Form C

EXCEPTIONS TO PROPOSAL, TERMS, CONDITIONS.



	<u>A</u>	ND SOLUTIONS REQUEST	(ANJPA)
Company Name	e: _SimplexGrinnell, LP		
writing and inc	luded with the Proposer's responed by NJPA or included in the fire	ifications, or proposal forms contained in this R se. The Proposer acknowledges that the except nal contract. NJPA will make reasonable effort rify the exceptions in the appropriate section be	tions listed may or may s to accommodate the
Section/page	Term, Condition, or Specification	Exception	NJPA ACCEPTS
Our tea	um does not have any exception in the RFP.	ns to the terms, conditions, or specification	
1		v.	
	Δ		
Proposer's Signa	ature: Jan Mus Mr. Jame	es W. Madson, Vice President of Strategic Sales Date: Ma	rch 15, 2017
NJPA's	clárification on exceptions liste	ed above:	The second secon
		elder C	d Approved: 2 6/27/7 al Department

Contract Award RFP #031517

FORM D

APJPA

Formal Offering of Proposal

(To be completed only by the Proposer)

FACILITY SECURITY EQUIPMENT, SYSTEMS, AND SERVICES WITH RELATED EQUIPMENT AND SUPPLIES |

In compliance with the Request for Proposal (RFP) for FACILITY SECURITY EQUIPMENT, SYSTEMS, AND SERVICES WITH RELATED EQUIPMENT AND SUPPLIES, the undersigned warrants that the Proposer has examined this RFP and, being familiar with all of the instructions, terms and conditions, general and technical specifications, sales and service expectations, and any special terms, agrees to furnish the defined products and related services in full compliance with all terms and conditions of this RFP, any applicable amendments of this RFP, and all Proposer's response documentation. The Proposer further understands that it accepts the full responsibility as the sole source of solutions proposed in this RFP response and that the Proposer accepts responsibility for any subcontractors used to fulfill this proposal.

Company Name: SimplexGrinnell, LP		Date: March 15, 2017	
Company Address: 50	Technology Drive		
City: Westminster		State: I	MAZip: <u>01441</u>
Contact Person: Mr. Th	Jon h Make	Title:	National Account Sales Manager and NJPA National Account Program Manager Mr. James W. Madson, Vice President of Strategic Sales (Name printed or typed)

FORM E CONTRACT ACCEPTANCE AND AWARD



(Top portion of this form will be completed by NJPA if the vendor is awarded a contract. The vendor should complete the vendor authorized signatures as part of the RFP response.)

NJPA Contract #: 031517-SGL

Proposer's full legal name: SimplexGrinnell, LP

Based on NJPA's evaluation of your proposal, you have been awarded a contract. As an awarded vendor, you agree to provide the products and services contained in your proposal and to meet all of the terms and conditions set forth in this RFP, in any amendments to this RFP, and in any exceptions that are accepted by NJPA.

The effective date of the Contract will be June 30, 2017 and will expire on June 30, 2021 (no later than the later of four years from the expiration date of the currently awarded contract or four years from the date that the NJPA Chief Procurement Officer awards the Contract). This Contract may be extended for a fifth year at NJPA's discretion.

NJPA Authorized Signatures:			
NJPA DIRECTOR OF COOPERATIVE CONTRACTS AND PROCUREMENT/CPO SIGNATURE	Jeremy Schwartz (NAME PRINTED OR TYPED)		
De Charle Commette 13h NJPA EXECUTIVE DIRECTOR/CEO SIGNATURE	Chad Coauette (NAME PRINTED OR TYPED)		
Awarded on June 29, 2017	NJPA Contract # 031517-SGL		
Vendor Authorized Signatures: The Vendor hereby accepts this Contract award, i	ncluding all accepted exceptions and	amendments.	
Vendor NameSimplexGrinnell			
Authorized Signatory's Title Vice President Sales			
for as Habon	James W. Madson		
vendor authorized signature	(NAME PRINTED OR TYPED)	The state of the s	
Executed onJune 30, 20_17	NJPA Contract # 031517-SGL		

Form F

PROPOSER ASSURANCE OF COMPLIANCE



Proposal Affidavit Signature Page

PROPOSER'S AFFIDAVIT

The undersigned, authorized representative of the entity submitting the foregoing proposal (the "Proposer"), swears that the following statements are true to the best of his or her knowledge.

