EXHIBIT A

Overview of Purchasing Program

Definition	The Purchasing Program provides the tool for ADT Authorized Dealers to sell Qualified Alarm Accounts to ADT. These accounts are considered as part of the Purchase Program and each dealer must follow a set of procedures to receive appropriate monetary compensation.
Summary	This part describes how the Purchasing Program works and what procedures the ADT Authorized Dealer is required to follow regarding: • Base Alarm Account Fees • Revenue Sharing Fees • Continuing Equity Payment
References to the ADT Agreement	References are made to specific sections of the ADT Authorized Dealer Agreement regarding terms used in the Purchasing Program. All dealers are encouraged to look up these references in the Agreement to familiarize themselves with their locations.
Dealer Monitoring Agreement	The Dealer Monitoring Agreement is related to the Purchasing Program and is also considered as part of the ADT Authorized Dealer Agreement.

Purchasing Program

As an approved ADT Authorized Dealer, you are required to sign the ADT Authorized Dealer Agreement. The Purchasing Process described in this part refers to specific sections in the ADT Authorized Dealer Agreement. You are encouraged to familiarize yourself with their locations. The following documents are also part of the Purchasing Program and are collectively known as "Dealer Agreements:"

- The Dealer Monitoring Agreement **(see Exhibit "A" in the ADT Agreement)**
- The ADT Authorized Dealer Program Guidelines

The terms listed below are **key terms of the Purchasing Program**. All of these terms have the same meaning and **references as indicated in the ADT Authorized Dealer Agreement**:

Term	*Reference ADT Agreement*	*Definition*
Base Alarm Account Fee	Section 9.4	Fee paid to ADT Authorized Dealers for the purchase of Qualified Alarm Accounts.
Revenue Sharing Fee	Section 9.5	Fee paid to ADT Authorized Dealers on a **recurring basis.** As indicated in Section 9.5 of the ADT Authorized Dealer Agreement, these fees are generally set for a period of thirty-six (36) months when an Alarm Account is a Purchased Alarm Account.
Revenue Sharing Fee (Exception)	Section 9.5.1, 9.5.2 & 9.5.3 *Section 9.5.2.4	**Exception: the Revenue Sharing Fee will not be paid** • During the first six (6) months when you become an Authorized ADT Dealer. • During any month in which there are no cash collections. • During any month the average number of Qualified Alarm Accounts delivered by the Authorized Dealer to ADT, determined on a rolling six (6) month basis, is less than 15 accounts per month. • *Any month in which the Authorized Dealer's annualized net attrition rate exceeds 10% unless Dealer is in business over years and can go to 15% attrition. After the Initial three (3) year Term of the Agreement and at the commencement of and during any month of a Renewal Term(s) calculation of the amount of the Revenue Sharing Fee shall be based upon Authorized Dealer's attrition rate and account production and Authorized Dealer shall not be eligible to receive a Revenue Sharing Fee with respect to a Purchased Alarm Account where the six (6) month rolling net attrition rate for the Authorized Dealer exceeds the Maximum Net Attrition Rate allowable for

		receipt of Revenue Sharing as set forth in the Guidelines and/or where Authorized Dealer has failed to deliver and ADT fails to purchase at least fifteen (15) Qualified Alarm Accounts per month from Authorized Dealer during the immediately preceding six (6) month period (determined on a six (6) month rolling basis).

***Applicable only to Dealers who have not executed the November 24, 2003 Version of the ADT Authorized Dealer Agreement or New Dealers who must receive initial ADT Due Diligence approval.**

Terms	Reference ADT Agreement	Definition
Continuing Equity Payment	Section 9.6	The payment made to ADT Authorized Dealers, not in default under the ADT Authorized Dealer Agreement, on a **monthly basis** for Purchased Alarm Accounts that: **do not become:** • Cancelled Alarm Accounts or • Non-Producing Accounts **and have not been:** • transferred or • Sold to a third party. As indicated in Section 9.6 of the ADT Authorized Dealer Agreement, this payment is payable "commencing thirty-six (36) months after the Purchase Date of each Purchased Alarm Account."
Cut-in Alarm Accounts		The following sequence of events takes place with these accounts: • The ADT Authorized Dealers enter their own accounts on the ADT Web site through the Shell Creation Program. • All accounts **must include** the Credit Reporting Entity **(i.e. Equifax) Beacon Scores.** • After cut-in: Authorized Dealer sends in paperwork. There is a thirteen (13) day window for New Accounts to perform Due Diligence (QA) on the account. "Welcome Call Survey" • Accounts are cleared to fund.