

Minnesota House State Government Finance Committee
583 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul, Minnesota 55155

RE: *Monterrey Security Consultants, Inc.'s Response to Maslon Report*

Dear Madame Chair and Committee Members:

On September 25, 2017, I was contacted by representatives of SMG, the company that manages US Bank Stadium. During that conversation, I was informed that SMG was terminating Monterrey's contracts to perform services at the stadium due to the "findings" of SMG's lawyers at the Maslon Law Firm contained in a report dated September 25, 2017 (the "Maslon Report"). I requested a copy of the Maslon Report. SMG refused to provide one.

On September 26, 2017, I appeared before the Minnesota Board of Private Detectives and Protective Agents (the "Board") seeking renewal of Monterrey's license to perform protective agents services in Minnesota. At that meeting, the Board informed me that they had received a copy of the Maslon Report the prior night—the same report to which I was denied access. For several hours, the Board asked me questions regarding allegations in the Maslon Report. It quickly became evident that portions of the Maslon Report were based on rumor, innuendo, and a blatant misunderstanding (or mischaracterization) of facts and law. Notwithstanding the fact that I was denied any opportunity to review or respond to the Maslon Report, the Board relied on that document and, based largely on allegations contained in the report, refused to renew Monterrey's license in blatant disregard of basic due process rights.

On October 9, 2017, Monterrey's attorneys finally received a copy of the Maslon Report from the Board, following a request for information under the Minnesota Data Practices Act. I requested that Monterrey's attorneys review the purportedly "independent"¹ Maslon Report for accuracy. Based on that review, it is clear that the Maslon Report contains a numerous instances where it misstates "facts," fails to consider material information known by its own client, and blatantly paints conjecture and speculation as "findings." Incredibly, SMG then relied on the highly suspect Maslon Report to slander Monterrey to the Board and terminate the only minority-owned security company in the NFL. This letter addresses some of the most egregious misrepresentations that Monterrey's attorneys have identified in the Maslon Report.

¹ It is important to note that the Maslon Law Firm is, and has been, SMG's advocate, law firm, and lobbyist for a number of years in Minnesota. Accordingly, the self-described "independent" nature of the report is questionable, at best.

I. The Maslon Report's Allegation That Monterrey Uses "Ambiguous Job Titles" to Avoid Complying With Minnesota Law Is Absolutely False.

The Maslon Report asserts that Monterrey used the title "Event Ambassador" to avoid compliance with Minnesota law governing protective agents. This allegation is factually inaccurate for several reasons.

First, SMG, not Monterrey, suggested use of the term "Event Ambassador." In the first few weeks of their contractual relationship, Monterrey sought approval from SMG regarding numerous details of its operations, such as uniform design, job titles, and job descriptions. During those discussions, **SMG insisted that Monterrey use a term other than "security" on its employees' uniforms and both suggested and approved Monterrey's use of the title "Event Ambassador" for all of its game-day employees, including protective agents. (Exhibit 1)** Moreover, the security company that replaced Monterrey uses a similar term on its employees' uniforms. Accordingly, the Maslon Report's criticism of the term "Event Ambassador" is actually a criticism of its own client.

Second, Monterrey did not use the term "Event Ambassador" as a replacement for titles like "security" or "protective agent." Rather, as Maslon knows, all of Monterrey's event-day employees were referred to as "Event Ambassadors." The term "Event Ambassador" has no impact on whether a Monterrey employee was or was not a protective agent, or whether or not Monterrey staffed that position with a protective agent. In fact, **approximately 300 of Monterrey's "Event Ambassadors" were qualified protective agents at the time of the Maslon Report.**

Finally, the Maslon Report suggests that Monterrey was hired to perform security at US Bank Stadium and, therefore, scoffs at the notion that many of Monterrey's employees were actually non-security, guest-service employees. In doing so, the Maslon Report wholly ignores the fact that **SMG specifically requested that Monterrey take over approximately 200 of its own "Guest Experience" positions over the course of the contract because SMG was unable to adequately staff those positions.** If those job positions were non-protective agent roles when staffed by SMG (which does not carry a Minnesota protective agent license), then they clearly remained customer service positions after Monterrey took responsibility for them. Furthermore, Monterrey offered to take over SMG's management of the stadium's off-duty police presence—the only armed protective agents in the stadium. Monterrey made this offer, in part, out of concern that SMG was managing the stadium's armed protective agents without a license. To Monterrey's knowledge, SMG remains unlicensed.

In sum, the Maslon Report's failure to acknowledge and analyze these and other critical facts that were well-known to its own client, draws into question both the purported objectivity and reliability of the entire report. Moreover, the Maslon Report relies heavily on its

misunderstanding regarding what “Event Ambassadors” are throughout its report and bases numerous other “findings” about Monterrey’s employment practices on that misunderstanding, thus leading to a variety of errors throughout the report.

II. The Maslon Report’s Assertion That Every Monterrey Employee Must Pass a Background Check is Wrong.

Under Minnesota law, people are not disqualified from working for Monterrey solely because they have a criminal history. Rather, only individuals performing protective agent services must satisfy statutory requirements regarding criminal histories. The Maslon Report does not recognize the distinction between protective agents and non-protective agents in Monterrey’s employ. Rather, it draws the inaccurate conclusion (based on its misunderstanding of “Event Ambassadors” discussed above) that since Monterrey provided security services, all of its employees must be protective agents. Based on this mischaracterization, Maslon “found” that Monterrey improperly failed to perform background checks on a number of its employees. However, Minnesota law only requires background checks for individuals who perform protective agent duties. With few exceptions, Monterrey complied with that obligation.

III. SMG Was Fully Aware that Monterrey Was a Second-Chance Employer.

The Maslon Report incorrectly asserts that Monterrey’s employment of certain individuals with criminal histories was legally improper. This “finding” blatantly ignores the fact that the MSFA, the Vikings, and SMG all knew that Monterrey employed individuals with certain criminal histories to perform non-protective-agent roles. Indeed, Monterrey’s status as a second-chance employer was a point of emphasis when Monterrey bid to provide services at US Bank Stadium. Monterrey President Juan Gaytan specifically informed the MSFA, the Vikings, and SMG that Monterrey is a second-chance employer, and that non-protective agent positions could potentially be held by people with otherwise disqualifying criminal histories.

Moreover, Monterrey’s hiring practices are consistent with the Minnesota Legislature’s Equity Program, which was created to ensure that women and members of minority communities are strongly considered in the design, development, construction, management, operation, maintenance, and repair of US Bank Stadium.² Indeed, this was a key element of the so called “Stadium Bill.” In bidding for the US Bank Stadium contract, Monterrey championed disenfranchised members of the Twin Cities’ community, including women, minorities, and individuals seeking second chances. Monterrey’s attempts to employ people with non-violent criminal histories in non-security positions constituted an effort to ensure that its operations

² See Minn. Stat. § 473J.12; Minnesota Sports Facilities Authority web site: http://www.msfa.com/detail.cfm/page/msfaSite_QHAFKNZD_ADWPNMGO/.

were conducted consistent with Minnesota law, the Minnesota Legislature's Equity Program, and its representations of being an employer of individuals from disenfranchised communities.³

In the end, the Maslon Report's attempt to admonish Monterrey for its employment of certain people with criminal backgrounds amounts to a pretextual justification to terminate its contract with Monterrey. Although Monterrey employed certain individuals with criminal histories to perform non-protective agent jobs, doing so is allowed under Minnesota law. After all, the Board does not have any authority over any person or entity acting in any capacity other than a protective agent (or private detective).⁴ With only two exceptions (described immediately below), Monterrey never employed individuals with material criminal histories to serve as protective agents, and its employment of other individuals in non-security roles was entirely consistent with Monterrey's advertised dedication to being a second-chance employer and employer of individuals from disenfranchised communities.

