

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2016 This Form is Open to Public Inspection
---	--	---

Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>04/04/2017</u>			
A This return/report is for:	☐ a multiemployer plan	☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)	
	☒ a single-employer plan	☐ a DFE (specify) _____	
B This return/report is:	☐ the first return/report	☒ the final return/report	
	☐ an amended return/report	☒ a short plan year return/report (less than 12 months)	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☐ Form 5558	☐ automatic extension	☐ the DFVC program
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>PROTECTION ONE 401(K) PLAN</u>	1b Three-digit plan number (PN) ►	<u>001</u>	
	1c Effective date of plan	<u>01/01/1989</u>	
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>PROTECTION ONE ALARM MONITORING INC</u> <u>P.O. BOX 707</u> <u>LAWRENCE, KS 66044</u>	2b Employer Identification Number (EIN) <u>93-1064579</u>	2c Plan Sponsor's telephone number <u>785-856-9902</u>	
<u>1035 N 3RD STREET</u> <u>SUITE 101</u> <u>LAWRENCE, KS 66044</u>	2d Business code (see instructions) <u>561600</u>		

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/10/2017</u>	<u>BETSY SCOTT</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2016)
v. 160205

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 4221
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 3665 6a(2) 3505 6b 15 6c 420 6d 3940 6e 5 6f 3945 6g 2297 6h 33
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2J 2K 2T 3H b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2016
		This Form is Open to Public Inspection.

For calendar plan year 2016 or fiscal plan year beginning **01/01/2017** and ending **04/04/2017**

A Name of plan PROTECTION ONE 401(K) PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 PROTECTION ONE ALARM MONITORING INC	D Employer Identification Number (EIN) 93-1064579

Part I	Service Provider Information (see instructions)
---------------	--

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

VANGUARD FIDUCIARY TRUST COMPANY

23-2186884

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21	TRUSTEE/RECORD KEEPER	80441	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) <small>Internal Revenue Service</small> <hr/> <small>Department of Labor</small> <small>Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2016 This Form is Open to Public Inspection
---	--	--

For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>04/04/2017</u>		
A Name of plan <u>PROTECTION ONE 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PROTECTION ONE ALARM MONITORING INC</u>	D Employer Identification Number (EIN) <u>93-1064579</u>	

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	49732	
(2) Participant contributions	1b(2)	250314	
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)	3757628	
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	87278558	
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities	1d(1)	
(2)	Employer real property	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	91336232 0
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	268913
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	268913 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	91067319 0

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	611543
	(B) Participants	2a(1)(B)	1854885
	(C) Others (including rollovers)	2a(1)(C)	116963
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	2583391
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans	2b(1)(E)	45651
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	45651
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	140989
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	140989
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		4371193
c Other income.....	2c		557
d Total income. Add all income amounts in column (b) and enter total.....	2d		7141781

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4261200	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		4261200
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)	80441	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		80441
j Total expenses. Add all expense amounts in column (b) and enter total	2j		4341641

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		2800140
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		93867459

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: PRICEWATERHOUSECOOPERS, LLC

(2) EIN: 13-4008324

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		15000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k	X		
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m	X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n	X		
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☐ Yes ☒ No **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
ADT CORPORATION RETIREMENT SAVINGS AND INVESTMENT PLAN	45-4343781	002

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year (See instructions.)

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection.
---	---	--

For calendar plan year 2016 or fiscal plan year beginning 01/01/2017 and ending 04/04/2017

A Name of plan <u>PROTECTION ONE 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PROTECTION ONE ALARM MONITORING INC</u>	D Employer Identification Number (EIN) <u>93-1064579</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): _____		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	<u>197</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2016
v. 160205

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
	a The current year	14a	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year	15a	
	b The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
----------------	---

18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment	☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)	
	a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%	
	b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more	
	c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____	

Part VII	IRS Compliance Questions
-----------------	---------------------------------

20a Is the plan a 401(k) plan? If "No," skip b	☒ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☒ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter / / and the serial number .	
22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter <u>07</u> / <u>10</u> / <u>2015</u> .	

Protection One 401(k) Plan

**Financial Statements as of April 4, 2017 and
December 31, 2016 and 2015 and for the Period
Ended April 4, 2017 and the Year Ended December
31, 2016 and Supplemental Schedules as of
December 31, 2016**

	Page(s)
Report of Independent Auditors	1–2
 Financial Statements	
Statements of Net Assets Available for Benefits April 4, 2017 and December 31, 2016 and 2015	3
Statement of Changes in Net Assets Available for Benefits Period Ended April 4, 2017 and the Year Ended December 31, 2016	4
Notes to Financial Statements April 4, 2017 and December 31, 2016 and 2015	5–11
 Supplemental Schedules*	
Form 5500, Schedule H, Part IV, Line 4a – Schedule of Delinquent Participant Contributions December 31, 2016.....	12
Form 5500, Schedule H, Part IV, Line 4i – Schedule of Assets (Held at End of Year) December 31, 2016.....	13
 * Note: All other schedules required by Section 2520.103-10 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (“ERISA”) have been omitted because they are not applicable.	



Report of Independent Auditors

To the Administrator of the Protection One 401(k) Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Protection One 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of April 4, 2017, December 31, 2016 and December 31, 2015, and the related statements of changes in net assets available for benefits for the periods ended April 4, 2017 and December 31, 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of April 4, 2017, December 31, 2016 and December 31, 2015 and for the periods ended April 4, 2017 and December 31, 2016, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.



Other Matter

The supplemental Schedule of Delinquent Participant Contributions for the year ended December 31, 2016 and Schedule of Assets (Held at Year End) as of December 31, 2016 are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

PricewaterhouseCoopers LLP

October 10, 2017

Protection One 401(k) Plan
Statement of Net Assets Available for Benefits
As of April 4, 2017 and December 31, 2016 and 2015

	April 4, 2017	December 31, 2016	December 31, 2015
Assets			
Participant-directed investments at fair value			
Mutual Funds	\$ -	\$ 87,278,558	\$ 71,585,822
Total Investments	-	87,278,558	71,585,822
 Receivables			
Notes receivable from participants	-	3,757,628	3,274,326
Employer contributions	-	49,732	26,013
Participant contributions	-	250,314	62,779
Total receivables	-	4,057,674	3,363,118
Total assets	-	91,336,232	74,948,940
 Liabilities			
Excess contributions payable	-	268,913	99,346
Net assets available for benefits	\$ -	\$ 91,067,319	\$ 74,849,594

The accompanying notes are an integral part of these financial statements.

