



ADT Security  
Johannesburg Regional Office  
1 Charles Crescent, Eastgate Ext 4,  
PO Box 785396,  
Sandton 2146  
South Africa  
Tel: 086 12 12 400  
Fax: 086 12 12 405  
www.adt.co.za

**Agreement between ADT Security Pty Ltd (hereinafter referred to as “ADT”)**

and

**Bryanston East Community Forum (hereinafter referred to as “BECF”)**

Whereby both parties agree to the following:

ADT is to deliver an armed reaction and guarding service to residents and businesses that have concluded Service Agreements with ADT (hereinafter referred to as “ADT clients”), to proactively patrol the streets of Bryanston East (hereinafter referred to as “the Area”, see annexure “F”) and support BECF financially as describe herein.

BECF undertakes to refer all prospective clients that request any security service/s within the area to ADT.

Commencement date: **1<sup>st</sup> July 2011**

**ADT UNDERTAKE TO:-**

**1) Deployment of Patrol/Reaction Vehicles**

ADT will maintain the current client to vehicle ratio and the deployment of the current 5x vehicles. Going forward ADT will deploy an additional vehicle for every extra 200 clients added.

**2) Medical Emergency Response**

ADT will offer a free medical emergency response to all BECF members in the Area. This service will be provided by a contractor of ADT’s choice.

**3) Service agreements with ADT clients**

ADT will sign service agreements with the ADT clients for a monitoring and armed reaction service and take full responsibility for any contractual liabilities. The current ex Coin clients will remain on a month to month contract basis. New ADT clients sold as fully owned systems and link ups will also be signed on this basis but rented systems will be signed over a 36 month period.



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#### **4) Marketing**

ADT will supply all marketing material and resources within budget limitations for the promotion of the services to prospective clients within the Area. ADT will also assist the BECF with a monthly newsletter.

#### **5) Management of the Patrol/Reaction Vehicles**

The patrol/reaction vehicles will be fitted with a vehicle management system to confirm the patrol pattern and reaction service in accordance with the Service level agreement (hereinafter referred to as “SLA” and attached as annexure A).

#### **6) Cellular phone for direct assistance**

ADT will provide cellular phones in all the patrol/reaction vehicles for direct contact with the vehicle by any ADT/BECF member in the Area.

#### **7) Rendezvous Service**

ADT will provide a vehicle escort service for any ADT/BECF member in the Area only when the patrol/reaction vehicle is available and not busy with emergency calls.

#### **8) BECF Branding**

ADT will include the BECF branding on the patrol/reaction vehicles that operate in the area.

#### **9) In-car monitoring base station - (PDA)**

The patrol/reaction vehicle will be equipped with an In-Car-Monitoring system. Any alarm that activates in the Area will register in our 24-hour Control room as well as in the patrol/reaction vehicle if the vehicle is within the reception area of such signal.

#### **10) Community Security Manager**

ADT will appoint an allocated Community Security Manager for the area. The designated Manager will attend all scheduled BECF meetings. He will be the one contact point for all concerns.



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#### **11) BECF UNDERTAKE TO:-**

BECF undertake to promote ADT exclusively for all security system installations, upgrades, monitoring, armed reaction and guarding service within the Area.

#### **PRICING OF SERVICE**

##### **12) Alarm systems and upgrades for BECF members**

ADT will offer a 10 % discount on the ADT standard pricelist for any BECF member in the Area on new alarm systems and upgrades.

##### **13) Link-up of existing systems**

ADT guarantees a free link-up to any existing alarm system that complies with the SAIDSA minimum standards in the area.

##### **14) Monthly service fee for monitoring and armed reaction**

ADT will charge an agreed monthly monitoring and armed reaction fee of R433-20 including VAT to all the ADT clients in the area who are members of BECF. This fee may increase annually and is subject to the approval of the BECF committee. The annual increase will be based on CPIX plus 2%.

##### **15) Annual radio licence fee**

An annual radio licence fee is payable on the first day of each calendar year. This fee may increase annually.