IV. Only 2 of Monterrey's Protective Agents Were Disqualified Due to Their Criminal History.

The Maslon Report purports to "find" that 242 Monterrey employees failed some form of a criminal background check. This "finding" is patently false. In reality, of the hundreds of Monterrey employees who served as protective agents in Minnesota, only two actually failed background checks in a manner that would disqualify them from employment.

First, the Maslon Report falsely alleges that 169 individuals employed as "event staff" failed a background check run through a private background check service, Oracle.⁵ In reality, only a small fraction of those individuals actually had a material criminal record, and none of them served as protective agents. In an e-mail to David Suchar of the Maslon law firm on September 15, 2017, Monterrey's Minnesota legal counsel explained that Monterrey employed 169 individuals that it referred to as "Legacy Employees."⁶ This e-mail further explained that Legacy Employees are individuals who, for any variety of reasons, have not passed a Minnesota Bureau of Criminal Apprehension ("BCA") background check to qualify for consideration as a

³ Although Maslon's client (SMG) was well aware of the staffing classifications, neither it, nor the Board, ever communicated its disagreement prior to the non-renewal of Monterrey's license.

⁴ Further, Monterrey has its own internal policy whereby it will not hire individuals for any position if such individual has committed a specific criminal offense. Monterrey does not hire individuals for any position who have a criminal history of: murder, attempted murder, any type of sexual offense, battery, abuse or assault, home invasion, theft, hijacking, possession of stolen goods/property, burglary or robbery, fleeing police, resisting arrest/police, escaping custody, any weapon charge, terrorism, kidnapping. Monterrey's Human Resources Director also may review additional criminal histories on a case-by-case basis.

⁵ Monterrey's use of Oracle background checks is discussed in more detail, below.

⁶ The Legacy Employees include individuals who either subsequently failed a BCA background check, did not fully complete a fingerprint card for submission to the BCA, provided a fingerprint card with an electronic instead of an ink signature, or simply were not submitted to the BCA for a background check for some other reason.

protective agent. Monterrey further explained that “only a fraction of those employees actually have a disqualifying event on their background check (whether from Oracle, ADP, or the BCA).” Maslon apparently ignored this explanation and also failed to conduct its own review of the Oracle background checks that Monterrey provided to it. Instead, it falsely stated that all 169 Legacy Employees failed a background check.

Second, Maslon alleges that “Monterrey also employed 73 additional people whose BCA background checks disqualified them from working in a protective agent position.” (Maslon Report at 14) As noted above, Monterrey has only ever employed **two** individuals as protective agents whose criminal history disqualified them from their positions. At one point, Monterrey self-disclosed to the Board and Maslon that it believed it had employed five individuals as protective agents who were disqualified from performing those services. As it turns out, Monterrey’s self-disclosure overstated the issue, as only two of its protective agents were actually disqualified from performing such services as a result of their adult criminal record.⁷ The other three individuals Monterrey self-identified had committed criminal offenses as minors, and were approved to serve as protective agents by the FBI. Neither the Board nor the Maslon Report have identified *any* other employees that illegally worked as protective agents.

Maslon’s assertion that Monterrey hired as many as 242 employees who were disqualified from performing their job duties is patently false. Further, even if Monterrey had employed 242 individuals who failed background checks, doing so would have only been illegal if they had performed protective agent duties. This was not the case, as Monterrey employed Legacy Employees to perform only customer service roles.

V. Monterrey’s Use of Oracle Did Not Violate Minnesota Law and Monterrey Was Not Required to Submit Fingerprints to the BCA for Non-Protective Agents.

The Maslon Reports admonishes Monterrey’s use of Oracle as an initial step for conducting background checks. This attack is a red herring. Monterrey did not use Oracle as an alternative to the statutorily required BCA/FBI background check for protective agents. Rather, as Monterrey explained to both the Board and Maslon, it initially used Oracle checks **in addition** to BCA/FBI background checks as part of a two-step process to vet protective-agent candidates. Specifically, Monterrey first submitted information regarding all candidates to Oracle, a private pre-employment background screening company. Monterrey maintained a policy that applicants who passed the Oracle screening would subsequently have their fingerprints submitted to the BCA and FBI for a full background check so they could be considered for

⁷ Of the two individuals who were actually disqualified from performing the services of a protective agent, one performed protective agent services for four months and the other performed protective agent services for six months before being transferred or terminated.

protective agent positions. If an individual failed the Oracle background check, Monterrey would review the criminal event that led to disqualification under the protective agent statute and would consider whether that person remained eligible for a non-security role under Monterrey's internal second-chance policies. In other words, Monterrey's use of Oracle as an additional layer of performing background checks was entirely appropriate.

The Maslon Report also "found" that it was improper for Monterrey to hire various individuals without first running a BCA/FBI background check on them. As described above, however, Monterrey is not required to submit BCA fingerprint checks for employees that are not performing protective agent duties. While it was Monterrey's intent to complete full background checks on all employees, it did not have any obligation under Minnesota law to run background checks on individuals performing non-security functions. Nonetheless, Monterrey continually refined its hiring processes with a goal of performing background checks on **all new hires**, regardless of position. Monterrey took many of these steps of its own accord before receiving any indication from the Board that any perceived problems existed.

VI. Monterrey Used the Same Strategies for Employing Experienced Workers as SMG, and SMG was Fully Aware of and Approved Such Practices.

The Maslon Report "found" that Monterrey brought in out-of-state employees to ensure proper staffing at US Bank Stadium. However, SMG and the MSFA were well aware of, and expressly approved, Monterrey's ability to bring in additional employees to meet employee quotas at US Bank Stadium. E-mail correspondence between SMG, the MSFA, and Monterrey confirm such knowledge, and SMG expressly indicated that SMG and Aramark also conducted similar practices:

It is industry practice to bring in visiting managers to assist with the planning process and are regularly brought to assist with major events. The commitment to provide experienced staff from other venues to help with these early events, was part of the agreements we reached when SMG, Monterrey and Aramark were hired. It is a major benefit for the on-site training of local staff to paid with experienced staff from other venues.

E-mail by the Minnesota Sports Facilities Authority, August 5, 2016. (**Exhibit 2**)

To be clear Monterrey [sic] was employing the same tactic as Aramark and SMG. We brought in our best staff (20) to provide support not to supplement staff. Aramark did the same thing. They brought in 35 managers.

E-mail by Leonard Bonacci, SMG, August 5, 2016. (Exhibit 2)

Patrick Talty of SMG was also well aware of this practice, writing, “Monterrey brought in 75 experienced workers and 15 managers.”