Protection One 401(k) Plan
Statement of Changes in Net Assets Available for Benefits
Period Ended April 4, 2017 and the Year Ended December 31, 2016

	Period Ended April 4, 2017	Year Ended December 31, 2016
Additions		
Investment Income		
Net appreciation in fair value of investments	\$ 4,371,193	\$ 4,337,472
Interest and dividend income	140,989	2,539,922
Total investment income	<u>4,512,182</u>	<u>6,877,394</u>
Contributions		
Participant contributions	1,854,885	6,475,751
Rollover contributions	116,963	328,885
Employer contributions	611,543	2,342,011
Total contributions	<u>2,583,391</u>	<u>9,146,647</u>
Interest income on notes receivable from participants	45,651	148,502
ASG Plan Transfer (Note 1)	-	6,234,517
Other income	557	9,604
Total additions	<u>7,141,781</u>	<u>22,416,664</u>
Deductions		
Benefits paid to participants	4,261,200	6,026,040
Administrative expenses	80,441	172,899
	<u>4,341,641</u>	<u>6,198,939</u>
Transfer to ADT Plan (Note 1)	93,867,459	-
Total deductions	<u>98,209,100</u>	<u>6,198,939</u>
(Decrease) Increase in net assets	(91,067,319)	16,217,725
Net assets available for benefits		
Beginning of year	91,067,319	74,849,594
End of Year	<u>\$ -</u>	<u>\$ 91,067,319</u>

The accompanying notes are an integral part of these financial statements.

Protection One 401(k) Plan

Notes to Financial Statements

April 4, 2017 and December 31, 2016 and 2015

1. Description of the Plan

The following description of the Protection One 401(k) Plan (the “Plan”) was provided for general information purposes only. Participants should refer to the Plan document for more complete information.

General

The Plan was adopted to provide eligible employees of Protection One Alarm Monitoring, Inc. and other participating employers (collectively referred to as the “Employer” or “Plan Sponsor”) a method to provide for retirement and other related benefits. The Plan was administered by the retirement committee (the “Committee”) appointed by the Employer. Vanguard Fiduciary Trust Company (“Vanguard”) served as the trustee of the Plan.

The Plan was a defined contribution plan established in accordance with Section 401(a) of the Internal Revenue Code (“IRC”) and was subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). All employees of the Employer became eligible to participate at the beginning of any calendar month after completion of 90 days of service.

On May 2, 2016, Prime Security Services Borrower, LLC (“Prime”) acquired The ADT Corporation (“ADT”). ADT survived as a wholly owned subsidiary of Prime. Effective April 4, 2017, the Plan, including all assets and liabilities held by the Plan, was legally merged with and into the ADT Corporation Retirement Savings and Investment Plan (“ADT 401(k)”) while Protection One employees became eligible to participate in the ADT 401(k) plan effective April 5, 2017. As shown on the Statement of Changes in Net Assets Available for Benefits, \$93,867,459 was transferred to the ADT 401(k).

On June 1, 2015, the Employer acquired Cam Connections, Inc. In accordance with the purchase agreement, Cam Connections, Inc. employees were eligible to participate in the plan upon the date of purchase and were credited with years of service for their period of employment with Cam Connections, Inc. in regards to vesting.

On July 1, 2015, Protection Holdings, LLC’s ownership interest was purchased by affiliates of Apollo Global Management (“Apollo”) through Prime which began operations on May 18, 2015. Additionally, on July 1, 2015 Prime purchased 100% of the outstanding stock of Alarm Security Group Holdings, LLC (“ASG”). Pursuant to the purchases, the Employer and ASG were separate wholly owned subsidiaries of Prime. During 2016, the ASG 401(k) plan had assets totaling \$6,234,517 transferred to the Plan as a result of a trustee to trustee asset merger.

Contributions

Each year, participants could contribute up to 50 percent of basic compensation, as defined in the Plan, subject to certain IRC limitations. In addition, all employees who were eligible to make elective deferrals under this Plan and had attained age 50 were eligible to make catch-up contributions in accordance with the Plan document. Catch-up contributions were not to be considered for purposes of Employer matching contributions. Participants were also able to contribute amounts representing distributions from other qualified employee benefit or defined contribution plans.

The Employer made a matching contribution to the Plan equal to 50% of the pre-tax contributions made to the Plan for the Plan year (up to 6 percent of such participant’s basic compensation, as defined by the Plan for the plan year). Matching contributions were made in the form of cash deposits remitted to the trustee. Additional amounts may have been contributed at the discretion of

Protection One 401(k) Plan

Notes to Financial Statements

April 4, 2017 and December 31, 2016 and 2015

the Board of Directors of the Employer. No such additional discretionary contributions were made for the period ended April 4, 2017 or the year ended December 31, 2016.

Investments

Participants directed the investment of their contributions and Employer contributions into various investment options offered by the Plan. The trustee was responsible for the application of investment choices made by the employee. The Plan offered twenty-three mutual funds as investment options for participants.

Participant Accounts

Individual accounts were maintained for each Plan participant. Each participant's account was credited with the participant's contribution, the Employer's matching contribution, and allocations of the Employer's discretionary contributions and Plan earnings. Participant accounts were charged with withdrawals and an allocation of Plan losses and administrative expenses. Allocations were based on participant earnings or account balances, as defined by the Plan. The benefit to which a participant was entitled was the benefit that could be provided from the participant's vested account.

