

SELECTION AND HIRING OF PERSONNEL

At Securitas USA, our employees are our product, so hiring the right people is critical to our success.

Securitas USA selected Kronos Inc's Enterprise Talent Suite™ to hire and develop the best workforce in the industry. With Kronos, Securitas USA has the ability to source and prescreen candidates, administer online assessments to select the best security officers, and conduct background and drug screening before assignment. Moreover, the Kronos application provides rich analytics and reporting capabilities to gain visibility into critical talent acquisition.



Kronos Inc's Hiring Management System (HMS) includes a new security officer assessment called SEAT (Securitas Employment Assessment Tool) that was specifically developed to find the best security officer candidates. SEAT is discussed below in further detail.

The Kronos HMS is a web-based product that includes an on-line employment application, an applicant tracking tool for our HR staff to manage the hiring process, and a custom on-line assessment. The HMS system is fully integrated with Securitas USA's Human Resources Information System to reduce the time and effort it takes to process new hires. It is also fully integrated with our 3rd party vendor for background, drug and WOTC tax credit screening.

The implementation of HMS in Securitas USA's field offices, has had a very positive impact on operations, including:

- increased applicant flow.
- reduced time to hire.
- better utilization of branch office staff.
- · improved screening and hiring tools.
- better hiring statistics to focus on process improvements.
- compliance with company policies and procedures.
- compliance with federal, state and local regulations.

HMS allows, Securitas USA applicants to complete their applications on-line anytime of the day or night. This allows Securitas USA recruiters to evaluate fully screened and tested applicants prior to interviewing them. Interviews can be scheduled and applicant traffic can be better managed. The increase in the number of qualified applicants has allowed Securitas USA to be more selective in whom we hire.



SECURITAS EMPLOYMENT ASSESSMENT TOOL (SEAT)

All Securitas USA security officer candidates must successfully complete the Securitas Employment Assessment Tool (SEAT) as part of the application process.

The Securitas Employment Assessment Tool (SEAT) is a tool used as part of Securitas USA's pre-screening process. The tool was created specifically for Securitas USA and is comprised of custom content questions designed to assess an applicant's ability and readiness to perform the functions of a security officer for Securitas USA. The questions were developed by Securitas USA subject matter experts based on the knowledge, skills, abilities and personal characteristics that a security officer must possess on the first day of the job.

The SEAT is administered as part of the online application process. The questions describe real life situations that security officers will encounter on the job. Each applicant receives a numerical score based on the number of questions answered correctly. Based on validated testing with actual Securitas USA applicants, scores are rated as green, yellow or red. The applicant's responses to the questions are forwarded directly to a third party administrator, Kronos, and the results are automatically processed and returned to the branch through a Hiring Management Console (HMC).

SELECTION PROCESS OVERVIEW

The following is a brief overview of Securitas USA's pre-employment selection process to be used in support of DC Ranch Association. Our step-by-step process goes well beyond the industry norm to focus on selecting world-class employees. In addition, our process identifies candidates who possess those traits we believe are critical to both of our organizations, such as honesty, integrity and a strong customer service orientation suited to the culture and operating environment of DC Ranch Association.

Our security personnel must meet the following minimum hiring standards:

- at least age 18.
- a reliable means of communication.
- a reliable means of transportation.
- the legal right to work in the United States.
- the ability to effectively speak, read and write English.
- a high school diploma or GED.
- willingness to participate in the Company's pre-employment screening process, including a background investigation and drug screen.

Our screening process provides us the reasonable assurance that our prospective security officers:

- have a stable work history.
- have well-developed interpersonal communications skills and professional composure to fit the DC Ranch Association culture.
- can withstand the scrutiny of a thorough interview and background investigation.
- are drug free.
- able to qualify for and obtain a state security officer license, where applicable.
- Required security officer competencies include:



- the ability to provide high quality customer service.
- the capability to exercise good judgment and discretion in all business interactions with others
- the ability to be an effective team member.
- · neatness in dress and grooming.
- the ability to deal courteously, tactfully and effectively with others, both in person and on the telephone.
- the ability to communicate clearly in English with others, both verbally and in writing.
- have initiative, integrity and high ethical standards.
- the ability to maintain professional composure when dealing with unusual circumstances.

