies first arrive and where shipments leave. With today's 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 Preventative 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 yielded by expert evaluations 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 production 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 performance to maintain 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



APPLICATION SPOTLIGHTS

LOADING DOCK EQUIPMENT

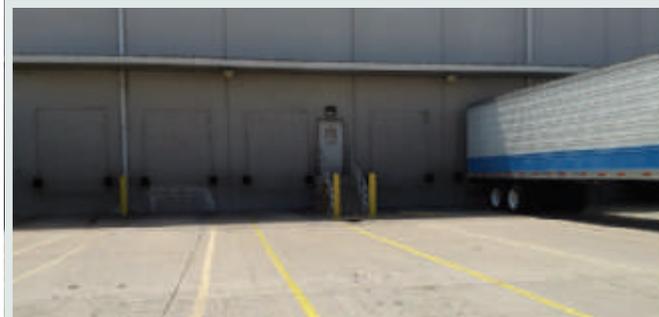
Distribution Facility Updates Dock With More Efficient And Safer Equipment

PROBLEM

A large distribution facility needed to upgrade 14 loading dock positions at their cold storage facility to accommodate heavy pallet loads, reduce utility expenses, and control repair costs from damaged sections.

SOLUTION

DH Pace installed heavy-duty hydraulic dock levelers to handle the extra weight and frequent use; four-sided compression dock seals to keep the cold air in; and 'knock-out' sections for the doors to reduce repair costs and downtime. This new equipment also made the process of material handling at the dock safer by the use of push-button activation for the dock leveler and by eliminating slips and falls due to a wet warehouse floor from rain coming in around the trailers.



Business Expansion Leads To Safer Doors And Increased Productivity



PROBLEM

All 10 loading dock positions in a new facility needed updated equipment to safely handle the growing activity at a busy distribution business. The existing manual dock plates had to be moved by hand, slowing down dock activities and risking employee injuries.

SOLUTION

DH Pace designed and installed a solution that consisted of easy-to-operate edge-of-dock (EOD) levelers, that eliminated the manual plates; vehicle restraints that attach to the trailer, preventing it from 'creeping' away from the dock during the loading/unloading process; and dock shelters to

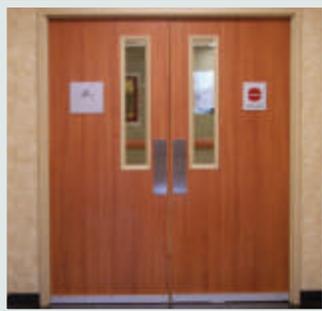


protect the openings from adverse weather, while allowing unobstructed access to the full width of different size trailers. The new dock system has increased the capacity to move materials in and out of the facility, improved employee safety, and with the addition of the scissor gate been able to add more security while the door is open for ventilation.

ENTRY DOOR SYSTEMS

Besides meeting a facility's needs for functionality, aesthetics, durability, and security, commercial entry door openings need to be properly designed, installed, and maintained to meet both performance requirements and multiple building code regulations. All of these considerations can vary widely on an opening-by-opening basis, by building type, and geographic location. 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 include:

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



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 Preventative 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.

Increasing Safety And Security At The Door

Through proper implementation of mechanical key



systems, electronic access control systems (standalone, networked, and/or wireless), and/or 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) and NFPA - 101 (life safety) inspections, reports, and recommendations
- > Master Key Systems design, key record management, and locksmith services
- > Specifications and building standards consulting, product, and application review
- > Preventative Maintenance Programs for entry door systems and related openings



APPLICATION SPOTLIGHTS

ENTRY DOOR SYSTEMS

School District Upgrades Doors And Windows To Enhance Safety And Security

PROBLEM

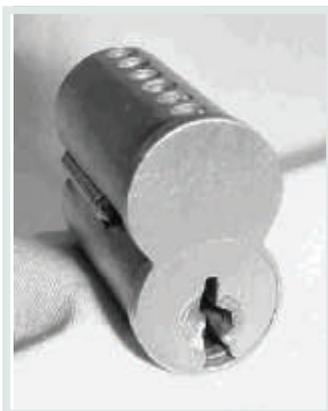
A large school district's growing concerns about student safety and security at their 12 locations led them to request recommended solutions. The solution needed to deliver a higher level of physical security to prevent unauthorized access to the buildings, improved energy efficiency and storm protection features.

