

NOTICE OF CLASS ACTION SETTLEMENT REGARDING ADT RESIDENTIAL SECURITY SYSTEMS

The Court authorized this notice. This is not a solicitation from a lawyer.

IF BETWEEN NOVEMBER 13, 2009 AND AUGUST 15, 2016, YOU ENTERED INTO A CONTRACT WITH ADT OR AN ADT DEALER FOR INSTALLATION OF A RESIDENTIAL SECURITY SYSTEM THAT UTILIZES ONE OR MORE WIRELESS SENSORS, THIS NOTICE CONTAINS IMPORTANT INFORMATION THAT MAY PERTAIN TO YOU. PLEASE READ IT CAREFULLY. YOU COULD GET A PAYMENT FROM A CLASS ACTION SETTLEMENT, BUT YOU NEED TO SUBMIT A FORM TO DO SO.

YOUR LEGAL RIGHTS AND OPTIONS WITH THIS SETTLEMENT:	
RECEIVE YOUR SHARE OF THE SETTLEMENT	If you are a member of the Settlement Class, then you will be eligible for a payment if you submit a properly completed Claim Form by February 26, 2018 . You will be bound by the Release described in Question 12.
EXCLUDE YOURSELF	Get no payment. This is the only option that allows you to be part of any other lawsuit against ADT based on the allegations made in this case, other than for claims for personal injury or for damage to or loss of property. The deadline for excluding yourself from the Settlement is January 2, 2018 .
OBJECT	Write to the Court about why you don't like the Settlement. The deadline for submitting a written objection to the Settlement is January 2, 2018 .
GO TO THE FINAL APPROVAL HEARING	You are not required to attend or speak at the Final Approval Hearing. If you submit a timely and valid written objection to the Settlement, the Court will consider your objection without any further action on your part. But, if you wish, you may request permission to speak at the Final Approval Hearing by following the directions in Question 23. The Final Approval Hearing is presently scheduled for February 1, 2018 .

- ADT CORPORATION and ADT LLC (collectively "ADT") has agreed to pay \$16,000,000 in a nationwide settlement of all claims alleged against ADT in *Michael Edenborough v. The ADT Corporation and ADT, LLC d/b/a ADT Security Services*, Case No. 16-cv-02233-JST (USDC ND California) ("the *Edenborough Action*") and several other putative class action cases filed on behalf of ADT customers nationwide ("the Related Actions"). The proposed settlement ("the Settlement") is a compromise of all claims alleging that ADT failed to disclose an alleged vulnerability of the wireless signals in its residential security systems to evasion or jamming by electronic devices. ADT denies the allegations, denies liability, and asserts numerous defenses. The Settlement avoids the costs and risks from continuing the lawsuit, pays money to certain current and former ADT customers, and releases ADT from further liability (except for claims of personal injury or for loss of or damage to property).
- The two sides disagree on how much money could have been recovered if ADT customers with wireless residential security systems were to win at trial.
- **Your legal rights are affected whether you act or don't act.** Please read this notice carefully.
- Your rights and options – **and the procedures and your deadlines to exercise them** – are explained in more detail below. Please note, however, that this Notice is only a summary of the proposed Settlement. For the complete terms and conditions of the proposed Settlement, you should read the document called the Settlement Agreement, which was filed with the Court and is available from the Settlement Administrator (1-888-439-1531) or the official Settlement website www.ADTHomeSecuritySettlement.com.
- The Court in charge of this case still must decide whether to approve the proposed Settlement. Payments will not be made until the Court approves the Settlement and any appeals are resolved. Please be patient.