- The Proposer is submitting its proposal under its true and correct name, the Proposer has been properly originated
 and legally exists in good standing in its state of residence, the Proposer possesses, or will possess before
 delivering any products and related services, all applicable licenses necessary for such delivery to NJPA members
 agencies. The undersigned affirms that he or she is authorized to act on behalf of, and to legally bind the Proposer
 to the terms in this Contract.
- 2. The Proposer, or any person representing the Proposer, has not directly or indirectly entered into any agreement or arrangement with any other vendor or supplier, any official or employee of NJPA, or any person, firm, or corporation under contract with NJPA, in an effort to influence the pricing, terms, or conditions relating to this RFP in any way that adversely affects the free and open competition for a Contract award under this RFP.
- 3. The Proposer has examined and understands the terms, conditions, scope, contract opportunity, specifications request, and other documents in this solicitation and affirms that any and all exceptions have been noted in writing and have been included with the Proposer's RFP response.
- 4. The Proposer will, if awarded a Contract, provide to NJPA Members the /products and services in accordance with the terms, conditions, and scope of this RFP, with the Proposer-offered specifications, and with the other documents in this solicitation.
- 5. The Proposer agrees to deliver products and services through valid contracts, purchase orders, or means that are acceptable to NJPA Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to NJPA Members under an awarded Contract.
- 6. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
- 7. The Proposer understands that NJPA will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statute §13.591, Subd. 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals generally become public data. Minnesota Statute §13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
- 8. The Proposer understands that it is the Proposer's duty to protect information that it considers nonpublic, and it agrees to defend and indemnify NJPA for reasonable measures that NJPA takes to uphold such a data designation.

[The rest of this page has been left intentionally blank. Signature page below]

Company Name: SimplexGrinnell, LP
Address: 50 Technology Drive
City/State/Zip: Westminster, MA 01441
Telephone Number: 978-731-2500
E-mail Address: jmadson@simplexgrinnell.com Authorized Signature: Authorized Name (printed): Mr. James W. Madson
Title: Vice President of Strategic Sales
Date:March 10, 2017
Notarized
Subscribed and sworn to before me this 10th day of March , 20 2017 Notary Public in and for the County of New port State of R1 My commission expires: 8/30117 Signature: Additional day of March , 20 2017

By signing below, Proposer is acknowledging that he or she has read, understands, and agrees to comply with the terms and conditions specified above.

Kathleen M. Sanderson-Upham Notary Public ID: 755715 My Commission Expires 08/30/2017

Form P



PROPOSER QUESTIONNAIRE

Payment Terms, Warranty, Products and Services, Pricing and Delivery, and Industry-Specific Questions

Proposer Name:	SimplexGrinnell, LP	
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Questionnaire completed by: Mr. Thomas Staves National Account Sales Manager and NJPA National Account Program Manager

Payment Terms and Financing Options

1) What are your payment terms (e.g., net 10, net 30)?

Payment terms are Net 30 for all invoices. For contracting sales, a schedule of values will be outlined and agreed to regarding payment intervals throughout the installation process.

2) Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions?.

Our organization offers various financial solutions in an effort to remain focused on the financing needs of its customers. Program offerings include:

Direct Purchase

Direct Purchase offers clients a choice of tailored lease plans, including:

- · Capital & Operating Lease Structures
- · Fair Market Value (FMV) Purchase Option
- 10% Purchase Option
- \$1 Out Purchase Option
- Municipal Lease, \$1 Purchase Option
- 1 to 5 Year Financing Terms
- · Easy to Upgrade "Refresh Programs"
- · No Penalties for Early "Buy-Outs"

Fair Market Value (FMV) Purchase Option

This program offers the lowest monthly payment, and when the lease term ends, you can choose among several end-of-lease options:

- Purchase the equipment at a fair market value
- Upgrade your equipment with our "Technology Refresh" program
- Re-lease the equipment
- Return the equipment to us

10% Purchase Option

This plan guarantees the end-of-lease purchase price. Clients are not obligated to exercise this purchase option. The 10% purchase option provides end-of-lease flexibility which pre-determines the residual value of the equipment. End-of-lease options include:

- Purchase the equipment at 10% of its original cost
- Upgrade the equipment



- Re-lease the equipment
- Return the equipment

Please see Section 15 of our proposal for additional information regarding leasing.