E-mail by Patrick Talty, SMG, August 5, 2016. (Exhibit 2)

Moreover, Monterrey has received reports that the company that replaced it, and currently provides security services at US Bank Stadium, continues to bus in numerous (perhaps hundreds of) employees from out of state for each home Vikings game.

The Maslon Report’s publication of such sweeping and general assumptions, which are wholly inaccurate and unsupported by any cited facts, is a clear abuse of power and further discredits the Maslon Report.⁸

VII. The Maslon Report Alleges that Monterrey Lacks Transparency and Did Not Make Timely Disclosures to SMG or the Board.

The Maslon Report makes the wild accusation that Monterrey failed to cooperate with SMG and the Board’s investigation, and even suggests that Monterrey attempted to interfere with those investigations. (Maslon Report at 3, 28) Remarkably, the Maslon Report bases these serious accusations on vague allegations that Monterrey “downplayed its violations of Minnesota law” in written responses to questions, and provided “piecemeal” documents in response to voluminous requests for information. Notably, the Maslon Report does not identify a single instance in which either SMG or the Board requested information and Monterrey refused to provide it. Moreover, the Maslon Report does not even acknowledge the massive amount of information that Monterrey did provide, and the tight timelines on which it produced information to both SMG and the Board. In short, the Maslon Report’s criticism of Monterrey’s cooperation in the Board and SMG investigations is baseless.

A. Monterrey Quickly Produced All Information Requested by the Board.

On May 10, 2017, Monterrey received a letter from the Board informing it that three former employees had lodged complaints with the Board regarding Monterrey’s employment practices. From that day forward, Monterrey timely and completely responded to all inquiries

⁸ Further discrediting the Maslon Report is its “conclusion” that all individuals who were bused in from Chicago performed protective agent functions, therefore meaning that Monterrey was allowing individuals to work as protective agents without completing Minnesota BCA background checks. The Maslon Report provides no support for the assumption other than the Maslon attorneys’ misunderstanding and mischaracterization of Minnesota’s requirements for the types of tasks that must be performed by protective agents.

and requests for information from the Board, including: executing releases to allow the Board to access information about Monterrey from other sources; producing thousands of pages of documents regarding its hiring, background check, and training procedures; drafting dozens of pages of narrative explanation regarding Monterrey's operations; and executing releases to allow the Board to contact any Monterrey employee or former employee, among other things.

Contrary to the Maslon Report's allegations, Monterrey is not aware of a single instance in which it failed to provide timely or accurate information to the Board. Rather, Monterrey responded to all Board requests and even voluntarily self-reported information to the Board that Monterrey discovered during its own internal audit process. As a result of these efforts, the Board's Executive Director, Greg Cook, repeatedly thanked Monterrey and its counsel for their cooperation in the process and on several occasions commended Monterrey for its thoroughness and responsiveness in complying with the Board's requests.

B. Monterrey Exceeded all Contractual Obligations Owed to SMG Regarding the Production of Information and Fully Cooperated in the Maslon Investigation.

The Maslon Report asserts that Monterrey also failed to provide SMG with all requested information or otherwise cooperate with the Maslon investigation. (Maslon Report at 3, 28-29) Once again, the Maslon Report provides no specific examples to support this accusation. Notably, Maslon acknowledges that SMG's sole right to obtain information from Monterrey derives from the "Audit and Review" clause in the parties' respective contracts. That provision, which expressly addresses SMG's right to audit and reconcile billing records, does not provide SMG with *carte blanche* authority to review Monterrey's employment, training, and background records. Indeed, in public testimony before the Minnesota House of Representatives' State Government Finance Committee on October 12, 2017, SMG's Minnesota General Manager, Patrick Talty, acknowledged that SMG has implemented more comprehensive "audit" provisions in their new security agreements with Monterrey's successors, a likely indication that SMG understood that the audit provision in Monterrey's contracts did not provide SMG with the right to review all of the employment records it requested.

Notwithstanding SMG's limited right to review Monterrey's employment information, Monterrey openly participated in the Maslon investigation. On June 14, 2017, Maslon contacted Monterrey's attorneys for the first time to introduce themselves. By the following day, Monterrey's attorneys began providing information to Maslon, first in the form of background information in telephone calls, and subsequently in the form of employee interviews and the production of substantial documentation. Between June and September 2017, Monterrey provided Maslon, among other things: all information produced to the Board, as described above; Oracle background checks; narrative responses to written questions;

written descriptions for all Monterrey event staff positions; narrative descriptions of Monterrey's hiring and employment practices; and executed releases to allow Maslon to interview certain former employees. In sum, Monterrey provided the Maslon attorneys with every document they requested, and allowed Maslon to interview numerous Monterrey employees. The Maslon Report's assertion that Monterrey was anything other than cooperative and compliant in the SMG investigation is blatantly false.

C. Monterrey Went Out of its Way to Permit and Encourage Current and Former Employees to Cooperate with the Board and SMG Investigations.

The Maslon Report alleges that Monterrey interfered with SMG's investigation by preventing its former general manager, Donald Banham, from speaking with SMG or others. This allegation is baseless.

In May 2017, Monterrey learned that Mr. Banham had spoken directly with Monterrey's contractual partners in Minnesota and disseminated false information to them, damaging Monterrey's reputation. In addition, Monterrey had strong evidence to suggest that Mr. Banham had contacted Minnesota media outlets and disseminated similar false information about Monterrey. Accordingly, on May 25, 2017, Monterrey wrote to Mr. Banham and reminded him of his contractual confidentiality obligations and common law obligations. In doing so, Monterrey was cautious, and did not want to create any impression that it was attempting to deter Mr. Banham from participating in any legal investigation of Monterrey. Accordingly, Monterrey wrote: "Monterrey understands that you may have communicated with government agencies regarding your employment with the company, and it has no intention of interfering with any truthful statements made by you to any government agency." (**Exhibit 3**)

Similarly, on July 13, 2017, Maslon requested that Monterrey sign written release, waiving confidentiality agreement with respect to Donald Banham, and permitting Maslon to speak to Mr. Banham. On July 14, Monterrey gave its consent to that arrangement. Within days, Monterrey executed an agreement releasing Mr. Banham from his confidentiality obligations for purposes of allowing him to speak with Maslon. (**Exhibit 4**)

Aside from these communications—both of which permitted, and even encouraged, Mr. Banham to participate in the Maslon and Board investigations—Monterrey had no contact with Mr. Banham. Accordingly, any suggestion in the Maslon Report that Monterrey interfered with Maslon's ability to speak with Mr. Banham is false.

VIII. The Maslon Report's "Findings" Related to Monterrey's License Application Are Wrong.

The Maslon Report contains a gross number of inaccurate and mischaracterized "findings" related to Monterrey President Juan Gaytan's public service history as a police officer. First, The Maslon Report alleges that Mr. Gaytan was "found guilty" of certain charges. In reality, Mr. Gaytan faced criminal charges in 1995 for two related incidents involving accusations made by known Chicago gang members while Mr. Gaytan was a sworn police officer. Mr. Gaytan disputed the charges, presented his defense in court, and was ultimately found not guilty of any and all criminal wrongdoing. Thereafter, a judge expunged those records from Mr. Gaytan's history. **(Exhibit 5)** In other words, Mr. Gaytan was fully exonerated of all criminal charges.