WHAT THIS NOTICE CONTAINS

BASIC INFORMATION	PAGE 3
1. Why did I get this notice package?	
2. What is this lawsuit about?	
3. Why is this a class action?	
4. Why is there a settlement?	
WHO IS IN THE SETTLEMENT	PAGE 3
5. How do I know if I am part of the Settlement?	
6. Are there exceptions to being included?	
7. What if I am still not sure if I am included?	
THE SETTLEMENT BENEFITS—WHAT YOU GET	PAGE 4
8. What does the Settlement provide?	
9. How much will my payment be?	
HOW YOU GET A PAYMENT—PARTICIPATING IN THE SETTLEMENT	PAGE 5
10. How can I get payment?	
11. When will I get my payment?	
12. What am I giving up to get a payment or stay in the Settlement Class?	
13. Tax Consequences of Settlement	
EXCLUDING YOURSELF FROM THE SETTLEMENT	PAGE 6
14. How do I get out of the Settlement?	
15. If I don't exclude myself, can I sue ADT for the same thing later?	
16. If I exclude myself, can I get money from this Settlement?	
THE LAWYERS REPRESENTING YOU	PAGE 6
17. Do I have a lawyer in the case?	
18. How will the lawyers be paid?	
OBJECTING TO THE SETTLEMENT	PAGE 7
19. How do I tell the Court that I don't like the Settlement?	
20. What's the difference between objecting and excluding?	
THE COURT'S FINAL APPROVAL HEARING	PAGE 7
21. When and where will the Court decide whether to approve the Settlement?	
22. Do I have to come to the hearing?	
23. Can I speak at the hearing?	
IF YOU DO NOTHING	PAGE 8
24. What happens if I do nothing at all?	
GETTING MORE INFORMATION	PAGE 8
25. Are there more details about the Settlement?	
26. How do I get more information?	

BASIC INFORMATION

1. Why did I get this notice?

You received this notice because ADT's records show that you or someone in your household contracted with ADT or an authorized ADT Dealer for the installation of a residential security system between November 13, 2009 and August 15, 2016, inclusive.

The Court required that this notice be sent to you because you have a right to know about a proposed Settlement of several class action lawsuits, and about all your legal options, before the Court decides whether to approve the Settlement. The Court has preliminarily approved the Settlement. If the Court gives the Settlement its final approval, and after any objections and appeals are resolved, the Settlement Administrator appointed by the Court will make the payments that the Settlement allows. Please check the Settlement Website for updates on the status of the Settlement. This package explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the settlement approval process is the U.S. District Court for the Northern District of California, Hon. Jon S. Tigar (the court in which the *Edenborough* Action is pending). The people who sued ADT in the *Edenborough* Action and in the Related Actions (collectively, "the Actions") are called the Plaintiffs.

2. What is the lawsuit about?

Plaintiffs brought the Actions on behalf of ADT customers who contracted with ADT or with an authorized ADT dealer for installation of a residential security system that operated using at least one wireless peripheral sensor. Plaintiffs allege that ADT failed to disclose to its customers the alleged vulnerability of the wireless sensors to evasion and jamming using electronic devices. ADT denies the allegations, denies liability, and asserts numerous defenses.

3. Why is this a class action?

In a class action, one or more people called Class Representatives (in this case, Dale Baker, Janet Cheatham, Michael Edenborough, Santiago Hernandez, and Patricia Wilson) sue on behalf of people who have similar claims. The Class Representatives seek to have a single court resolve the issues for all members of the class, except for those who wish to exclude themselves from the class.

4. Why is there a Settlement?

The Court did not decide in favor of either Plaintiffs or ADT. The proposed Settlement is a compromise of disputed claims. Rather than continuing to argue in court, both sides agreed to participate in mediation before a highly experienced and respected mediator, and through those efforts the Parties were able to agree to the Settlement.

Before entering into the mediation with ADT, the lawyers for the Plaintiffs in all the Actions ("Class Counsel") conducted an extensive investigation of the facts, including formal discovery in the *Edenborough* Action and the Related Actions, reviewing some 45,000 pages of documents produced by ADT, conducting witness interviews and taking deposition testimony of many key witnesses. Class Counsel also retained expert witnesses to evaluate the various elements of their claims. With the assistance of these experts, Class Counsel analyzed the significant risks associated with the continued litigation of this Action, including risks relating to: (a) prevailing on class certification; (b) overcoming ADT's defenses; (c) calculating class-wide damages (a complex determination further complicated by the lack of readily available alternative protected residential wireless systems); and (d) overcoming significant evidentiary obstacles in connection with anticipated motions for summary judgment by ADT. Based on all these considerations, Class Counsel and the Class Representatives think the Settlement is best for all Settlement Class Members.

WHO IS IN THE SETTLEMENT

To see if you will get money from this Settlement, you first must determine if you are a Settlement Class Member.

5. How do I know if I am part of the Settlement?

The Settlement Class is comprised of "the current or former ADT customers who between November 13, 2009 and August 15, 2016 entered into a contract with ADT or an ADT dealer for installation of a residential security system, or who had ADT or an ADT dealer install a residential security system, that includes at least one wireless peripheral sensor."

The Settlement Class *does not* include those current and former ADT residential customers whose accounts were assumed, purchased or otherwise acquired by ADT from any third-party other than ADT dealers, including but not limited to any other alarm company.