3) Briefly describe your proposed order process. Please include enough detail to support your ability to report quarterly sales to NJPA. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the NJPA Members' purchase orders.

Our team's sales representatives will meet with end user customers and will develop a quotation. Throughout the process there will be hooks in place to monitor the entire sales cycle, from initial contact to the closing the individual sales. A lead program will be instituted that will track all NJPA opportunities. Our in place "Salesforce.com" system will be used to track the sales process and will also be able to provide status updates in real-time. Also from an IT perspective, hooks will be in place to monitor overall program compliance and ensure that proper pricing and prevailing wages are being utilized.

In order to process a completed sale, a Purchase Order or customer signature is required. Contract Sales will be entered by our local office sales personnel and the orders will be tracked within our in place "Job Design" system utilizing an NJPA Customer Account Classification Code. All service contracts will be handled by our national accounts centralization team.

4) Do you accept the P-card procurement and payment process? If so, is there any additional cost to NJPA Members for using this process?

Yes. Customers can pay invoices through our online payment system. There is no additional cost to NJPA members for using this system. For security purposes, our organization does not accept credit card numbers over the phone. We request customers pay through the online payment portal. https://www.simplexgrinnellpayonline.com/. Payment can also be made online via the Customer Portal.

Warranty

- 5) Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may include in your response a copy of your warranties, but at a minimum please also answer the following questions.
 - Do your warranties cover all products, parts, and labor?
 - Do your warranties impose usage restrictions or other limitations that adversely affect coverage?
 - Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?
 - Are there any geographic regions of the United States for which you cannot provide a certified technician to perform warranty repairs? How will NJPA Members in these regions be provided service for warranty repair?
 - Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?
 - What are your proposed exchange and return programs and policies?



We offer several types of warranties depending on whether we are providing a product installation or service. These warranties are provided at the end of Section 21 of our proposal response.

Conditions and Requirements to Qualify

Our policy states we will warranty a system installed by our technicians for a period of 1 year from date of the customer beneficial use. Service parts carry a 90 day warranty from the date of installation upon installations by a qualified technician. Any issues caused on the panel by a non-SimplexGrinnell/TycoIFS technician will not be covered. Any issues related to wiring from a third party contractor may not be covered. Additionally, any problems caused by third parties would not be covered. We also would not cover acts of nature such as lightning strikes, flooding, and other events such as that.

Claims Procedure

All warranty claims are handled through the local company office. To place a warranty claim, simply contact the local district office assigned to your facility, or place a service request through the Customer Portal. A technician will be assigned to diagnose and investigate the equipment under warranty demonstrating a malfunction. If it is a warranty claim, the local office will make repairs under the conditions of the warranty. If it is not, the technician will provide an estimate of the cost to repair. All repairs under or outside of warranty require customer sign off prior to completion.

Overall Structure

Our warranty structure is set forth to protect our clients against faulty products installed by or workmanship completed by our personnel.

What is Covered

Our warranties cover all products, parts, and labor associated with the SimplexGrinnell/TycolFS-installed or serviced system.

Usage Restrictions or Other Limitations

There are no usage limitations in our warranty system for SimplexGrinnell/TycolFS-installed or serviced systems.

Technician Travel Time and Mileage

Technician travel time and mileage to perform warranty repairs is covered under our warranty program.

Geographic Limitations

Due to the presence of our company-owned district offices throughout North America, we are not aware of any geographic region of the United States or Canada where we cannot provide warranty repair services.

Service on OEM Equipment

As indicated above, our policy states we will warranty a system installed by our technicians for a period of 1 year from date of the customer beneficial use. Service parts carry a 90 day warranty from the date of installation upon installations by a qualified technician. Different manufacturers may offer their own equipment warranties that cover the replacement cost of specific system components.