Vesting

Each participant had a fully vested and nonforfeitable interest in all voluntary contributions, rollover contributions, and income earned thereon. Participants vested in Employer contributions at a rate of 20 percent for each year of service from their anniversary date, becoming fully vested after five years. Participants who terminated service for reasons other than normal retirement, death, or permanent disability prior to the completion of five years of service forfeited the nonvested portion of Employer contributions to their account.

Participant Loans

Participants were able to borrow from their fund accounts up to a maximum of \$50,000 or 50% of their vested account balance, whichever was less. All loans had to be repaid in equal installments on not less than a quarterly basis over a five-year period or in excess of five years for the purchase of a primary residence at the discretion of the Committee. The loans were collateralized by the vested balance in the participant's account and bore interest at rates consistent with interest rates charged by commercial entities for loans, which would be made under similar circumstances. Principal and interest was paid ratably through payroll deductions. Upon termination of service, outstanding participant loans were repaid from the participant's account and were deemed a distribution. Interest rates on outstanding participant loans ranged from 4.25 percent to 8.75 percent as of April 4, 2017, 4.25 percent to 8.75 percent as of December 31, 2016 and from 4.25 percent to 8.75 percent as of December 31, 2015. Maturity dates on outstanding participant loans varied through 2046.

Payment of Benefits

Upon termination of service due to death, permanent disability, or normal retirement, a participant became fully vested and entitled to 100 percent of the value of their account balance, including employer contributions and earnings thereon. If a distribution exceeding \$1,000 was required to be made to a participant and the participant did not elect to receive the distribution, the distribution would be transferred in a direct rollover to an IRA established for the benefit of the participant. In addition, if the participant's account ever exceeded \$5,000, the participant (and spouse or beneficiary, if applicable) was required to give written consent before the distribution may be made.

Protection One 401(k) Plan

Notes to Financial Statements

April 4, 2017 and December 31, 2016 and 2015

Forfeited Accounts

Forfeitures of unvested accounts were used to reduce future employer contributions or to pay administrative expenses of the Plan. During the period ended April 4, 2017, \$67,304 of forfeitures were used to pay plan expenses, while the Plan paid the remaining expense of \$13,137. During the year ended December 31, 2016, \$115,458 of forfeitures were used to pay plan expenses, while the Plan paid the remaining expense of \$57,441. During the year ended December 31, 2015, \$79,490 was used to pay Plan expenses and remaining Plan expense of \$46,699 was paid by the Plan. Employer contributions were reduced by \$95,000, \$64,120, and \$9,307 for period ended April 4, 2017 and the years ended December 31, 2016 and 2015, respectively, from forfeited nonvested accounts. The balance of forfeited nonvested accounts was \$0 at April 4, 2017, \$74,482 at December 31, 2016 and \$113,352 at December 31, 2015, respectively.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, except that benefit payments were recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America required Plan management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Risks and Uncertainties

The Plan utilized various investment instruments. Investment securities, in general, were exposed to various risks, such as interest rate risk, credit risk, currency risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it was reasonably possible that changes in the values of investment securities would occur and such changes could materially affect the amounts reported in the financial statements.

Investment Valuation and Income Recognition

The Plan's investments were stated at fair value. Fair value of a financial instrument was the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between willing market participants at the measurement date. Shares of mutual funds were valued at net asset value representing the value at which shares of the fund may be purchased or redeemed.

Purchases and sales of securities were recorded on a trade-date basis. Interest income was recorded on an accrual basis. Dividends were recorded on the ex-dividend date. Net appreciation (depreciation) is included the Plan's gains and losses on investments bought and sold, as well as held, during the year.

Management fees and operating expenses charged to the mutual funds in which the Plan invests were deducted from the respective funds income earned on a daily basis and were not separately reflected. Consequently, management fees and operating expenses were reflected as a reduction of investment return for such investments.

Protection One 401(k) Plan

Notes to Financial Statements

April 4, 2017 and December 31, 2016 and 2015

Notes Receivable From Participants

Participant loans were valued at the outstanding loan balances plus any accrued but unpaid interest. Delinquent participant loans were recorded as distributions based on the terms of the Plan document.

Administrative Expenses

Administrative expenses of the Plan were paid by the Plan to the extent of forfeitures while remaining expenses were paid by the Employer as provided in the Plan document.

A quarterly administrative fee was charged for each participant. The Plan and/or Employer paid this quarterly fee unless the Plan participant was no longer employed by the Plan Sponsor in which case the fee was automatically deducted from their account balance. This fee covered the trustee's charge for operating the plan, including, among other things, expenses involving their call center and recordkeeping and was reflected as an administrative expense in the accompanying statement of changes in net assets available for benefits.

Other administrative expenses were paid by the Plan with the exception of loan administrative charges, hardship withdrawal fees, and investment advisory fees for the Vanguard Managed Account program, which were paid by the participants utilizing those services. These charges were also reflected as administrative expenses in the accompanying statement of changes in net assets available for benefits.

Payment of Benefits

Benefit payments to participants were recorded upon distribution.

Excess Contributions Payable

The Plan was required to return contributions received during the Plan year in excess of the IRC limits. For the year ended December 31, 2016, the Plan returned \$268,913 in contributions.

New Accounting Pronouncements

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient*. Part I is not applicable to the Plan. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III is not applicable to the Plan. The ASU is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. Part II is to be applied retrospectively. The adoption of this guidance was implemented during the year ended December 31, 2016 and did not have a significant impact on the financial statements.

3. Fair Value Measurements

The Plan classified its investments into Level 1, which refers to quoted prices in active markets for identical assets that the reporting entity can access at the measurement date; Level 2, which refers to inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3, which refers to unobservable inputs for the asset or liability.

Protection One 401(k) Plan
Notes to Financial Statements
April 4, 2017 and December 31, 2016 and 2015

Assets and liabilities were classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Investments in mutual funds were valued at net asset value representing the value at which shares of the fund may be purchased or redeemed.

The following tables set forth by level within the fair value hierarchy a summary of the Plan's investments measured at fair value on a recurring basis at December 31, 2016 and 2015. The Plan had no assets at April 4, 2017 as the assets were transferred to the ADT 401(k) as explained in note 1.