6. Are there exceptions to being included?

Yes. Even if you fall within the Settlement Class as described in Question 5, you are not a Settlement Class Member if you are: (1) a current and former employee, officer and director of ADT and its agents, subsidiaries, parents, successors, predecessors, or any entity in which they or their parents have a controlling interest; (2) the judge to whom this case is assigned and the judge's immediate family; (3) any person who executes and files a timely request for exclusion from the Class; (4) any person who has had their claims in this matter finally adjudicated and/or otherwise released; and (5) the legal representative, successor or assign of any such excluded person.

7. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can call the settlement administrator at 1-888-439-1531 or visit www.ADTHomeSecuritySettlement.com for more information.

THE SETTLEMENT BENEFITS—WHAT YOU GET

8. What does the settlement provide?

ADT has agreed to pay \$16,000,000.00 (“the Settlement Amount”) for the benefit of Settlement Class Members.

YOU MUST SUBMIT A CLAIM FORM TO PARTICIPATE IN THE SETTLEMENT. The Claim Form is included in this Notice package. An electronic version of the Claim Form that you can fill out and submit online is also included on the Settlement Website. Only one Claim Form can be submitted per contract with ADT.

The Settlement authorizes Class Counsel to seek an award of attorneys' fees of up to a maximum amount of one-quarter (25%) of the Settlement Amount and to request reimbursement of the out-of-pocket litigation expenses they have already paid in connection with the Actions.

In addition, Class Counsel will ask the Court to approve payment to the Settlement Administrator of class notice and settlement administration costs. Furthermore, subject to the Court's approval, Dale Baker, Janet Cheatham, Michael Edenborough, Santiago Hernandez, and Patricia Wilson will request service awards in varying amounts of no more than \$10,000 for their efforts in undertaking the litigation, assisting Class Counsel with the prosecution of the Actions, subjecting themselves to discovery and depositions, and serving as Class Representatives.

If approved by the Court, these attorneys' fees, expenses, costs and service awards will be paid from the Settlement Amount. After payment of the fees, expenses, costs and service payments awarded by the Court, the remainder of the fund (“the Net Settlement Amount”) will be divided among Settlement Class Members who submit a timely and valid Claim Form.

9. How much will my payment be?

The Net Settlement Amount will be distributed pursuant to a Plan of Allocation to be approved by the Court. Discovery conducted in the Actions shows that the Settlement Class Members who contracted with ADT or an ADT dealer after July 23, 2014 for installation of a security system with a wireless peripheral sensor have stronger claims than those who contracted before that date because certain information about the alleged vulnerability of the wireless sensors to evasion and jamming was brought to the attention of ADT by an employee at the Oak Ridge National Laboratories on or about that date. Under the proposed Plan of Allocation, therefore, Settlement Class Members who contracted with ADT or an ADT dealer after July 23, 2014 will receive a higher payment than those who contracted with ADT or an ADT dealer before that date, as follows:

1. Each Settlement Class Member who executed a residential security contract with ADT or an ADT dealer for installation of a residential security system with a wireless peripheral sensor, or who had ADT or an ADT dealer install a residential security system with a wireless peripheral sensor, during the period November 13, 2009 through July 23, 2014, inclusive, will be entitled to a payment of \$15 from the Net Settlement Amount, subject to any adjustment as described below.
2. Each Settlement Class Member who executed a residential security contract with ADT or an ADT dealer for installation of a residential security system with a wireless peripheral sensor, or who had ADT or an ADT dealer install a residential security system with a wireless peripheral sensor, during the period July 24, 2014 through August 15, 2016, inclusive, will be entitled to a payment of \$45 from the Net Settlement Amount, subject to any adjustment as described below.

PLEASE NOTE: The above-specified payment amounts may be adjusted up or down depending on the number of Claim Forms received, so as to fully and fairly allocate and pay out the entire Net Settlement Amount to Settlement Class Members who submit Claim Forms. None of the money in the Settlement Amount will revert back to ADT.

PLEASE NOTE: The determination of whether you executed a residential security contract with ADT or an ADT dealer for installation of a residential security system, or whether you had ADT or an ADT dealer install a residential security system, during the period November 13, 2009 through July 23, 2014, or during the period July 24, 2014 through August 15, 2016, is based on the date that you entered into your **first** residential security contract with ADT or an ADT dealer for installation of a residential security system with a wireless peripheral sensor, or the date that you **first** had ADT or an ADT dealer install a residential security system with a wireless peripheral sensor, regardless of whether you subsequently renewed that contract, entered into any subsequent contracts, or had any residential security system or security system components subsequently installed.