SOLUTION

DH Pace installed new door openings across all 12 buildings within the district. The solution replaced the old exterior doors with high cycle, insulated and durable FRP doors with 1 inch thick insulated glass windows, and Grade 1 hardware capable of withstanding years of the heavy use common in educational facilities. The solution also included security film on all exterior glass. Furthermore the new openings provided additional storm protection due to their heavy duty design. The district also installed an integrated access control system to further enhance security.



Commercial Customer Implements Key Control Program To Enhance Security



PROBLEM

A large multi-location customer became concerned that physical security at their facilities was being compromised by a lack of control of keys, patent expiration and outdated locking systems. They requested an audit and recommendations.

SOLUTION

DH Pace met with customer, documented the customer's current practices and made specific recommendations to improve the overall key control system and locking security. These recommendations included: phased implementation of a new patented key system, new key control software, updated product standards for all security hardware, and

a comprehensive support program to provide system expansion and record keeping. The customer hired DH Pace to implement these recommendations. The customer now relies on DH Pace to provide all replacement keys/cores; new hardware such as lock sets, padlocks, cabinet locks, exit devices and weather-stripping; and to handle all system expansion needs, including record keeping. DH Pace maintains a stock inventory of key items included in the new product standards to facilitate faster order fulfillment and better pricing. Today, the customer facilities are more secure with this comprehensive and cost-effective program in place.



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, and A156.27. Some of the Company's Automatic Door Systems products include:

- > 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



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, Preventative 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 condition 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.



APPLICATION SPOTLIGHTS

AUTOMATIC DOOR SYSTEMS

Library Improves Handicap Accessibility with New Doors

PROBLEM

The doors for a city library were manual push/pull doors that did not meet American National Standards Institute (ANSI) standards for accessibility, which require handicap-accessible entryways into buildings of this type.

SOLUTION

DH Pace provided the library with new power operated bi-parting exterior sliding doors that were motion-sensor activated. The upgrades met ANSI standards, greatly enhanced the aesthetics of the building, and made the library more accessible to everyone in the community.



Skyscraper Transforms Entryways with Double-Bent Glass



PROBLEM

A Class 'A' office tower undergoing a major transformation was looking to make a design statement with the main entrance to their building.



SOLUTION

DH Pace, with the assistance of their vendor partner, designed and installed large automatic revolving stainless steel doors with double-bent glass to provide a signature entrance into the building.

ELECTRONIC SECURITY

A facility's physical security starts with important components to ensure your facility's security is in 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 for each facility 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 within and throughout a facility.

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 Preventative 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

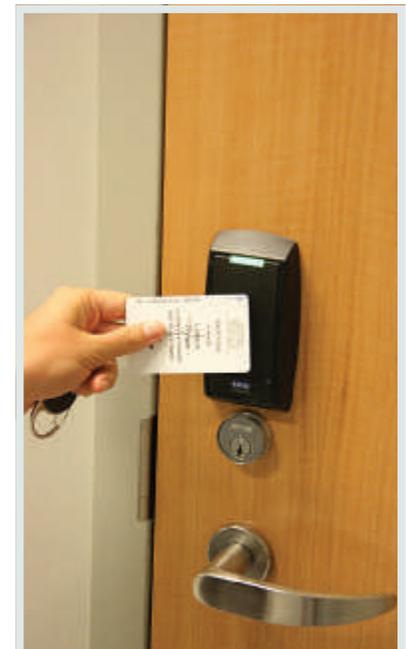
With technological advancements and improvements constantly being made to physical security products, operating software, and networking systems, it is imperative that a facility's security provider offers products, systems, and services built with forward and backward compatibility to maximize investment. 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



APPLICATION SPOTLIGHTS

ELECTRONIC SECURITY

DH Pace Designs Comprehensive Security System For Its New Building In Kansas

When consolidating five operations from separate buildings into one large facility, DH Pace needed to upgrade the new building to meet its standards for security, accessibility, and access control.

The Company utilized many of its own systems to pull together a comprehensive strategy for its own security measures. The new system included:

- > Zoned access control system to secure the exterior and interior sensitive areas
- > Zoned exterior and interior Intrusion alarm system
- > Surveillance system, featuring the latest in video technology
- > Panic alarm system, including a lock down integration with access control
- > Software based system controls with remote mobile device access
- > Event driven automatic electronic notifications

ACCESS CONTROL

The access control system utilizes custom printed credentials allowing specific access rights based on each employees role in the company. Each door is part of an integrated system to allow free movement throughout common areas of the building for increased efficiency while limiting access to sensitive areas. Hierarchy programming allows for 24/7/365 access for specific employees to gain access to the facility for emergency service needs while limiting access for the balance of the employees to normal business hours.