Fair Value Measurements at December 31, 2016				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Mutual funds	\$ 87,278,558	\$ -	\$ -	\$ 87,278,558

Fair Value Measurements at December 31, 2015				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Mutual funds	\$ 71,585,822	\$ -	\$ -	\$ 71,585,822

For the period ended April 4, 2017 and the years ended December 31, 2016 and 2015, there were no significant transfers in or out of the levels 1, 2 or 3.

4. Investments

During the period ended April 4, 2017, the Plan's investments in mutual funds (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$4,371,193 while during the year ended December 31, 2016 the Plan's investments appreciated in value by \$4,337,472.

Protection One 401(k) Plan **Notes to Financial Statements** **April 4, 2017 and December 31, 2016 and 2015**

5. Information Certified By The Trustee

A summary of unaudited information regarding the Plan as of April 4, 2017 and December 31, 2016 and 2015, and for the period ended April 4, 2017 and the year ended December 31, 2016 was provided by the Trustee. The information was included in the Plan's financial statements and supplemental schedule that was prepared by or derived from information prepared by Vanguard and furnished to the Plan sponsor.

	2017	2016	2015
Statements of net assets available for benefits			
Mutual funds	\$ -	\$ 87,278,558	\$ 71,585,822
Notes receivable from participants	-	3,757,628	3,274,326
Statements of changes in net assets available for benefits			
Net appreciation in fair value of investments	4,371,193	4,337,472	
Interest and dividend income	140,989	2,539,922	
Interest income on notes receivable from participants	45,651	148,502	
Other income	557	9,604	

All investment balances and investment information included in Note 3, Note 4, and the supplemental schedule of assets (held at end of year December 31, 2016) were unaudited and were prepared by or derived from information certified by Vanguard.

6. Exempt Party-in-Interest Transactions

Certain Plan investments which were participant directed were shares of mutual funds managed by Vanguard. Vanguard was the trustee as defined by the Plan and, therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the mutual fund for investment management services were included as a reduction of the return earned on each mutual fund.

At April 4, 2017, the Plan held investments with Vanguard managed mutual funds of \$0.00. During the period ended 2017, the Plan purchased shares in Vanguard managed mutual funds at a cost of \$2,834,135 and sold shares valued at \$96,773,588.

At December 31, 2016, the Plan held investments with Vanguard managed mutual funds of \$85,622,390. During 2016, the Plan purchased shares in Vanguard managed mutual funds at a cost of \$9,041,604 and sold shares valued at \$6,060,815.

At December 31, 2015, the Plan held investments with Vanguard managed mutual funds of \$70,284,573. During 2015, the Plan purchased shares in Vanguard managed mutual funds at a cost of \$8,797,061 and sold shares valued at \$7,278,952.

7. Plan Termination

Although it had not expressed any intention to do so, the Employer had the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan was terminated, participants would become fully vested in their accounts.

Protection One 401(k) Plan

Notes to Financial Statements

April 4, 2017 and December 31, 2016 and 2015

As detailed in Footnotes 1 and 9, effective April 4, 2017, the Plan merged with the ADT 401(k) plan.

8. Federal Income Tax Status

The Internal Revenue Service ("IRS") has determined and informed the Employer by a letter dated July 10, 2015, that the Plan and related trust were designed in accordance with the applicable regulations of the IRC.

The Plan had been amended since receiving the determination letter. However, the Employer and Plan management continued to believe that the Plan was currently designed and operated in compliance with the applicable requirements of the IRC, and the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes had been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America required Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator analyzed the tax positions by the Plan, and concluded that as of April 4, 2017 and December 31, 2016, there were no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan was subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it was no longer subject to income tax examinations for years prior to 2013.

9. Subsequent Events

The Employer has evaluated events that have occurred through October 10, 2017, the date the financial statements were available to be issued, and noted no items other than those listed below require adjustment or disclosure within the financial statements.

On May 2, 2016, Prime Security Services Borrower, LLC ("Prime") acquired The ADT Corporation ("ADT"). ADT survived as a wholly owned subsidiary of Prime. Effective April 4, 2017, the Plan, including all assets and liabilities held by the Plan, was legally merged with and into the ADT Corporation Retirement Savings and Investment Plan ("ADT 401(k)") while Protection One employees became eligible to participate in the ADT 401(k) plan effective April 5, 2017. As shown on the Statement of Changes in Net Assets Available for Benefits, \$93,867,459 was transferred to the ADT 401(k).

Supplemental Schedules

Protection One 401(k) Plan**Form 5500, Schedule H, Part IV, Line 4a – Schedule of Delinquent Participant Contributions****December 31, 2016**

Protection One 401(K) Plan**EIN 93-1064579 / PN 001****Schedule H, line 4a – Schedule of Delinquent Participant Contributions**

December 31, 2016

Participant Contributions Transferred Late to Plan	Total that Constituted Nonexempt Prohibited Transactions			Total Fully Corrected under Voluntary Fiduciary Correction Program and prohibited transaction exemption 2002-51
	Contributions Not Corrected	Contributions Corrected Outside the Voluntary Fiduciary Correction Program	Contributions Pending Correction in Voluntary Fiduciary Correction Program	
Check here if Late Participant Loan Repayments are included: []	\$ -	\$ -	\$ -	161,782

Protection One 401(k) Plan
Form 5500, Schedule H, Part IV, Line 4i – Schedule of Assets (Held at Year End)
December 31, 2016