HOW YOU GET A PAYMENT—PARTICIPATING IN THE SETTLEMENT

10. How can I get a payment?

To qualify for a payment, you do not need to do anything other than submit a Claim Form, either by mail or online by **February 26, 2018**, confirming your status as a Settlement Class Member (see responses to Question Nos. 5 & 6 above). If the Court approves the Settlement, you will be sent money by check from the Settlement Administrator to the address specified in your Claim Form. Only one check will be issued per ADT account.

If you are a member of the Settlement Class and do not submit a Request for Exclusion, but you fail to submit a timely and valid Claim Form, you will not receive any money from the Settlement, but you will still be bound by all of the terms of the Settlement Agreement, including the Judgment and the release of Plaintiffs' Released Claims.

11. When will I get my payment?

The Court will hold a hearing on **February 1, 2018** to decide whether to approve the Settlement. If the Court approves the Settlement, there may be one or more appeals. It's always uncertain whether these appeals can be resolved, and resolving them may take time, often more than a year. Once any and all appeals are resolved, the Settlement Administrator can distribute the Net Settlement Amount.

12. What am I giving up to get a payment or stay in the Settlement Class?

Unless you exclude yourself, you will stay in the Settlement Class, and all of the Court's orders will apply to you and legally bind you. That means that you cannot sue, continue to sue, or be part of any other lawsuit against ADT about the legal issues in any of the Actions. If you stay in the Settlement Class, you will release and forever discharge any and all direct, individual, or class claims, rights or causes of action or liabilities whatsoever, whether known or unknown, whether accrued or unaccrued, and whether arising under federal, state, local, statutory, common or any other law, rule, or regulation that were or could have been asserted against ADT and its present and former affiliates, agents, officers, directors, employees, parents, subsidiaries, predecessors, successors and assigns, by Plaintiffs or any other Settlement Class Members in any of the Actions, predicated upon the facts alleged in the Actions. ***Your released claims do not, however, include any claims for personal injuries or for damage to or loss of property.*** For example, if you suffered a burglary that resulted in damage to your house or belongings, or you sustained personal injuries from the break-in, you can participate in this Settlement and still pursue any claims against ADT for your claimed injuries and property damage as if this Settlement did not exist.

13. Tax Consequences of Settlement

Any benefits you receive may or may not be the subject of state or federal taxation depending on your individual circumstances. Class Counsel are not tax attorneys and you are advised to seek separate legal advice on matters of taxation.

EXCLUDING YOURSELF FROM THE SETTLEMENT

14. How do I get out of the Settlement?

To exclude yourself from the Settlement, you must send the Settlement Administrator a letter by mail saying that you want to be excluded from the Settlement. Your request for exclusion must include all of the following:

- (a) Your name and address;
- (b) Your physical signature;
- (c) The name and number of the *Edenborough* Action (that is, “*Edenborough v. ADT*, Case No: 16-2233 JST”); and
- (d) A statement that you wish to be excluded from the Settlement Class.

You must mail your request for exclusion postmarked no later than **January 2, 2018** to:

ADT Settlement Administrator
c/o Dahl Administration
P.O. Box 3614
Minneapolis, MN 55403-0614

If you ask to be excluded, you will not get any Settlement payment, you cannot object to the Settlement and you cannot ask to speak at the Final Approval Hearing. You will not be legally bound by anything that happens in the Actions. Depending upon the applicable statute of limitations, you may be able to sue (or continue to sue) ADT on you own regarding the issues raised in the Actions.

15. If I don't exclude myself, can I sue ADT for the same thing later?

No. Unless you exclude yourself, you give up any right to sue ADT for the claims that this Settlement resolves. ***Your released claims do not, however, include any claims for personal injuries or for damage to or loss of property.*** If you have a pending lawsuit against ADT (or any of its related parties as described in answer to Question No. 12 above), speak to your lawyer in that case immediately. You may have to exclude yourself from the Settlement Class to continue your own lawsuit against ADT or any of its related parties. Remember, the exclusion deadline is **January 2, 2018**.

16. If I exclude myself, can I get money from this Settlement?

No. If you exclude yourself, you will not receive any money from the Settlement. But, you are free to sue, continue to sue, or be part of a different lawsuit against ADT.