##### **16) MONTHLY INCENTIVE TO BECF**

##### **From monthly Monitoring and Armed Reaction Turnover**

ADT will pay a monthly incentive to BECF as follow:

- 250 -400 ADT clients – 3.5% of turnover generated from ADT clients in the Area
- 401 -550 ADT clients – 4.5% of turnover generated from ADT clients in the Area
- 551 -700 ADT clients – 5.5% of turnover generated from ADT clients in the Area
- 701 -850 ADT clients – 6.5% of turnover generated from ADT clients in the Area
- 851 -1000 ADT clients – 7.5% of turnover generated from ADT clients in the Area
- 1001 plus ADT clients – 8.5% of turnover generated from ADT clients in the Area



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The above client volumes include all existing ex Coin clients in the Area. All new clients signed by ADT excluding reconnections, will be included into this total number. This number excludes the existing ADT clients in the area prior to the Coin acquisition. The BECF undertakes to actively promote ADT in the BECF footprint and any leads / referrals from the BECF that result in a new contract being signed will earn the BECF a commission of the first months contractual fee.

### **17) From monthly Guarding Turnover**

ADT will pay a monthly incentive to BECF as follow:

- R0 -R100,000 turnover – 3 % of turnover generated from ADT clients in the Area
- R100,001-R200,000 turnover – 3.5% of turnover generated from ADT clients in the Area
- R200,001-R300,000 turnover – 4 % of turnover generated from ADT clients in the Area
- R300,001-R400,000 turnover – 4.5% of turnover generated from ADT clients in the Area
- R400,001 plus turnover – 5 % of turnover generated from ADT clients in the Area

The above incentives will only be payable on Service Agreements concluded between ADT Armed reaction and ADT clients in the Area.

All amounts quoted above on monthly incentives will exclude any VAT.

### **18) COMMUNICATIONS BETWEEN BECF AND ADT**

Any communication between BECF and ADT will be sent via e-mails and both parties will keep proper record of such mails for at least 12 months. ADT will update BECF with a weekly electronic report on all the incidents where ADT was involved. Any important arrangement and complaint not reported to the BECF will be sent to BECF via e-mail.

The e-mail address that must be used for this purpose will be as follow:

e-mails to ADT : [pventer.jhb.za@adt.co.za](mailto:pventer.jhb.za@adt.co.za)

e-mails to BECF: [russell@becf.co.za](mailto:russell@becf.co.za)

### **19) CONTRACT PERIOD OF THIS AGREEMENT BETWEEN BECF AND ADT**

This agreement will come into operation on the commencement date and will continue for a period of 24 months from that date. Thereafter, unless terminated by either party giving a 3 (three) calendar month's written notice, this agreement will automatically continue for a further period of 12 months with the same cancellation terms.



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The content of this agreement may change from time to time by mutual agreement and both parties sign an addendum to this agreement.

Signed at \_\_\_\_\_ on this day \_\_\_\_\_ of \_\_\_\_\_ 2010

\_\_\_\_\_  
(Name)  
for and on behalf of ADT Security (Pty) Limited

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Witness 1

\_\_\_\_\_  
Witness 2

Signed at \_\_\_\_\_ on this day \_\_\_\_\_ of \_\_\_\_\_ 2010

\_\_\_\_\_  
(Name)  
for and on behalf of BECF

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Witness 1

\_\_\_\_\_  
Witness 2



## ANNEXURE A

### SERVICE LEVEL AGREEMENT

ADT will supply the service entered into as per agreement in accordance with the below mentioned SLA as read with the Penalty schedule – Annexure B

1. Security personnel will be trained and graded in accordance with the service schedule.
2. Every dedicated patrol/reaction vehicle will pro-actively patrol the Area for at least 50% of every 12-hour period.
3. ADT will deliver a reaction service in line with the South African Intruder Detection Service Association (hereinafter referred to as “SAIDSA”), bylaw 3 with a minimum average reaction time of 10 minutes (attached as annexure D) excluding activity during storm conditions.
4. All personnel will be posted in accordance with duty roster supplied to the BECF on a monthly basis by no later than the first of each month.
5. Changes to personnel or roster will be advised to BECF from time to time.
6. All personnel will wear full uniform at all times whilst on duty.
7. Winter and rainwear will be supplied by ADT to all personnel.
8. All reaction personnel will be equipped with, bulletproof vests ( personal outers), notebooks, nametags, torches and 9mm pistols.
9. All foot patrol staff and guards will be equipped with radios, batons, notebook, panic buttons (if applicable) and nametag. Foot patrol staff and guards will receive a torch at night.
10. All vehicles will be sign written in accordance with agreed upon image.