Exchange and Return Programs

According to the specific terms of each client's agreement, we can exchange a faulty piece of equipment or system component under warranty for its current equivalent. Equipment that cannot be repaired, or that is part of a legacy system no longer supported, will be replaced at the client's request.

6) Describe any service contract options for the items included in your proposal.

Pricing, Delivery, Audits, and Administrative Fee

7) Provide a general narrative description of the equipment/products and related services you are offering in your proposal.

Our NJPA offering includes total support for all fire alarm, fire detection, fire protection, integrated security, healthcare communications, and sound/communications needs. Our capabilities include design, engineering development, integration, installation, project management, programming, testing, commissioning, training, warranty support, and post-warranty service. Our Technicians are highly trained and use state-of-the-art test equipment to ensure high quality results and are trained to perform related repairs, in addition to inspections and responding to emergency maintenance requirements. Our life safety services are "Best-Value" for the following reasons:

- Specialized inspection teams trained to identify and correct problems before they occur, thus
 preventing costly nuisance alarms and unnecessary downtime.
- Experienced technicians ensure that repairs are done right, and in a timely manner.
- Standardized reporting and documentation.
- Customized service plans to meet any customer's needs.
- 8) Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the NJPA discounted price) on all of the items that you want NJPA to consider as part of your RFP response. Provide a SKU for each item in your proposal. (Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract. See the body of the RFP and the Price and Product Change Request Form for more detail.)

SimplexGrinnell proposes to utilize line item pricing based upon a Project Level Gross Margin (PLGM) of the previous years top 50 Commercial Customers sales per product family. Pricing for these line items is based upon the selling price. This analysis is performed annually, of the Top 50 Customers, the top and bottom 12.5% are dropped leaving 75% for computing the PLGM average for all contracting related quotes. National Accounts IPP Rev 6D for line item services is based on an average of 10% reduction from that of local district pricing.

Please see the following pricing documents included in Section 11 of this proposal:

Service

- National Accounts Rev 6 Line Item Service Pricing
- National Account Rev 6 Labor Pricing (embedded in Service Price file)
- US Domestic Labor Rates (embedded in Service Price file)
- National Account Recommendation guotes form
- National Account Service Quote
- National Account Deficiency Quote
- Hot List Sample (embedded in Service Price file)



Contracting

- NJPA Products and Labor Price File
- 9) Please quantify the discount range presented in this response. For example, indicate that the pricing in your response represents is a 50% percent discount from the MSRP or your published list.

We will provide NJPA clients with our standard national account labor rates that are on average 10% discount from local district rates.

10) The pricing offered in this proposal is
a. the same as the Proposer typically offers to an individual municipality, university, or school district.
b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
Xc. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
d. other than what the Proposer typically offers (please describe).

11) Describe any quantity or volume discounts or rebate programs that you offer.

We do not intend to offer a volume discount to NJPA clients.

12) Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.

Services

For any non-standard offering, our team will quote using negotiated NJPA approved hourly labor rates and will be offered on a fixed price basis. For all replacement parts, we will utilize standard district pricing for all internal sourced parts. For Outside Purchase products and labor we will utilize a 20% markup over our cost.

Contracting

For any non-standard offering that does not have an associated line item price, we will provide at the approved PLGM rates. (This includes orders with just product and orders with labor combined)

- All Products Except Sprinkler PLGM 30.6%
- Sprinkler PLGM 21.7%
- 13) Identify any total cost of acquisition costs that are <u>NOT</u> included in the pricing submitted with your response. This cost includes all additional charges that are not directly identified as freight or shipping charges. For example, list costs for items like installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.



Suppression products are the only line items where we may add additional freight fees. Shipping of large 300 lb cylinders and significant quantities of foam can be expensive. Our team works closely with our customers to develop cost effective delivery arrangements when practical.

14) If delivery or shipping is an additional cost to the NJPA Member, describe in detail the complete shipping and delivery program.

We will only charge freight for the following new products:

- Fire Extinguishers/Suppression Products
- Retardant, Foams and Equipment (Sapphire, Pyro-Chem & Ansul Products)

We will ship bulk rate whenever possible and rates/methods are always discussed with customers ahead of time and freight is broken out as a separate line item.

15) Specifically describe those shipping and delivery programs for Alaska, Hawaii, Canada, or any offshore delivery.