After Mr. Gaytan was acquitted of all criminal charges, the city brought a police disciplinary hearing against him based on the same factual allegations as the criminal case in which he was acquitted. Mr. Gaytan was temporarily suspended, pending the outcome of the action. Mr. Gaytan again opposed the allegations. At the conclusion of the administrative hearing, the Chicago Police Department immediately reinstated Mr. Gaytan as a police officer and reimbursed Mr. Gaytan for back-pay that had accrued for the vast majority of the time that he was on suspension pending the investigation and outcome of the proceedings. Mr. Gaytan fully explained these incidents in a written response to the Board after Monterrey's June 30, 2015, license hearing before the Board. **(Exhibit 6)** At the subsequent Board hearing in July 2015, the Board granted Monterrey a license, as it was satisfied with Mr. Gaytan's written response.

Following his exoneration, Mr. Gaytan continued his public duty with the Chicago Police Department until 2001, when he voluntarily went on leave to focus his time and efforts on growing Monterrey. In 2002, while Mr. Gaytan remained on voluntary leave, an administrative file was opened after a claim was made about a separate situation which was alleged to have occurred more than eight years prior. By now, Monterrey was rapidly growing, and Mr. Gaytan decided to fully devote himself to the company. Accordingly, rather than continue his career as a police officer, Mr. Gaytan resigned from the Chicago Police Department. As a natural result of his resignation, the second investigation was terminated.

Second, the Maslon Report accuses Mr. Gaytan of lying about his service to the Bridgeview, IL police department. (Maslon Report at 27) This allegation is slanderous. In reality, a simple phone call to the Bridgeview Police Department would have been sufficient to confirm Mr. Gaytan's active police service there. As noted in the attached letter from the Chief of Police of the Village of Bridgeview, Mr. Gaytan is "a current member of The Bridgeview Police Department" and, were it not for his other commitments, they would like him to work more. **(Exhibit 7)**

The Maslon Report's allegations that Mr. Gaytan was found "guilty" of wrongdoing as a police officer and that he lied about his police service is wholly inaccurate. Rather than being an "independent" search for truth, as Maslon characterizes its own work, the Maslon Report appears to be an attempt to assassinate Mr. Gaytan's character based on inaccurate or incomplete facts.

IX. The Maslon Report Grossly Overstates Any Alleged "Overbilling Practices."

The Maslon Report alleges that "Monterrey has employed questionable billing practices" and that Monterrey's invoices "may involve severe incidences of overbilling which would constitute fraud and/or criminal activity." (Maslon Report at 3, 29) These allegations are so unsupported by fact and are so premature that they are, at best, reckless.

From the time Monterrey was awarded contracts to perform services at US Bank Stadium in March 2016 through the time it was terminated in late September 2017, Monterrey always invoiced SMG in the same manner. In every instance, SMG received Monterrey's invoices, presumably reviewed them for accuracy, and approved them for payment. Likewise, throughout their contractual relationship, SMG issued directives to Monterrey regarding the number of staff needed at events and SMG was present at those events, performing both general stadium supervision and head-counts of Monterrey employees. Indeed, it was common for either SMG or concert promoters to perform a staffing count to ensure adequate numbers before opening the gates to the public. In other words, SMG knew, or had the ability to know, exactly how many people Monterrey staffed at events throughout their relationship.

In the midst of the Maslon investigation, counsel for SMG notified Monterrey that a recent Monterrey invoice contained the name of a convicted felon. Within hours, Monterrey investigated the issue and reported that the individual's inclusion on the invoice was an error. Moreover, Monterrey undertook a more detailed review of recent invoices and reported to SMG that it had apparently experienced a software issue whereby employee rosters submitted in support of recent invoices were incorrectly populated with employee names from an earlier timeframe. As a result, the amounts Monterrey billed SMG were accurate, but some of the names on the employee rosters were not. Monterrey also provided SMG with payroll reports for the events in question to allow SMG to verify staffing.

The parties' contracts expressly permit SMG to conduct audits to ensure proper billing, and Monterrey has repeatedly expressed a desire to work with SMG to ensure that all billing has been appropriate and accurate. However, SMG has not even elected to exercise its contractual right to perform an audit. Instead, Maslon has elected to publicly accuse Monterrey of "severe incidences of overbilling" and even "criminal activity" without performing so much as a billing audit before making those allegations. Maslon's statements in a public forum are irresponsible.

CONCLUSION

While Monterrey made some mistakes in training and allowed two individuals with disqualifying criminal histories to work as protective agents, many of the foundational allegations in the Maslon Report are simply inaccurate. Among other things, the Maslon Report blames Monterrey for decisions made by SMG, bases its conclusions on a misunderstanding of critical facts and law, ignores critical information in the possession of its own client, and makes sweeping conclusory statements about Monterrey without presenting any factual support for them. Accordingly, the Maslon Report is unreliable in many respects.

Sincerely,



Juan Gaytan

President

Exhibit 1

Subject:

FW: Uniform Examples

From: Billy Langenstein [<mailto:blangenstein@smgm.com>]

Sent: Wednesday, March 23, 2016 4:52 AM

To: Juan Gaytan; Marlon Gonzalez

Cc: Toyya Lassere; Steven Gaytan; Matt Dutton; Dan Ramos; Patricia Gaytan Perez; Michael Boyle

Subject: RE: Uniform Examples

Good Morning Juan-

Thank you for sending this over.

Are we able to place the U.S. Bank Logo on the front left chest of each uniform. I would like to place your logo on the right sleeve mid-way up if possible. For all of our uniforms, we will have the U.S. Bank Logo on the front left chest and the "SMG" logo on the right sleeve mid-way up on both our gingham shirts, jackets and polos.

For our polos, parkas and jackets we will have a screen print on the backs of each of these jacket with either "Supervisor" or "Fan Ambassador", hence why we put our logo on the sleeve instead of the back.

If you are looking at screening printing on the back of your polos or jackets, I really prefer not to have the word "Security" on the back. "Event Staff" is also very traditional, so I was hoping for something a little bit more creative if possible.

Please let us know your thoughts and what you are thinking. Thank you again for your help and time with this.

If you have any questions, please let me know.

Have a great day,

Billy

From: Juan Gaytan [<mailto:jgaytan@monterreysecurity.com>]

Sent: Tuesday, March 22, 2016 4:24 PM

To: Marlon Gonzalez <mgonzalez@smgm.com>

Cc: Toyya Lassere <tlassere@smgm.com>; Billy Langenstein <blangenstein@smgm.com>; Steven Gaytan <steveng@monterreysecurity.com>; Matt Dutton <mdutton@monterreysecurity.com>; Dan Ramos <dramos@monterreysecurity.com>; Patricia Gaytan Perez <pgperez@monterreysecurity.com>; Michael Boyle <mboyle@monterreysecurity.com>

Subject: FW: Uniform Examples

Hello Marlon,

This is the proposed Club and suite uniform for US Bank Stadium. We will be sending the general event staff proposed uniform...

JG



Thank you,

Juan Gaytan, Jr.
President
Monterrey Security
2232 S. Blue Island Ave.
Chicago, IL 60608

From: Michael Boyle
Sent: Tuesday, March 22, 2016 1:00 PM
To: Juan Gaytan
Subject: Uniform Examples

Juan-

Attached please find uniform samples for the vest and red checkered dress shirt.