11. All vehicles will be equipped with a two-way radio, in-car monitoring system, torch, spotlight, first-aid boxes, panic button and fire extinguisher.
12. All vehicles will be restricted to the Bryanston East area with the BECF being advised prior to or immediately after, should this instruction change. Vehicles will only be used as backup in emergency or life threatening situations.
13. ADT to ensure 24-hour radio and monitoring communication.
14. ADT to ensure necessary repeaters are in place to provide reliable signals for radios.
15. ADT to ensure that the Control Room is equipped with the necessary electronics to monitor all emergency calls within the area of responsibility.
16. ADT will assist BECF their endeavour to increase market share by participating in open days, display of banners at strategic intersections, distribution of “activity awareness flyers” promotion of BECF, ADT activity by briefing sessions as and when required and continued holding of awareness programs such as domestic watch meetings.
17. ADT to act as security advisors to BECF on matters of safety and security and in particular the liaison between other services such as SAPS, fire brigade, ambulance services, police forums and business against crime.
18. All ADT personnel will have a signed job description in place.
19. Training of personnel will be continuous with regular evaluation of knowledge and standards to take place.

***Standard Operating procedures will be in place for all regular recurring actions and the client will be given a copy for safekeeping.***



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## **ANNEXURE B**

### **PENALTY SCHEDULE**

1. In order to determine the quality of service rendered by ADT, BECF will manage and run a penalty point evaluation system. The purpose of this is to determine whether and if so, ADT reaction services are thwarting quality by committing one or more of the offences set out in Annexure C hereto. Such offences may be penalized, by utilizing a points system.
2. A financial penalty to the amount of 5% of turnover to be agreed shall be payable by ADT to the BECF each time the accumulated penalty points awarded to ADT exceeds 1000 points. This financial penalty would be for a calendar month and may not be carried over from month to month.
3. BECF is to notify ADT of each penalty at the time of such penalty to allow ADT to verify and confirm agreement of such penalty.
4. At month end, the accumulated penalties would be discussed at the Security Committee meeting and jointly ratified.
5. The penalty system should not be seen by either ADT or BECF as a means to reduce the monthly charge but rather in the light of a “management tool” and fair play.
6. The Penalty Evaluation System can be changed from time to time by mutual agreement between ADT and BECF
7. BECF will appoint BECF members from time to time to conduct inspection in line with the Penalty Evaluation System and inform ADT immediate after any such appointments.



No.	Misconduct Penalty	Points
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**Armed response :**

1. 90% of vehicle shifts must patrol more than 50% of the time ( based on 5x vehicles) 20 points per shift if not met.
2. The vehicles must be in BECF area 90% of the time per month. 30 points if below.
3. The average response time per week must not exceed 7 minutes under normal circumstances i.e. excluding storms. 20 points if not met.
4. No of serious incidents must not exceed 2 per month. 50 points per incident over the target.

**Guarding :**

1. No serious incidents per month within the schemes. 100 points per incident.
2. 3 supervisory visits per shift - 90% goal. 10 points per scheme per shift not met.
3. No posting i.e. a guard is not at his post – 100% goal- 100 points per failure and refund to the scheme?

**Admin :**

1. All financial admin (payments) by 15<sup>th</sup> of each month.- 20 points per failure per day that they are overdue.
2. Incident feedback within 1 working day- 10 points per failure per day that it is overdue.
3. Complaint feedback to BECF and customer within 24 hours- 20 points per failure per day that it is overdue.
4. Technical service within 24 hours- 20 points per failure per day that it is overdue.