SimplexGrinnell owns and operates offices in both Hawaii and Alaska. TycoIFS employs technicans throughout Canada. There are not any different policies for these locations or other remote areas. Standard policy prevails. Related information is outlined in the Warranty Program information included with this proposal.

16) Describe any unique distribution and/or delivery methods or options offered in your proposal.

Our organization provides local support from our North American network of over 150 local offices in the United States and Canada. Each office functions as a "one-stop shop" providing parts, supplies, and equipment specific to each of the clients it serves. Additionally, both SimplexGrinnell and TycoIFS have access to the Tyco Warehouse in Atlanta, Georgia. Staffed with approximately 250 full time personnel, our team ensures orders are filled promptly. This 240,000 square foot facility stocks extensive inventories of all of the products sold by legacy Tyco International companies, including Simplex fire alarm panels and periphersals, Grinnell and ANSUL fire suppression products, SoftwareHouse, Exacq, Kantech, DSC and American Dynamics security equipment, and all brands of Nurse Call solutions offered currently or in the past by Tyco. The warehouse ships an average of over 12,000 orders a month, some 6,000 plus items each month are shipped to SimplexGrinnell and TycoIFS offices.

TycolFS also maintains a large warehouse and distribution center in Toronto. Key elements of this facility include:

- Faraday, Pyrotronics, Simplex, Notifier, Edwards, and Gamewell parts supply.
- The facility encompasses the following operations; Service Parts, Raw Materials, Finished Products, Receiving, Returns, Domestic, and International Shipping.
- The facility is a two-shift operation with approximately 100 employees.
- The facility has the ability to store over 4,400 pallets of materials.
- The overall size of the facility is 170,000 square feet including the mezzanine.
- The Finished Product Warehouse has over 2,400 part numbers.
- The Raw Materials Warehouse has over 10,000 part numbers.
- The Service Warehouse has over 10,000 part numbers.
- The Shipping Operation handles over 1,500 customer orders a day, and over 30,000 pieces each day with a staff of 41 employees.



- A new overall layout and automated conveyor/sortation system has recently been installed, including a new fully automated radio frequency based Warehouse Management System. This system employs a bar-code recognition system for improved pick and ship accuracy.
- 17) Please specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with NJPA. This process includes ensuring that NJPA Members obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to NJPA.

We employ an internal auditing group and government compliance/prevailing wage group that is proactive in regards to contract compliance. Sales and Compliance personnel are separate functions in our organization. Our corporate compliance personnel will audit key data. Individual contracting projects and service orders will be audited monthly to verify compliance. If any issues are found, a larger sample is examined.

18) Identify a proposed administrative fee that you will pay to NJPA for facilitating, managing, and promoting the NJPA Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See RFP Section 6.29 and following for details.)

We propose a 1.5 percent annual administration fee with a reduction to 1% in any subsequent year that total contract volume exceeds \$60 million.

Industry-Specific Questions

NOTE: You may have addressed some of the following questions elsewhere in your response. If so, please also answer these industry questions completely. Do not leave them blank.

19) Describe any background checks that you require of employees and prospective employees. How do you vet those personnel that might have access to sensitive NJPA member information?

SimplexGrinnell and TycoIFS complete pre-employment background checks and monitors driving records of all personnel who operate vehicles for company business at least annually. Selective employees are cleared by government agencies to work with sensitive data. Our technicians follow guidelines provided by our Manager of Industrial Security Compliance.

- 20) Articulate your process for screening and hiring contractor candidates. Our organization completes pre-employment background checks and monitors driving records of all personnel who operate vehicles for company business.
- 21) What term better describes your company: national or regional? Please explain.
 SimplexGrinnell and TycoIFS are national companies. We own and operate over 150 offices throughout North America.
- 22) Describe the methods that you use to monitor and conform to prevailing wage rate requirements throughout the U.S.



We employ a prevailing wage group in Westminster, MA. This group checks each service related project for prevailing wage requirements prior to the contract commencing. On the contracting side, a mandatory prevailing wage drop-down box must be implemented by the sales representative when the order is entered. Each project also gets flagged if it is going to be located in a prevailing wage state. SimplexGrinnell is extremely proactive on prevailing wage and compliance in general.