INTRUSION ALARM

The intrusion system protects both the exterior of the building and sensitive areas inside the building from unauthorized entry. The

compartmentalized structure of the system allows for unoccupied areas of the building to remain protected while the rest of the building is operational.

VIDEO SURVEILLANCE

Multiple IP cameras including megapixel (720P and 1080P) along with low light cameras allow for full coverage of the exterior entries and specific areas of the interior of the building. Recording of all cameras is triggered by motion detected within the camera frame eliminating the need for continuous recording reducing the costly storage space generally needed on servers. Stored and live video is available for viewing on mobile apps when needed.

SYSTEMS INTEGRATION

The access control, intrusion and video system has been fully integrated to allow seamless operation between the systems. The employee's credential also disarms the intrusion system to eliminate the need for the management of alarm codes across the employee base. In the event of an alarm condition (door held open, forced door etc.) The system will automatically send out an electronic notification as well as a video clip of the impacted area. In the event the panic alarm is activated, critical interior doors are automatically secured, emergency notifications are sent out and the video system is bookmarked for quick reference.

The new integrated security system at DH Pace is a state of the art showcase utilizing the latest technology. The system was installed within the budget and provides great flexibility for future expansion as the Company grows and the needs of the facility change.



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:

- > 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



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 Preventative 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

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

Garage Converted To An Event Space With Custom Doors

PROBLEM

The homeowner had an idea for a garage with three single-wide doors that could also be used as event-space. Traditional doors were out of the question, as they wanted a solution that would match the aesthetics of their existing entry doors and not reduce the interior headroom in the garage.

SOLUTION

DH Pace recommended new 9-foot-by-9-foot doors that open outward, like French doors, instead of upward-acting like a traditional overhead garage door. In just five weeks, the Company designed, engineered, and installed the doors. The completed garage creates a truly unique event space while maintaining a functional garage area for the homeowner that exceeded their expectations.



Home Utilizes Custom Doors With Full Glass To Conserve Space



PROBLEM

The homeowner needed to preserve space inside their home for storage and other activities. The builder they hired for the remodeling project requested a customized solution to meet the functional and aesthetic needs of the application.



SOLUTION

DH Pace designed and installed a bi-fold type tilting door that folds up with no inside track. The doors were fitted with custom glass to provide the modern look as requested by the customer.

NATIONAL ACCOUNTS

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 door 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
- > Customized Project Management Services
- > Key System Management Programs
- > Site Assessment Surveys

SERVICE AND REPAIR

- > National Coverage
- > Application Consulting
- > Part Replacement Programs
- > Customized Reporting
- > Preventative 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 DH Pace 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

National Coverage

The National Account team 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 over 600 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 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 Company 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



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

structure service and repair programs in existing facilities that include Preventative 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 DH Pace 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.



CONSTRUCTION SERVICES

The DH Pace Construction Services Group offers a complete line of Construction Specifications Institute (CSI) Division 6, 8, 10, and 11 products under a single contract for new commercial construction and major existing facility projects. Installation of these products can also be provided under an installation services contract.

The Construction Services Group provides a comprehensive offering of products and services, including: mill work, 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:



- > Kauffmann Center for Performing Arts
Kansas City, MO
- > Phoenix Children's Hospital
Phoenix, AZ
- > Marriott Star Pass Resort
Tucson, AZ
- > Washington Convention Center
Washington D. C.
- > Arrowhead and Kauffman Stadiums
Kansas City, MO
- > Federal Express World Headquarters
Memphis, TN
- > Nelson Atkins Museum of Art
Kansas City, MO
- > 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



NATIONAL LOCATIONS



DH Pace offers a complete range of door and door related products and services for both new construction projects and existing facilities. The Company 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 markets certain products and services under DH Pace group names, including: National Accounts, Systems Integration, and Construction Services. In Colorado, DH Pace trades under the Ankmar name. In Northwest Georgia, DH Pace also trades under the King Door Company name. In Central Illinois, DH Pace also trades under the Pinnacle Door Company name.