Please let me know if you have any questions

Thank you,

Michael H. Boyle
Director of Event Services
Monterrey Security
2232 S. Blue Island Ave
Chicago, IL 60608
O. 773-843-0434 x405
C. 312-656-5596



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Subject:

FW: Event Staff Uniform Examples

From: Billy Langenstein [<mailto:blangenstein@smgm.com>]

Sent: Thursday, March 24, 2016 11:01 AM

To: Juan Gaytan

Subject: RE: Event Staff Uniform Examples

The Monterrey Event Ambassador on the back works for me. Nice touch.

Got it. I need to put the U.S. Bank Stadium logo on the front left chest of these jackets and polos. Your logo should be on the right sleeve.

With regards to the beanies, I would like the U.S. Bank Stadium logo on the front and you can have the Monterrey logo on the back.

This is something that all of our partners at U.S. Bank Stadium will do. This creates consistency amongst our uniforms and is part of our overall SKOL Service program.

Thanks,

Billy

From: Juan Gaytan [<mailto:jgaytan@monterreysecurity.com>]

Sent: Thursday, March 24, 2016 10:56 AM

To: Billy Langenstein <blangenstein@smgm.com>

Subject: FW: Event Staff Uniform Examples

This is the universal uniform that is made....

Thank you,

Juan Gaytan, Jr.

President

Monterrey Security

2232 S. Blue Island Ave.

Chicago, IL 60608

From: Michael Boyle

Sent: Thursday, March 24, 2016 10:55 AM

To: Juan Gaytan

Subject: Fwd: Event Staff Uniform Examples

Thank you,

Michael H. Boyle
Director of Event Services
Monterrey Security
2232 S. Blue Island Ave
Chicago, IL 60608
O. 773-843-0434 x405
C. 312-656-5596

Begin forwarded message:

From: Michael Boyle <mboyle@monterreysecurity.com>
Date: March 22, 2016 at 5:03:16 PM CDT
To: Juan Gaytan <jgaytan@monterreysecurity.com>
Subject: Event Staff Uniform Examples

Juan-

Attached please find the uniform examples for Event Staff

Please let me know if you have any questions

Thank you,

Michael H. Boyle
Director of Event Services
Monterrey Security
2232 S. Blue Island Ave
Chicago, IL 60608
O. 773-843-0434 x405
C. 312-656-5596

Exhibit 2

Subject:

FW: Imported workers?

-----Original Message-----

From: Patrick Talty [mailto:ptalty@usbankstadium.com]

Sent: Friday, August 05, 2016 3:07 PM

To: Jennifer Hathaway

Cc: Leonard Bonacci; Lisa Niess; Michele Kelm-Helgen; Juan Gaytan

Subject: Re: Imported workers?

It's really about the same call. There are only minor difference for Juans group.

Sent from my iPhone

> On Aug 5, 2016, at 2:56 PM, Jennifer Hathaway <jenn.hathaway@msfa.com> wrote:

>

> Rochelle would like to know how many security staff we had for the soccer game on Wednesday? And how many do we plan on having for an NFL game?

>

>> On Aug 5, 2016, at 2:45 PM, Patrick Talty <ptalty@usbankstadium.com> wrote:

>>

>> Monterrey brought in 75 experienced workers and 15 managers.

>>

>>

>>

>>

>>> On 8/5/16, 2:43 PM, "Jennifer Hathaway" <jenn.hathaway@msfa.com> wrote:

>>>

>>> So I can say that:

>>> SMG brought in 20 managers, Aramark brought in 35 managers, and Monterrey brought in 75 experienced workers and managers to train the local staff.

>>>

>>>

>>> Jenn Hathaway | Director of Communications | | 612-335-3308 - o | 612-816-1710 - c

>>>

>>>

>>> -----Original Message-----

>>> From: Leonard Bonacci [mailto:lbonacci@smgworld.com]

>>> Sent: Friday, August 5, 2016 2:41 PM

>>> To: Patrick Talty <ptalty@usbankstadium.com>; Jennifer Hathaway <jenn.hathaway@msfa.com>; Lisa Niess <lniess@usbankstadium.com>

>>> Subject: RE: Imported workers?

>>>

>>> To be clear Monterrey was employing the same tactic as Aramark and SMG. We brought in our best staff (20) to provide support not to supplement staff. Aramark did the same thing. They brought in 35 managers.

>>>

>>> -----Original Message-----

>>> From: Patrick Talty [mailto:ptalty@usbankstadium.com]

>>> Sent: Friday, August 05, 2016 3:38 PM

>>> To: Jennifer Hathaway; Lisa Niess; Leonard Bonacci

>>> Subject: Re: Imported workers?

>>>

>>> Jenn,

>>> As I told Michele Monterrey brought in experienced workers and mangers to train the local staff.'

>>> Thanks

>>>



>>>
>>>
>>>
>>>
>>>> On 8/5/16, 2:36 PM, "Jennifer Hathaway" <jenn.hathaway@msfa.com> wrote:
>>>>
>>>>
>>>> See below
>>>>
>>>> Begin forwarded message:
>>>>
>>>> From: "Olson, Rochelle" <Rochelle.Olson@startribune.com<mailto:Rochelle.Olson@startribune.com>>
>>>> Date: August 5, 2016 at 2:32:00 PM CDT
>>>> To: Jennifer Hathaway <jenn.hathaway@msfa.com<mailto:jenn.hathaway@msfa.com>>
>>>> Subject: RE: Imported workers?
>>>>
>>>> I'm not talking about a few senior managers, I'm talking about reporters of workers brought in - ushers and ticket takers.
>>>>
>>>> So how many senior managers did they bring in? How many workers did they bring in?
>>>>
>>>> -----Original Message-----
>>>> From: Jennifer Hathaway [mailto:jenn.hathaway@msfa.com]
>>>> Sent: Friday, August 05, 2016 2:30 PM
>>>> To: Olson, Rochelle
>>>> Subject: Re: Imported workers?
>>>>
>>>> Statement from MSFA:
>>>>
>>>> SMG, Aramark and Monterrey Security all had senior managers at U.S. Bank Stadium from other facilities to help train staff during our first event on Wednesday, August 3.
>>>> It is industry practice to bring in visiting managers to assist with the planning process and are regularly brought to assist with major events. The commitment to provide experienced staff from other venues to help with these early events, was part of the agreements we reached when SMG, Monterrey and Aramark were hired. It is a major benefit for the on-site training of local staff to pair with experienced staff from other venues.
>>>> On Aug 5, 2016, at 1:33 PM, Olson, Rochelle
>>>> <Rochelle.Olson@startribune.com<mailto:Rochelle.Olson@startribune.com>><mailto:Rochelle.Olson@startribune.com>>
>>>> wrote:
>>>>
>>>>
>>>> Look, it's been five hours since I inquired and I've talked to my editors now. I've got people telling they had encounters with workers -- sounds like security and/or ticket takers (but not front-line concessions people) from out of state. The fact that you guys aren't denying it, indicates it's true. I'm putting together a story now that talks about these reports as well as MSFA's inability to respond for more than five hours as well as the fact that your vendors didn't return calls.
>>>>
>>>>
>>>> -----Original Message-----
>>>> From: Jennifer Hathaway [mailto:jenn.hathaway@msfa.com]
>>>> Sent: Friday, August 05, 2016 12:37 PM
>>>> To: Olson, Rochelle
>>>> Subject: RE: Imported workers?
>>>>
>>>> Should have you something soon.
>>>>
>>>> Jenn Hathaway | Director of Communications || 612-335-3308 - o | 612-816-1710 - c
>>>>
>>>>
>>>> -----Original Message-----
>>>> From: Olson, Rochelle [mailto:Rochelle.Olson@startribune.com]
>>>> Sent: Friday, August 5, 2016 12:29 PM