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor, or Similar Party	Date, Rate of Interest, Collateral, and Par or Maturity Value	Cost	Current Value***
	Franklin Balance Sheet Investment Fund	Registered Investment Company	**	\$ 1,656,168
*	Vanguard 500 Index	Registered Investment Company	**	12,138,029
*	Vanguard Explorer Fund	Registered Investment Company	**	1,813,489
*	Vanguard International Growth Fund	Registered Investment Company	**	4,863,421
*	Vanguard Mid-Cap Index Fund	Registered Investment Company	**	444,773
*	Vanguard PRIMECAP Fund	Registered Investment Company	**	9,231,060
*	Vanguard Prime Money Market Fund	Registered Investment Company	**	4,974,587
*	Vanguard Sm-Cap Index Fund	Registered Investment Company	**	495,897
*	Vanguard Target Retirement 2010 Fund	Registered Investment Company	**	82,822
*	Vanguard Target Retirement 2015 Fund	Registered Investment Company	**	3,044,321
*	Vanguard Target Retirement 2020 Fund	Registered Investment Company	**	2,582,416
*	Vanguard Target Retirement 2025 Fund	Registered Investment Company	**	8,418,837
*	Vanguard Target Retirement 2030 Fund	Registered Investment Company	**	3,603,616
*	Vanguard Target Retirement 2035 Fund	Registered Investment Company	**	7,504,455
*	Vanguard Target Retirement 2040 Fund	Registered Investment Company	**	2,176,737
*	Vanguard Target Retirement 2045 Fund	Registered Investment Company	**	3,516,797
*	Vanguard Target Retirement 2050 Fund	Registered Investment Company	**	1,398,187
*	Vanguard Target Retirement 2055 Fund	Registered Investment Company	**	550,820
*	Vanguard Target Retirement 2060 Fund	Registered Investment Company	**	179,680
*	Vanguard Target Retirement Income Fund	Registered Investment Company	**	1,002,254
*	Vanguard Total Bond Market Index Fund	Registered Investment Company	**	5,727,987
*	Vanguard Wellington Fund	Registered Investment Company	**	6,197,805
*	Vanguard Windsor Fund	Registered Investment Company	**	5,674,400
	Mutual Funds			<u>87,278,558</u>
*	Various participants	Loans to participants with interest rates ranging from 4.25%-8.75% with varying maturity dates through July 2046		<u>3,757,628</u>
				<u>\$ 91,036,186</u>

Note: This schedule reports those assets required to be reported under ERISA section 2520.103-11 and form 5500 Schedule H, line 4i.

* Party in Interest

** Cost information is not required for participant-directed investments and therefore is not included

*** Investment information certified as to completeness and accuracy by Vanguard Fiduciary Trust Company

Protection One 401(k) Plan

**Financial Statements as of April 4, 2017 and
December 31, 2016 and 2015 and for the Period
Ended April 4, 2017 and the Year Ended December
31, 2016 and Supplemental Schedules as of
December 31, 2016**

	Page(s)
Report of Independent Auditors	1–2
 Financial Statements	
Statements of Net Assets Available for Benefits April 4, 2017 and December 31, 2016 and 2015	3
Statement of Changes in Net Assets Available for Benefits Period Ended April 4, 2017 and the Year Ended December 31, 2016	4
Notes to Financial Statements April 4, 2017 and December 31, 2016 and 2015	5–11
 Supplemental Schedules*	
Form 5500, Schedule H, Part IV, Line 4a – Schedule of Delinquent Participant Contributions December 31, 2016.....	12
Form 5500, Schedule H, Part IV, Line 4i – Schedule of Assets (Held at End of Year) December 31, 2016.....	13
 * Note: All other schedules required by Section 2520.103-10 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (“ERISA”) have been omitted because they are not applicable.	



Report of Independent Auditors

To the Administrator of the Protection One 401(k) Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Protection One 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of April 4, 2017, December 31, 2016 and December 31, 2015, and the related statements of changes in net assets available for benefits for the periods ended April 4, 2017 and December 31, 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of April 4, 2017, December 31, 2016 and December 31, 2015 and for the periods ended April 4, 2017 and December 31, 2016, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.



Other Matter

The supplemental Schedule of Delinquent Participant Contributions for the year ended December 31, 2016 and Schedule of Assets (Held at Year End) as of December 31, 2016 are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

PricewaterhouseCoopers LLP

October 10, 2017

Protection One 401(k) Plan
Statement of Net Assets Available for Benefits
As of April 4, 2017 and December 31, 2016 and 2015

	April 4, 2017	December 31, 2016	December 31, 2015
Assets			
Participant-directed investments at fair value			
Mutual Funds	\$ -	\$ 87,278,558	\$ 71,585,822
Total Investments	-	87,278,558	71,585,822
 Receivables			
Notes receivable from participants	-	3,757,628	3,274,326
Employer contributions	-	49,732	26,013
Participant contributions	-	250,314	62,779
Total receivables	-	4,057,674	3,363,118
Total assets	-	91,336,232	74,948,940
 Liabilities			
Excess contributions payable	-	268,913	99,346
Net assets available for benefits	\$ -	\$ 91,067,319	\$ 74,849,594

The accompanying notes are an integral part of these financial statements.

Protection One 401(k) Plan
Statement of Changes in Net Assets Available for Benefits
Period Ended April 4, 2017 and the Year Ended December 31, 2016

	Period Ended April 4, 2017	Year Ended December 31, 2016
Additions		
Investment Income		
Net appreciation in fair value of investments	\$ 4,371,193	\$ 4,337,472
Interest and dividend income	140,989	2,539,922
Total investment income	<u>4,512,182</u>	<u>6,877,394</u>
Contributions		
Participant contributions	1,854,885	6,475,751
Rollover contributions	116,963	328,885
Employer contributions	611,543	2,342,011
Total contributions	<u>2,583,391</u>	<u>9,146,647</u>
Interest income on notes receivable from participants	45,651	148,502
ASG Plan Transfer (Note 1)	-	6,234,517
Other income	557	9,604
Total additions	<u>7,141,781</u>	<u>22,416,664</u>
Deductions		
Benefits paid to participants	4,261,200	6,026,040
Administrative expenses	80,441	172,899
	<u>4,341,641</u>	<u>6,198,939</u>
Transfer to ADT Plan (Note 1)	93,867,459	-
Total deductions	<u>98,209,100</u>	<u>6,198,939</u>
(Decrease) Increase in net assets	(91,067,319)	16,217,725
Net assets available for benefits		
Beginning of year	91,067,319	74,849,594
End of Year	<u>\$ -</u>	<u>\$ 91,067,319</u>

The accompanying notes are an integral part of these financial statements.