23) What reporting methods will you use to provide NJPA details on the service provided to our member agencies?

Our organization is capable of continuing to provide consolidated activity reports to NJPA detailing the specific services SimplexGrinnell and TycoIFS have provided to NJPA members within a specified time period. Reports can be segmented by state, region, life safety system, type of business, or any other parameter set by NJPA. Reports can be provided electronically in Excel, Word, or Adobe PDF to a specific individual or individuals designated by NJPA. We can also provide NJPA with access to our Customer Portal to access reports online. Finally, our organization can provide hard copy reports to NJPA at your request.

Tyco will also continue to provide installation, testing, inspection and service reports to NJPA's members. Reports will be provided to each member by the local company office providing support. We will also continue to provide NJPA members with access to the Customer Portal to provide 24/7/365 access to online reports.

24) What is your average response time for both routine and urgent agency requests?

The average response time for routine and urgent agency requests from NJPA's members will continue to be contingent on the type of request: Service or Installation, Emergency or Routine. Average service response times are consistent across the United States and Canada, including Alaska and Hawaii. Individual service response times may vary by company location, according to that location's distance from the specific NJPA member requiring service, for example, an NJPA member in New York City may experience a faster service response time from the New York City district office, which is centrally located in Midtown Manhattan, than an NJPA member in Santa Fe, New Mexico, where the nearest location, Albuquerque, New Mexico is just over an hour away.

Service Response Times

EMERGENCY CALL System/unit is not operational and backup system/unit is not available. Life safety and property protection is non- existent or property assets are in imminent danger of significant damage.

 Technician will be dispatched within 3 hours, unless a different time frame is required by applicable law

PRIORITY CALL System/unit is operational and maintenance or service work is required to maintain system/unit integrity.

Technician will be on site within 24 hours

THREE DAY SERVICE CALL System/unit is operational; general repair is required.

Technician will be on site within three(3) business days

SCHEDULED CALL System/unit is operational; planned appointment for inspection, maintenance, and/or service work.

Technician will be on site within fourteen (14) calendar days

Installation Response Times



Both SimplexGrinnell and TycoIFS will respond to new equipment installations and upgrade requests according to the deadline set by the NJPA member placing the request. Each local office has the ability to procure manpower, project management, design, and equipment resources from across the Continent to support urgent installations and upgrades.

25) How do you remain ahead of current trends regarding products and technology?

Our organization is dedicated to identifying, developing, and implementing new products and technologies, including service delivery technologies, in support of our clients. In 2015, Tyco International invested \$212,000,000 in research and development. In Fiscal Year 2016, JCI, with whom Tyco merged on September 6, 2016, invested \$316,000,000 in research and development. Individually as wholly-owned subsidiaries, SimplexGrinnell and TycoIFS continually review new and emerging technologies to identify how they will fit into our existing business model to the benefit of our clients. Our Sales Engineering team attends trade shows and industry conferences, performs research, maintains contact with industry leaders and suppliers, and uses our voice of the customer program to determine customer needs and develop the appropriate programs and products. One example of this is our Customer Portal, which was developed in response to client requests for online reporting and service request functionality. Another is our Electronic Information Reporting System (EIR), EIR was developed in response to emerging trends in cloud technology and the use of smartphones and tablets to access real-time inspection data. Tyco Fire Protection Product's engineering and new product development teams work directly with our local district offices to identify current and upcoming trends in life alarm and life safety technology and develop new products to meet our customer's anticpated demands.

26) Clearly describe your rate structure, and demonstrate how NJPA members can effectively determine their cost for your proposed solutions.

We will provide NJPA clients with our standard national account labor rates that are on average 10% discount from local district rates.

27) How do you ensure that your prices are competitive?

Our company continually performs market reviews to determine the average of what the products and services we offer are being priced at throughout the National and Local marketplace. Pricing data for individual products and services, including labor rates and equipment markup percentages, is gathered from a wide array of sources and compared, on an individual and aggregate basis, to SimplexGrinnell and TycoIFS' current pricing models. Prices are then adjusted to ensure we remain competitive in the marketplace.

Signature: Jah h

James W. Madson, Vice President of Strategic Sales