>>>> To: Jennifer Hathaway
 <jenn.hathaway@msfa.com<mailto:jenn.hathaway@msfa.com><mailto:jenn.hathaway@msfa.com>>
 >>>> Subject: RE: Imported workers?
 >>>>
 >>>> So I take it workers were brought in from elsewhere or the answer would have been no?
 >>>>
 >>>> -----Original Message-----
 >>>> From: Jennifer Hathaway [mailto:jenn.hathaway@msfa.com]
 >>>> Sent: Friday, August 05, 2016 12:20 PM
 >>>> To: Olson, Rochelle
 >>>> Subject: Re: Imported workers?
 >>>>
 >>>> Should have you something soon.
 >>>>
 >>>> On Aug 5, 2016, at 12:02 PM, Olson, Rochelle
 <Rochelle.Olson@startribune.com<mailto:Rochelle.Olson@startribune.com><mailto:Rochelle.Olson@startribune.com>>
 wrote:
 >>>>
 >>>> Do we have an ETA on this information? I need to get going on the story if it's true.
 >>>>
 >>>> -----Original Message-----
 >>>> From: Jennifer Hathaway [mailto:jenn.hathaway@msfa.com]
 >>>> Sent: Friday, August 05, 2016 8:24 AM
 >>>> To: Olson, Rochelle; Lisa Niess; David Freireich; Jamie Hodgson
 >>>> Subject: RE: Imported workers?
 >>>>
 >>>> Rochelle,
 >>>> Got your email.
 >>>> Will get back to you.
 >>>> Jenn
 >>>>
 >>>> Jenn Hathaway | Director of Communications | | 612-335-3308 - o | 612-816-1710 - c
 >>>>
 >>>>
 >>>> -----Original Message-----
 >>>> From: Olson, Rochelle [mailto:Rochelle.Olson@startribune.com]
 >>>> Sent: Friday, August 5, 2016 8:15 AM
 >>>> To: Lisa Niess <lniess@smgm.com<mailto:lniess@smgm.com><mailto:lniess@smgm.com>>>; Jennifer
 Hathaway <jenn.hathaway@msfa.com<mailto:jenn.hathaway@msfa.com><mailto:jenn.hathaway@msfa.com>>>; David
 Freireich <Freireich-David@aramark.com<mailto:Freireich-David@aramark.com><mailto:Freireich-
 David@aramark.com>>>; Jamie Hodgson <hodgson-jamie@aramark.com<mailto:hodgson-
 jamie@aramark.com><mailto:hodgson-jamie@aramark.com>>>
 >>>> Subject: Imported workers?
 >>>>
 >>>> Good morning all,
 >>>> Not sure who's allowed to speak today, but I'm hearing somebody had to import workers for the soccer game --
 ticket takers and ushers?
 >>>> I'm interested in the details on that: who, when, why, how many, etc.
 >>>> thanks
 >>>>
 >>>> Rochelle Olson
 >>>> Star Tribune reporter
 >>>> 612-202-6487

Exhibit 3



May 25, 2017

Gerald H. Fornwald
Direct Dial: (612) 604-6584
Direct Fax: (612) 604-6984
gfornwald@winthrop.com

VIA E-MAIL AND U.S. MAIL
(drbanham@charter.net)

Donald R. Banham, Jr.
18108 Jarl Ct.
Lakeville, MN 55044

Re: Cease and Desist Dissemination of Confidential Information and Defamatory Statements
Regarding Monterrey Security Consultants, Inc.

Dear Mr. Banham:

Monterrey Security Consultants, Inc. ("Monterrey") has engaged this law firm to represent it with respect to various actions you have taken in violation of contractual and common law duties that you owe to Monterrey. Specifically, Monterrey has learned that you have disclosed confidential information regarding its business practices, have made false and defamatory statements about Monterrey to third parties, and have interfered in Monterrey's business relationships with some of its most critical business partners. In the event you do not immediately cease and desist from making any further statements about Monterrey to third parties, your actions could subject you to substantial civil liability under a variety of legal theories.

First, on March 8, 2016, you executed a Confidentiality Provision as part of your employment with Monterrey. Pursuant to that contract, you agreed that:

I will not disclose, relate or divulge in any manner, outside of the scope of my employment duties, any information pertaining to Monterrey . . . which may come to my attention, knowledge, or into my possession as a result of my employment with Monterrey, to any person, party, firm, attorney, corporation or entity whatsoever . . .

The Confidentiality provision further provides that, in the event of a breach, "I may be responsible for any direct or consequential damages including any attorneys' fees incurred by Monterrey or any officer or agent of Monterrey resulting from any violation, on my part, of this agreement."

Second, in Minnesota, defamation exists when a person publishes "(a) a false and defamatory statement about the plaintiff; (b) in unprivileged publication to a third party; (c) that harmed the plaintiff's reputation in the community." *Weinberger v. Maplewood Review*, 668 N.W.2d 667, 673 (Minn. 2003). False statements about a business, trade, or professional conduct are considered even more serious by Minnesota courts, and constitute defamation *per se*, thus giving rise to civil liability even without proof of actual damages. *Becker v. Alloy Hardfacing & Engineering Co.*,



Donald R. Banham, Jr.
May 25, 2017
Page 2

401 N.W.2d 655, 661 (Minn. 1987); *Bahr v. Boise Cascade Corp.*, 766 N.W.2d 910, 920 (Minn. 2009).

Third, Minnesota common law establishes a cause of action for tortious interference when an individual interferes with another party's actual or prospective contractual relationships. *United Wild Rice, Inc. v. Nelson*, 313 N.W.2d 628, 632-33 (Minn. 1982). In the event that such actions actually interfere with a business relationship, the interfering party is responsible for the pecuniary loss associated with any lost or terminated agreements. *Id.*

Based on each of these legal constructs, you have an absolute obligation to not disseminate any of Monterrey's confidential information obtained during the period of your employment, as well as to refrain from making any statements that could unjustly damage Monterrey's image, reputation, or business opportunities. Notwithstanding your clear contractual and common law obligations, Monterrey has learned that you have both disclosed Monterrey's confidential information to various sources and defamed Monterrey in conversations with third-parties with the intention of damaging its existing contractual relationships and business reputation. Most notably, Monterrey has learned that you contacted two of its most significant business partners, the Minnesota Vikings and SMG, and made false and defamatory statements to them about Monterrey, including inaccurate comments regarding its business practices and your employment experience. These actions are both facially improper and create the possibility of significant economic and reputational harm to Monterrey. Monterrey understands that you may have communicated with government agencies regarding your employment with the company, and it has no intention of interfering with any truthful statements made by you to any government agency. Rather, please immediately cease and desist from making any statements, whatsoever, about Monterrey to its customers, business partners, competitors, and the general public. Your improper actions have exposed Monterrey to significant business risk, and potentially expose you to multi-million-dollar civil liability. In the event that you do not immediately cease and desist from your improper actions and communications, Monterrey will take swift legal action against you and seek all relief available to it under Minnesota law, including but not limited to injunctive relief, monetary damages, and an award of attorneys' fees and costs.