Protection One 401(k) Plan

Notes to Financial Statements

April 4, 2017 and December 31, 2016 and 2015

1. Description of the Plan

The following description of the Protection One 401(k) Plan (the “Plan”) was provided for general information purposes only. Participants should refer to the Plan document for more complete information.

General

The Plan was adopted to provide eligible employees of Protection One Alarm Monitoring, Inc. and other participating employers (collectively referred to as the “Employer” or “Plan Sponsor”) a method to provide for retirement and other related benefits. The Plan was administered by the retirement committee (the “Committee”) appointed by the Employer. Vanguard Fiduciary Trust Company (“Vanguard”) served as the trustee of the Plan.

The Plan was a defined contribution plan established in accordance with Section 401(a) of the Internal Revenue Code (“IRC”) and was subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). All employees of the Employer became eligible to participate at the beginning of any calendar month after completion of 90 days of service.

On May 2, 2016, Prime Security Services Borrower, LLC (“Prime”) acquired The ADT Corporation (“ADT”). ADT survived as a wholly owned subsidiary of Prime. Effective April 4, 2017, the Plan, including all assets and liabilities held by the Plan, was legally merged with and into the ADT Corporation Retirement Savings and Investment Plan (“ADT 401(k)”) while Protection One employees became eligible to participate in the ADT 401(k) plan effective April 5, 2017. As shown on the Statement of Changes in Net Assets Available for Benefits, \$93,867,459 was transferred to the ADT 401(k).

On June 1, 2015, the Employer acquired Cam Connections, Inc. In accordance with the purchase agreement, Cam Connections, Inc. employees were eligible to participate in the plan upon the date of purchase and were credited with years of service for their period of employment with Cam Connections, Inc. in regards to vesting.

On July 1, 2015, Protection Holdings, LLC’s ownership interest was purchased by affiliates of Apollo Global Management (“Apollo”) through Prime which began operations on May 18, 2015. Additionally, on July 1, 2015 Prime purchased 100% of the outstanding stock of Alarm Security Group Holdings, LLC (“ASG”). Pursuant to the purchases, the Employer and ASG were separate wholly owned subsidiaries of Prime. During 2016, the ASG 401(k) plan had assets totaling \$6,234,517 transferred to the Plan as a result of a trustee to trustee asset merger.

Contributions

Each year, participants could contribute up to 50 percent of basic compensation, as defined in the Plan, subject to certain IRC limitations. In addition, all employees who were eligible to make elective deferrals under this Plan and had attained age 50 were eligible to make catch-up contributions in accordance with the Plan document. Catch-up contributions were not to be considered for purposes of Employer matching contributions. Participants were also able to contribute amounts representing distributions from other qualified employee benefit or defined contribution plans.

The Employer made a matching contribution to the Plan equal to 50% of the pre-tax contributions made to the Plan for the Plan year (up to 6 percent of such participant’s basic compensation, as defined by the Plan for the plan year). Matching contributions were made in the form of cash deposits remitted to the trustee. Additional amounts may have been contributed at the discretion of

Protection One 401(k) Plan

Notes to Financial Statements

April 4, 2017 and December 31, 2016 and 2015

the Board of Directors of the Employer. No such additional discretionary contributions were made for the period ended April 4, 2017 or the year ended December 31, 2016.

Investments

Participants directed the investment of their contributions and Employer contributions into various investment options offered by the Plan. The trustee was responsible for the application of investment choices made by the employee. The Plan offered twenty-three mutual funds as investment options for participants.

Participant Accounts

Individual accounts were maintained for each Plan participant. Each participant's account was credited with the participant's contribution, the Employer's matching contribution, and allocations of the Employer's discretionary contributions and Plan earnings. Participant accounts were charged with withdrawals and an allocation of Plan losses and administrative expenses. Allocations were based on participant earnings or account balances, as defined by the Plan. The benefit to which a participant was entitled was the benefit that could be provided from the participant's vested account.

Vesting

Each participant had a fully vested and nonforfeitable interest in all voluntary contributions, rollover contributions, and income earned thereon. Participants vested in Employer contributions at a rate of 20 percent for each year of service from their anniversary date, becoming fully vested after five years. Participants who terminated service for reasons other than normal retirement, death, or permanent disability prior to the completion of five years of service forfeited the nonvested portion of Employer contributions to their account.

Participant Loans

Participants were able to borrow from their fund accounts up to a maximum of \$50,000 or 50% of their vested account balance, whichever was less. All loans had to be repaid in equal installments on not less than a quarterly basis over a five-year period or in excess of five years for the purchase of a primary residence at the discretion of the Committee. The loans were collateralized by the vested balance in the participant's account and bore interest at rates consistent with interest rates charged by commercial entities for loans, which would be made under similar circumstances. Principal and interest was paid ratably through payroll deductions. Upon termination of service, outstanding participant loans were repaid from the participant's account and were deemed a distribution. Interest rates on outstanding participant loans ranged from 4.25 percent to 8.75 percent as of April 4, 2017, 4.25 percent to 8.75 percent as of December 31, 2016 and from 4.25 percent to 8.75 percent as of December 31, 2015. Maturity dates on outstanding participant loans varied through 2046.

Payment of Benefits

Upon termination of service due to death, permanent disability, or normal retirement, a participant became fully vested and entitled to 100 percent of the value of their account balance, including employer contributions and earnings thereon. If a distribution exceeding \$1,000 was required to be made to a participant and the participant did not elect to receive the distribution, the distribution would be transferred in a direct rollover to an IRA established for the benefit of the participant. In addition, if the participant's account ever exceeded \$5,000, the participant (and spouse or beneficiary, if applicable) was required to give written consent before the distribution may be made.