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Dalton

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Central Missouri
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Joplin
Springfield
St. Louis

NEW MEXICO

Albuquerque
Farmington
Santa Fe

COLORADO

Colorado Springs
Denver
Loveland

ILLINOIS

Bloomington
St. Louis

OKLAHOMA

Oklahoma City

NEBRASKA

Omaha

KANSAS

Greater Kansas City
Wichita

NEVADA

Las Vegas

Products

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

Services

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

Construction Services Group
DHPaceConstructionServices.com

Systems Integration Group
DHPaceIntegration.com

National Accounts Group
DHPaceNationalAccounts.com

CORPORATE RESPONSIBILITY

CEO Statement

In 2013, our organization increased the number of employees by roughly 20% and expanded into four new geographical markets. In doing so we have remained committed to our vision of:

“Encouraging Social Responsibility by supporting the communities we serve, protecting the environment we share and enabling a better future for all”.

As a privately-held and family owned business with three generations actively involved in the business we are especially committed to making sure our actions are socially responsible and that we are making a positive long-term difference in the lives of our employees, customers and in the communities we serve.

We are proud of the work our employees did in 2013 and we remain committed to building on these accomplishments and continuing this work in 2014 and beyond.

- Rex E. Newcomer, CEO



Serving Our Customers

EDUCATION: The Company invests significant resources providing training for employees, customers, and industry professionals through its DH Pace University training programs and events. In 2013, over 1,500 individuals attended training sessions that totaled over 2,445 classroom hours.

PROCESS IMPROVEMENT: This full time Team includes certified Lean Six Sigma Black Belts and internally trained Business Analysts working together to improve internal business processes and enhance external integration with customers and vendors. In 2013, major initiatives included: service order processing, report enhancements, integration with customer and vendor systems, and implementation of a new ERP software system.

CUSTOMER SURVEYS: During 2013, the Company expanded its digital survey program, conducted numerous customer feedback forums and enhanced reporting capabilities. Customers are contacted directly to resolve any issues discovered in the surveys.

CODE COMPLIANCE: Compliance with Codes and Standards is important to preventing injuries, property loss and minimizing liabilities. It is also getting more complex with each passing year. The Company maintains Code Resource Experts 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: Wellness is an integral part of the Company culture. The Company's program consists of lunch and learns on various health topics; educational and informational opportunities around nutrition, stress management, chronic diseases, and physical activity; an on-site Wellness Coordinator who provides guidance and support, answers questions, and encourages employees to improve or maintain a healthy lifestyle; and



CORPORATE RESPONSIBILITY

opportunities to participate in a variety of fitness events. Employees receive a discounted insurance premium rate for obtaining an annual routine physical exam, which includes the monitoring of four key National Institute of Health biometrics and completing an on-line health assessment. In 2013, Over 80% of the Company's employees participated in Wellness Activities.

COMMUNICATIONS: 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 Company provides a comprehensive benefit package to its employees, while offering options that help employees to select the mix of benefits that best meet their personal needs. These Programs encourages and rewards employees and their families to choose wellness. Health options include; medical, dental, vision, flexible savings and health savings accounts. Benefits that help make our employees feel more secure include; 401k program, company paid long-term disability insurance, company paid life and accidental death and dismemberment, voluntary short term disability insurance and voluntary life insurance.

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 with a focus primarily on education, health and human services. The Company also empowers local employee teams, called TeamIMPACT, that encourage co-workers to get involved in charitable activities, wellness events, and employee team building activities. In 2013, over 70 TeamIMPACT related events were held company-wide where employees donated time, money and/or material resources to support a wide variety of causes.

Promoting Environmental Sustainability

RECYCLING: The Company actively encourages various recycling projects. In 2013, 1,378 tons of steel, 29 tons of aluminum, and 30 tons of paper and cardboard were recycled. The Company's fleet department recycled over 2,000 gallons of waste oil and a large number of tires and vehicle batteries.

NEW KANSAS FACILITY: The recently acquired 225,000 sq. foot building in Olathe Kansas was retrofitted with more energy efficient T8 lighting and motion sensors to improve energy efficiency. Restrooms were outfitted with water saving motion activated devices and a new energy efficient software programmable HVAC system was installed. The energy savings gained from these investments is expected to pay for itself in less than 24 months.

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), 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 nine member Board of Directors meets quarterly, and currently consists of six outside directors, and three 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

Larry C. Miller, Sr. Executive Vice President and CFO, E. E. Newcomer Enterprises, Inc.

Lloyd Hill, Senior Partner, Hillco World Wide, LLC

Ronald L. Stier, Managing Partner, Arcady Capital Company, LLC



DHPACE
Everything Doors Since 1926

1901 E. 119th Street, Olathe, KS 66061

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