Thank you for your prompt attention to this very important matter.

Very truly yours,

WINTHROP & WEINSTINE, P.A.



Gerald H. Fornwald

Exhibit 4

LIMITED RELEASE FROM CONFIDENTIALITY AGREEMENT

Employee: Donald Banham Jr.

RECITAL

SMG Incorporated is conducting an investigation into allegations of improper employment practices by Monterrey Security Consultants, Inc. in connection with its contracts to provide security services at the U.S. Bank Stadium in Minneapolis, Minnesota. Monterrey denies these allegations. Donald Banham Jr. is a former employee of Monterrey and is subject to a Confidentiality Provision of his employment agreement that prohibits him from disclosing information pertaining to Monterrey learned as a result of his employment. Donald Banham has expressed a willingness to be interviewed in connection with SMG's investigation. Monterrey is cooperating with SMG's investigation and does not seek to prevent former employees from providing information to SMG based upon the confidentiality agreement.

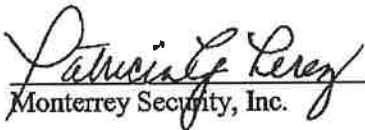
RELEASE AND WAIVER

Monterrey Security Inc. hereby releases Donald Banham Jr. from the Confidentiality Provision of his March 8, 2016 employment agreement with Monterrey Security Inc. for the limited purpose of providing information about Monterrey to representatives of SMG for the purpose of conducting the investigation referenced herein and expressly waives any enforcement of that provision for that limited purpose. This Release and Waiver applies only to the express purpose of cooperating with SMG's investigation and no other. Monterrey does not waive any cause of action related to any prior or future violations of the Confidentiality Provision of his employment agreement. Likewise, Donald Banham Jr. recognizes that the Confidentiality Provision remains in full force and effect that this limited Release and Waiver does not impact,



in any way, his confidentiality obligations with respect to any other form of disclosure to any other person or entity.

This waiver is not valid until signed by both parties.


Monterrey Security, Inc.

Donald Banham Jr.

Exhibit 5

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS

THE PEOPLE OF THE STATE OF ILLINOIS

OR
A MUNICIPAL CORPORATION
vs.

JUAN GAYTAN, JR.
(GAYTON) Defendant/Petitioner

NO. 95 CR 14430
95 CR 14431

ORDER TO EXPUNGE (AND SEAL)

- ☒ 1. The court having found that the Defendant/Petitioner has been acquitted or released without being convicted;

IT IS ORDERED THAT:

- A. CHICAGO POLICE DEPT. ARRESTING POLICE AGENCY, shall expunge this arrest from its records, and it is further directed that the Arresting Agency shall request the return of all identification materials from any other repositories and custodians of statistics that were previously notified of this arrest by the Arresting Agency;
- B. The Illinois State Police, Bureau of Identification, shall expunge their files of the record of this arrest;
- C. The Circuit Court Clerk shall seal this file and the name of the defendant shall be obliterated from the official index required to be kept by the Circuit Court Clerk.

- ☐ 2. The court having found that the Defendant/Petitioner has been released without being convicted following a sentence of supervision and it has been two (2) years since discharge and dismissal of that supervision;

IT IS ORDERED THAT:

- A. _____, ARRESTING POLICE AGENCY, shall expunge this arrest from its records, and it is further directed that the Arresting Agency shall request the return of all identification materials from any other repositories and custodians of statistics that were previously notified of this arrest by the Arresting Agency;
- B. The Illinois State Police, Bureau of Identification, shall expunge their files of the record of this arrest;
- C. The Circuit Court Clerk shall impound this file.

- ☐ 3. The court having found that the Defendant/Petitioner has been released without being convicted following a sentence of supervision for an offense listed in 20 ILCS 2630/5(a) and it has been five (5) years since discharge and dismissal of that supervision;

IT IS ORDERED THAT:

- A. _____, ARRESTING POLICE AGENCY, shall expunge this arrest from its records, and it is further directed that the Arresting Agency shall request the return of all identification materials from any other repositories and custodians of statistics that were previously notified of this arrest by the Arresting Agency;
- B. The Illinois State Police, Bureau of Identification, shall seal their files and records of this arrest and the record, once sealed, may be disseminated only as required by law;
- C. The Circuit Court Clerk shall impound this file.

Prepared by: _____

JUDGE PAUL P. BIEBEL, JR.

Date: 10-1-03

Judge

Judge's No. 1688

CIRCUIT COURT OF COOK COUNTY, ILLINOIS

OK 11/4 9-13

EXHIBIT

5

Exhibit 6



To: Licensing Board of the State of Minnesota

In advance of my next meeting with the Licensing Board, please allow me to supplement my earlier application and testimony with the following information outlined below in detail. This document will address certain issues raised at our last meeting. My hope is I can shed light on these areas; provide you my thoughts; and promote a better dialogue from my perspective on these issues.

CHICAGO POLICE SERVICE

First and foremost, I am extremely proud of my service as a Chicago Police Officer. The City maintains an authorized strength of 12,500 officers. In a City with a population of 2, 719,000, being selected as one of the 12,500 was an honor. I took great pride in protecting my City. The omission of this on my earlier application was an oversight by the company we hired to assist us in filling out the application. We have used this company for our application process in the state of Indiana in preparation for the University of Notre Dame and in the State of Wisconsin in preparation for our work with the Walmart Corporation. As soon as we were made aware of the omission, we corrected it before said meeting. There is, and was absolutely no intent to hide anything about that service record (November of 1993-2005).

Specifically, I would like to comment about the 1995 incident. I was a patrolman at the time. I worked in a high crime district populated with Hispanic gangs. I grew up in this district as well. Because of this knowledge and my familiarity with their names, operational hierarchy and tactics, I was decidedly one of their least favorite policemen in the area.

In order to discredit me, they first attacked my father, Juan Gaytan, Sr. He suffered from a bad heart; he was to die of complications from this condition a few years later. Knowing this, the gangs purposely attacked his car with rocks and bottles while he was driving home one night. This attack on him sent him to the hospital for several days. When this attack served as unsuccessful in their attempts to try and scare me into not enforcing the gang crime policies of the Chicago Police Department, they went further. Two known gang members with criminal records, allegedly supported by the statements of two other gang members, filed charges against me saying I had robbed them of \$200 on two separate occasions. These allegations were made several days after them assaulting my father. There was no immediate outcry or substantiation. I went to trial on these spurious charges, having previously pleaded not guilty to them. At trial, the testimony of the members of the gangs was wholly discredited; and their radically different versions of these alleged events proven false. I was found not guilty on all charges brought against me.