Protection One 401(k) Plan

Notes to Financial Statements

April 4, 2017 and December 31, 2016 and 2015

Forfeited Accounts

Forfeitures of unvested accounts were used to reduce future employer contributions or to pay administrative expenses of the Plan. During the period ended April 4, 2017, \$67,304 of forfeitures were used to pay plan expenses, while the Plan paid the remaining expense of \$13,137. During the year ended December 31, 2016, \$115,458 of forfeitures were used to pay plan expenses, while the Plan paid the remaining expense of \$57,441. During the year ended December 31, 2015, \$79,490 was used to pay Plan expenses and remaining Plan expense of \$46,699 was paid by the Plan. Employer contributions were reduced by \$95,000, \$64,120, and \$9,307 for period ended April 4, 2017 and the years ended December 31, 2016 and 2015, respectively, from forfeited nonvested accounts. The balance of forfeited nonvested accounts was \$0 at April 4, 2017, \$74,482 at December 31, 2016 and \$113,352 at December 31, 2015, respectively.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, except that benefit payments were recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America required Plan management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Risks and Uncertainties

The Plan utilized various investment instruments. Investment securities, in general, were exposed to various risks, such as interest rate risk, credit risk, currency risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it was reasonably possible that changes in the values of investment securities would occur and such changes could materially affect the amounts reported in the financial statements.

Investment Valuation and Income Recognition

The Plan's investments were stated at fair value. Fair value of a financial instrument was the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between willing market participants at the measurement date. Shares of mutual funds were valued at net asset value representing the value at which shares of the fund may be purchased or redeemed.

Purchases and sales of securities were recorded on a trade-date basis. Interest income was recorded on an accrual basis. Dividends were recorded on the ex-dividend date. Net appreciation (depreciation) is included the Plan's gains and losses on investments bought and sold, as well as held, during the year.

Management fees and operating expenses charged to the mutual funds in which the Plan invests were deducted from the respective funds income earned on a daily basis and were not separately reflected. Consequently, management fees and operating expenses were reflected as a reduction of investment return for such investments.

Protection One 401(k) Plan

Notes to Financial Statements

April 4, 2017 and December 31, 2016 and 2015

Notes Receivable From Participants

Participant loans were valued at the outstanding loan balances plus any accrued but unpaid interest. Delinquent participant loans were recorded as distributions based on the terms of the Plan document.

Administrative Expenses

Administrative expenses of the Plan were paid by the Plan to the extent of forfeitures while remaining expenses were paid by the Employer as provided in the Plan document.

A quarterly administrative fee was charged for each participant. The Plan and/or Employer paid this quarterly fee unless the Plan participant was no longer employed by the Plan Sponsor in which case the fee was automatically deducted from their account balance. This fee covered the trustee's charge for operating the plan, including, among other things, expenses involving their call center and recordkeeping and was reflected as an administrative expense in the accompanying statement of changes in net assets available for benefits.

Other administrative expenses were paid by the Plan with the exception of loan administrative charges, hardship withdrawal fees, and investment advisory fees for the Vanguard Managed Account program, which were paid by the participants utilizing those services. These charges were also reflected as administrative expenses in the accompanying statement of changes in net assets available for benefits.

Payment of Benefits

Benefit payments to participants were recorded upon distribution.

Excess Contributions Payable

The Plan was required to return contributions received during the Plan year in excess of the IRC limits. For the year ended December 31, 2016, the Plan returned \$268,913 in contributions.

New Accounting Pronouncements

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient*. Part I is not applicable to the Plan. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III is not applicable to the Plan. The ASU is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. Part II is to be applied retrospectively. The adoption of this guidance was implemented during the year ended December 31, 2016 and did not have a significant impact on the financial statements.

3. Fair Value Measurements

The Plan classified its investments into Level 1, which refers to quoted prices in active markets for identical assets that the reporting entity can access at the measurement date; Level 2, which refers to inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3, which refers to unobservable inputs for the asset or liability.

Protection One 401(k) Plan
Notes to Financial Statements
April 4, 2017 and December 31, 2016 and 2015

Assets and liabilities were classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Investments in mutual funds were valued at net asset value representing the value at which shares of the fund may be purchased or redeemed.

The following tables set forth by level within the fair value hierarchy a summary of the Plan's investments measured at fair value on a recurring basis at December 31, 2016 and 2015. The Plan had no assets at April 4, 2017 as the assets were transferred to the ADT 401(k) as explained in note 1.

Fair Value Measurements at December 31, 2016				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Mutual funds	\$ 87,278,558	\$ -	\$ -	\$ 87,278,558

Fair Value Measurements at December 31, 2015				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Mutual funds	\$ 71,585,822	\$ -	\$ -	\$ 71,585,822

For the period ended April 4, 2017 and the years ended December 31, 2016 and 2015, there were no significant transfers in or out of the levels 1, 2 or 3.

4. Investments

During the period ended April 4, 2017, the Plan's investments in mutual funds (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$4,371,193 while during the year ended December 31, 2016 the Plan's investments appreciated in value by \$4,337,472.

Protection One 401(k) Plan **Notes to Financial Statements** **April 4, 2017 and December 31, 2016 and 2015**

5. Information Certified By The Trustee

A summary of unaudited information regarding the Plan as of April 4, 2017 and December 31, 2016 and 2015, and for the period ended April 4, 2017 and the year ended December 31, 2016 was provided by the Trustee. The information was included in the Plan's financial statements and supplemental schedule that was prepared by or derived from information prepared by Vanguard and furnished to the Plan sponsor.

	2017	2016	2015
Statements of net assets available for benefits			
Mutual funds	\$ -	\$ 87,278,558	\$ 71,585,822
Notes receivable from participants	-	3,757,628	3,274,326
Statements of changes in net assets available for benefits			
Net appreciation in fair value of investments	4,371,193	4,337,472	
Interest and dividend income	140,989	2,539,922	
Interest income on notes receivable from participants	45,651	148,502	
Other income	557	9,604	

All investment balances and investment information included in Note 3, Note 4, and the supplemental schedule of assets (held at end of year December 31, 2016) were unaudited and were prepared by or derived from information certified by Vanguard.

6. Exempt Party-in-Interest Transactions

Certain Plan investments which were participant directed were shares of mutual funds managed by Vanguard. Vanguard was the trustee as defined by the Plan and, therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the mutual fund for investment management services were included as a reduction of the return earned on each mutual fund.