STEP 1: JOB APPLICATION

The purpose of this step is to obtain information that will assist in:

- the pre-screening of applicants.
- the in-depth interviews and background screening with emphasis on employment stability, work experience and personal background. During this step, each candidate is required to complete the following forms:
 - o application for employment (available online).
 - o evaluation of report writing skills.

During the employment application process, the applicant is required to complete a pre-employment assessment (see below) to evaluate situational judgment traits. Candidates being considered for armed positions are subject to a second profile, the iPAT PSR, that measures a variety of personality traits.

STEP 2: INITIAL INTERVIEW

The first pre-employment interview is conducted to identify each applicant's skills, work style, personality, career interests and suitability for the position.

STEP 3: DRUG SCREENING

Securitas USA mandates a drug free workplace. This policy is widely published and communicated throughout our organization. One of the first things an applicant sees when entering a Securitas USA office is a sign that reads, "Say 'No' to Drugs. All applicants will be drug screened. Illegal use, possession and sales have no place in our organization." We partner with Pinkerton Global Screening Solutions, a leading provider of public record information and drug screening services to administer our drug screening program, using iScreenTM, an oral fluid based point of contact screen for drugs of abuse, where state law allows.





iScreen™ is a six panel screen and is designed to detect the presence of the most commonly used drugs:

- Marijuana (THC)
- Cocaine
- Opiates
- Methamphetamine
- Amphetamine
- Phencyclidine

iScreen provides results in 15 minutes, with no chance of sample adulteration or cross - contamination. Should a confirmation test be required, Securitas USA utilizes Substance Abuse and Mental Health Services Administration (SAMHSA) certified laboratories to perform gas chromatography and mass spectrometry (GC/MS) tests.

In addition to pre-employment drug screening, Pinkerton Global Screening Solutions assists Securitas USA branch offices through:

- collection/test site identification, legal compliance and management services.
- as required and in accordance with state law, implementation/selection of random drug testing participants and coordination with our branch offices and clients.
- data management, records retention and education and training services.
- quality control services and performance monitoring.
- after normal business hours post-injury/accident drug and alcohol testing services.
- an automated system to receive confidential test results quickly to help expedite the hiring process

Securitas USA can utilize various other drug testing panels to screen for specific types of drugs beyond our standard screen when required by our clients. Securitas USA's Drug-Free Workplace Program also conducts post-injury/accident and reasonable-cause drug and alcohol testing as a matter of company policy. In addition, we can conduct random drug screening in accordance with client requirements and statutory regulations.

STEP 4: BACKGROUND VERIFICATION

Securitas USA utilizes Pinkerton Global Screening Solutions, to conduct pre-employment background verifications that meet or exceed state security officer licensing requirements.

Our required background verification includes the following:

- military service (DD 214) nature of separation.
- criminal records check of both misdemeanors and felonies for a seven year residence and work history (or as required by state statutes).
- credit check (when required for legitimate business reasons by our clients).
- Social Security number trace.
- Department of Motor Vehicles driver's license search for all driving positions.
- former employment verification-past 7 years.
- reference checks.
- higher education degree verification.



STEP 5: ASSIGNMENT/SCHEDULING MEETING

Final administrative processing and documentation is accomplished during this step, as well as the fitting and issuance of uniforms and equipment. The contingent employee meets with the scheduler to discuss specific issues and performance expectations of DC Ranch Association.

STEP 6: SITE INTERVIEW

Tentative assignment is made and our client representative is notified. When requested by our clients, contingent employees are sent to the client site for a final review. We understand the importance that our clients desire us to place on the careful selection of security personnel. We are committed to providing the most qualified and high quality security officers available in the local labor market.

STEP 7: SECURITY OFFICER INTRODUCTION/EXAMINATION

Contingent employees are required to undergo an introduction session to review security-related video presentations. This program establishes a core base of security knowledge enabling our security officers to contribute from day one. An exam is given covering the following areas:

- Basic Security Officer Responsibilities
- Public Relations
- Communication and Reporting
- Safety Techniques of Patrol
- Emergency and Fire Prevention
- · Basic First Aid, Safe Driving
- Client Relations
- Hazardous Material Communications

STEP 8: CONFIRMING WORK AUTHORIZATION THROUGH E-VERIFY

Securitas USA is a federal contractor and is required to participate in E-Verify. E-Verify allows Securitas USA to electronically compare employee work authorization information taken from the Form I-9 against the Social Security Administration and Department of Homeland Security's data bases. Securitas USA is able to confirm employment eligibility within seconds.