As you might expect, even though I had been found not guilty, it was still required that I undergo a very intense review process conducted by the Chicago Police Board to make a determination if I was still worthy of being a Chicago Police Officer. The City Hearing Officer heard from three of the same gang members that testified at my

prevention*protection*safety

2232 S. Blue Island Avenue
Chicago, Illinois 60608

monterreyssecurity.com
p 773.843.0434

f 773.843.0435

EXHIBIT

6

tabbies



trial plus a new one who purported to have information relevant to the first three's false claims. Not only were their stories still different from each other, but the three who had testified previously; now testified about significant areas of inquiry relevant to the charges totally inconsistent with their prior testimony from the trial. The City Hearing Officer after reviewing their testimony and the significant impeachment of same brought out by my counsel via cross-examination, concluded resoundingly that the allegations of these gang members did not come close to satisfying the much lesser preponderance standard applied in these hearings. As a result, not only did I return to service as a police officer in the field, I received all back pay from my short time off due to these false charges, and my service record, as well as my arrest record, indicated that I had been exonerated fully.

MONTERREY SECURITY CONSULTANTS

Although I had it in my blood to be a police officer, I always felt I could do more in the security industry in protecting and defending our society. I have always had an entrepreneurial ambition. Thus, with a Chicago Fireman, Santiago Solis, I founded Monterrey Security in 1999 to satisfy this drive. Santiago is no longer my partner having left the company in 2006. What Monterrey is today is 100% the result of my hard work, supported by the Gaytan family and my executive team. We are very proud of our accomplishments, where we have come from, and where we are going.

That being said, we made mistakes in the beginning. I, as the owner and only President of Monterrey, take ownership of these problems and have laid them out in detail below in order for you to better understand.

- 1) First, I will address our licensing issues with the Illinois Department of Regulation. To work as a security guard in Illinois, it is required that one be a sworn peace officer or have a PERC (Permanent Employee Registration Card.) When we were initially reviewed by the IDPR, all of our employees had the necessary credentials. They either were sworn peace officers and/or carried a PERC card. The issues lie with our paperwork and not keeping it accurate and up to date at all times. We were put on probation for this oversight. In the subsequent review, we got our compliance up to over 90%. Yet, since we were already on probation, our probation was extended and we were required to pay a small fine. The probation continued for one year after we achieved 100% compliance with our paperwork. It has been over 12 years since those concerns were raised and since then, we have continually maintained 100% compliance with the IDPR regulations. We have been off of the IDPR probation for over a decade. Furthermore, our company is now used as a fingerprinting station for the IDPR. In addition, our classes for training in the State of Illinois have been certified by the IDPR.



- 2) The same growing pains of starting a company also affected one of our earlier contracts. I was a policeman, my partner was a fireman. We applied for a City contract attaching our brochure which had us pictured in our respective uniforms. Prior to applying for said contract, we hired legal counsel to advise us. That legal counsel had been involved in drafting the Ethics Laws for the City. He approved our application and instructed us to file it. We did and later were awarded this contract. The contract was to guard the salt piles for the City of Chicago. Several months later, due to a newspaper story, we learned that we should not have received the contract because we were employees of the City (even though we were both on a leave of absence and not receiving a pay check from the City). By then, irrespective of this contract, we were both in the process of resigning in order to devote our full time to Monterrey. This not only accelerated the process of resignation but we immediately notified the City through our new counsel that we were immediately terminating the contract. Because of this action we not only lost the business (and rightly so) but also our fledgling company took a \$60,000 loss as we refused to bill the City for the services actually rendered prior to the termination of the contract. We paid our guards and did not pass the bill on to the City.

Obviously, there was a learning curve due to those two early experiences. Our early issues with IDPR and the City taught me and my Executive Team the value of thoroughness and complete vetting during the contract process. Since that time (June 2002) we have not had one contract issue with any vendor, private or public. All contracts that we have entered into have been successfully completed and executed without any issue. In reflecting on these start up issues, there was absolutely no intent to cut corners or be unethical in any manner. All the mistakes that were made were honest ones and were corrected long ago, now yielding an over 10 year record of fulfilling contracts, properly bargained for with the proper personnel certified by the State of Illinois, Cook County and the City of Chicago.

VETTING

In order to properly provide these services, Monterrey Security, and myself personally, have been vetted and approved for the delivery of security services, since 2002, by the following agencies of government/private sector- National Football League; Homeland Security; the State Department and/the U.S. Department of Homeland Security and the U.S. Secret Service; The U.S. Secret Service and White House Presidential Protection Detail (for among other things, executive protection of the City Of Chicago 2016 Olympic Committee in Copenhagen- October, 2009, and the NATO Summit, Chicago, 2012; City of Chicago and State of Illinois-delivery of security services as a certified minority vendor at Soldier Field, Shedd Aquarium, Millennium Park, Wrigley Field, among others. These certifications have also allowed us to become the lead security agency for Wintrust Banks, the largest regional bank in Illinois, with

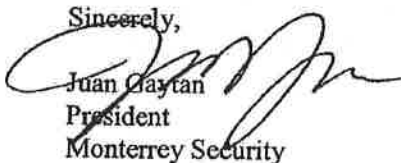


deposits in the billions; and the State of Indiana, in order to deliver security services at the University of Notre Dame football games, where we are the ONLY outside vendor hired by the football operations team in the history of that program. Tim LeFevour, General Manager at Soldier Field and an expert on these matters, is willing to not only execute an affidavit regarding the foregoing, but is willing and able to be available at the August meeting to discuss all these certifications that he personally has submitted to the above agencies in order for Monterrey to provide said services.

CONCLUSION

I respectfully ask the Board to consider all of this information while making a decision on whether to give Monterrey Security a license to perform security services in the State of Minnesota. If the Board should need any additional information prior to my next appearance, please do not hesitate to contact me and I will be happy to provide same.

Sincerely,



Juan Gaytan
President
Monterrey Security

Exhibit 7



VILLAGE PRESIDENT
STEVEN M. LANDEK

CLERK
JOHN C. ALTAR

TRUSTEES
JAMES A. CECOTT
PATRICIA A. HIGGINSON
NORMA J. PINION
MICHAEL J. PTICEK
MARY M. SUTTON
CLAUDETTE STRUZIUK



POLICE CHIEF
RICARDO MANCHA

VILLAGE OF BRIDGEVIEW

BRIDGEVIEW POLICE DEPARTMENT

7500 SOUTH OKETO AVENUE
BRIDGEVIEW, ILLINOIS 60455
708-458-2131 • FAX: 924-8058

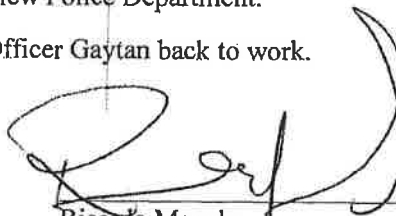
October 31, 2017

To Whom It may concern,

This letter is intended to verify Juan Gaytan's status with The Bridgeview police Department. Juan Gaytan has completed his training and has been a member of the Department since 2014. Due to Mr. Gaytan's obligations with Monterrey security Consultants.

He has not been scheduled to work with the Bridgeview Police department as much as we would like. Mr Gaytan is, however, a current member of The Bridgeview Police Department.

As time permits, we welcome Officer Gaytan back to work.


Ricardo Mancha
Chief of police
Village of Bridgeview

A WELL BALANCED COMMUNITY