At April 4, 2017, the Plan held investments with Vanguard managed mutual funds of \$0.00. During the period ended 2017, the Plan purchased shares in Vanguard managed mutual funds at a cost of \$2,834,135 and sold shares valued at \$96,773,588.

At December 31, 2016, the Plan held investments with Vanguard managed mutual funds of \$85,622,390. During 2016, the Plan purchased shares in Vanguard managed mutual funds at a cost of \$9,041,604 and sold shares valued at \$6,060,815.

At December 31, 2015, the Plan held investments with Vanguard managed mutual funds of \$70,284,573. During 2015, the Plan purchased shares in Vanguard managed mutual funds at a cost of \$8,797,061 and sold shares valued at \$7,278,952.

7. Plan Termination

Although it had not expressed any intention to do so, the Employer had the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan was terminated, participants would become fully vested in their accounts.

Protection One 401(k) Plan

Notes to Financial Statements

April 4, 2017 and December 31, 2016 and 2015

As detailed in Footnotes 1 and 9, effective April 4, 2017, the Plan merged with the ADT 401(k) plan.

8. Federal Income Tax Status

The Internal Revenue Service ("IRS") has determined and informed the Employer by a letter dated July 10, 2015, that the Plan and related trust were designed in accordance with the applicable regulations of the IRC.

The Plan had been amended since receiving the determination letter. However, the Employer and Plan management continued to believe that the Plan was currently designed and operated in compliance with the applicable requirements of the IRC, and the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes had been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America required Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator analyzed the tax positions by the Plan, and concluded that as of April 4, 2017 and December 31, 2016, there were no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan was subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it was no longer subject to income tax examinations for years prior to 2013.

9. Subsequent Events

The Employer has evaluated events that have occurred through October 10, 2017, the date the financial statements were available to be issued, and noted no items other than those listed below require adjustment or disclosure within the financial statements.

On May 2, 2016, Prime Security Services Borrower, LLC ("Prime") acquired The ADT Corporation ("ADT"). ADT survived as a wholly owned subsidiary of Prime. Effective April 4, 2017, the Plan, including all assets and liabilities held by the Plan, was legally merged with and into the ADT Corporation Retirement Savings and Investment Plan ("ADT 401(k)") while Protection One employees became eligible to participate in the ADT 401(k) plan effective April 5, 2017. As shown on the Statement of Changes in Net Assets Available for Benefits, \$93,867,459 was transferred to the ADT 401(k).

Supplemental Schedules

Protection One 401(k) Plan**Form 5500, Schedule H, Part IV, Line 4a – Schedule of Delinquent Participant Contributions****December 31, 2016**

Protection One 401(K) Plan**EIN 93-1064579 / PN 001****Schedule H, line 4a – Schedule of Delinquent Participant Contributions**

December 31, 2016

Participant Contributions Transferred Late to Plan	Total that Constituted Nonexempt Prohibited Transactions			Total Fully Corrected under Voluntary Fiduciary Correction Program and prohibited transaction exemption 2002-51
	Contributions Not Corrected	Contributions Corrected Outside the Voluntary Fiduciary Correction Program	Contributions Pending Correction in Voluntary Fiduciary Correction Program	
Check here if Late Participant Loan Repayments are included: []	\$ -	\$ -	\$ -	161,782

Protection One 401(k) Plan
Form 5500, Schedule H, Part IV, Line 4i – Schedule of Assets (Held at Year End)
December 31, 2016

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor, or Similar Party	Date, Rate of Interest, Collateral, and Par or Maturity Value	Cost	Current Value***
	Franklin Balance Sheet Investment Fund	Registered Investment Company	** \$	1,656,168
*	Vanguard 500 Index	Registered Investment Company	**	12,138,029
*	Vanguard Explorer Fund	Registered Investment Company	**	1,813,489
*	Vanguard International Growth Fund	Registered Investment Company	**	4,863,421
*	Vanguard Mid-Cap Index Fund	Registered Investment Company	**	444,773
*	Vanguard PRIMECAP Fund	Registered Investment Company	**	9,231,060
*	Vanguard Prime Money Market Fund	Registered Investment Company	**	4,974,587
*	Vanguard Sm-Cap Index Fund	Registered Investment Company	**	495,897
*	Vanguard Target Retirement 2010 Fund	Registered Investment Company	**	82,822
*	Vanguard Target Retirement 2015 Fund	Registered Investment Company	**	3,044,321
*	Vanguard Target Retirement 2020 Fund	Registered Investment Company	**	2,582,416
*	Vanguard Target Retirement 2025 Fund	Registered Investment Company	**	8,418,837
*	Vanguard Target Retirement 2030 Fund	Registered Investment Company	**	3,603,616
*	Vanguard Target Retirement 2035 Fund	Registered Investment Company	**	7,504,455
*	Vanguard Target Retirement 2040 Fund	Registered Investment Company	**	2,176,737
*	Vanguard Target Retirement 2045 Fund	Registered Investment Company	**	3,516,797
*	Vanguard Target Retirement 2050 Fund	Registered Investment Company	**	1,398,187
*	Vanguard Target Retirement 2055 Fund	Registered Investment Company	**	550,820
*	Vanguard Target Retirement 2060 Fund	Registered Investment Company	**	179,680
*	Vanguard Target Retirement Income Fund	Registered Investment Company	**	1,002,254
*	Vanguard Total Bond Market Index Fund	Registered Investment Company	**	5,727,987
*	Vanguard Wellington Fund	Registered Investment Company	**	6,197,805
*	Vanguard Windsor Fund	Registered Investment Company	**	5,674,400
	Mutual Funds			<u>87,278,558</u>
*	Various participants	Loans to participants with interest rates ranging from 4.25%-8.75% with varying maturity dates through July 2046		<u>3,757,628</u>
			\$	<u>91,036,186</u>

Note: This schedule reports those assets required to be reported under ERISA section 2520.103-11 and form 5500 Schedule H, line 4i.

* Party in Interest

** Cost information is not required for participant-directed investments and therefore is not included

*** Investment information certified as to completeness and accuracy by Vanguard Fiduciary Trust Company