THE LAWYERS REPRESENTING YOU

17. Do I have a lawyer in this case?

The Court has appointed Thomas A. Zimmerman, Jr. of Zimmerman Law Offices, P.C. as Lead Class Counsel for the Settlement Class (“Lead Counsel”), and the following attorneys to serve as legal counsel for the Settlement Class (“Class Counsel”): Francis J. Balint, Jr. of Bonnett, Fairbourn, Friedman & Balint, P.C., Mark A. Chavez of Chavez & Gertler LLP, Adam D. Warden of Saxena White P.A., and William C. Wright of The Law Offices of William C. Wright, P.A.

You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

18. How will the lawyers be paid?

Plaintiffs’ Counsel will ask the Court to approve payment of attorneys’ fees in an amount not to exceed one-quarter (25%) of the Settlement Amount, plus reimbursement of their litigation expenses. In addition, Dale Baker, Janet Cheatham, Michael Edenborough, Santiago Hernandez and Patricia Wilson will ask the court to approve service awards in varying amounts of no more than \$10,000 for their services as Class Representatives. The attorneys’ fees would pay Class Counsel for investigating the facts, litigating the case and negotiating the Settlement. The Court may award less than the amounts requested. The amounts paid for attorneys’ fees, litigation expenses and service awards will be paid out of the Settlement Amount and will reduce the \$16,000,000.00 available for Settlement Class Members. In addition, the costs for providing notice to the Settlement Class Members and the costs to administer the Settlement will also reduce the fund available for Settlement Class Members.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you don't agree with the Settlement or some part of it.

19. How do I tell the Court that I don't like the Settlement?

If you are a Settlement Class Member, you can object to the Settlement if you don't like any part of it and tell the Court why you feel the Settlement should not be approved. The Court will consider your views. To object, you must mail or your lawyer must file a document with the Court stating that you object to the Settlement with ADT. Your objection must include:

- Case name (*Edenborough v. ADT LLC*);
- Case number (Case No. 16-cv-02233-JST);
- Your name, address, and signature;
- A statement that you are a Settlement Class Member;
- The date that you first entered into your contract with ADT or an ADT dealer for installation of a residential security system with a wireless peripheral sensor;
- The model number of the residential security system that is the subject of your contract with ADT or an ADT dealer; and
- The reasons that you object to the proposed Settlement, along with any supporting documents.

In addition to you mailing or your attorney filing your objection with the Court, the objection must also be mailed to each of the following addresses, postmarked no later than **January 2, 2018**:

COURT	LEAD CLASS COUNSEL	DEFENSE COUNSEL
Clerk of the Court U.S. District Court for the Northern District of California 450 Golden Gate Ave. San Francisco, CA 94102	Thomas A. Zimmerman, Jr. Zimmerman Law Offices, P.C. 77 W. Washington St., Suite 1220 Chicago, IL 60602	Mark L. Levine Bartlit Beck Herman Palenchar & Scott LLP 54 W. Hubbard St., Suite 300 Chicago, IL 60654

20. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FINAL APPROVAL HEARING

The Court has preliminarily approved the Settlement. The Court will hold a Final Approval Hearing to decide whether to give final approval to the Settlement. Although you don't have to, you may attend and, if you filed a timely, written objection, you can ask to speak at the hearing.

21. When and where will the Court decide whether to approve the Settlement?

The Court will hold the Final Approval Hearing at 2:00 pm on February 1, 2018 at the U.S. District Court for the Northern District of California, 450 Golden Gate Ave., San Francisco, CA 94102. At this hearing, the Court will consider whether the Settlement with ADT is fair, reasonable, adequate and in the best interests of the Settlement Class. The Court will also consider whether to approve the proposed Plan of Allocation of the Settlement proceeds to the Settlement Class. The Court will also consider (a) the application by Class Counsel for payment of attorneys' fees and reimbursement of expenses out of the Settlement Fund created through their efforts, and (b) the application for the payment of Service Awards to the Class Representatives.

If there are any timely objections to the Settlement, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. After the hearing, the Court will decide whether to approve the Settlement and how much to pay Class Counsel and the Class Representatives. We do not know how long these decisions will take.

The Final Approval Hearing may be continued or adjourned by the Court without further notice to the Settlement Class. Settlement Class Members who may attend the Final Approval Hearing can check the Settlement Website for updates.

22. Do I have to come to the hearing?

No. Class Counsel will answer questions the Court may have. But you are welcome to attend at your own expense. If you send an objection, you don't have to come to the hearing to talk about it. As long as you mailed your written objection on time, the Court will consider it. If you hired your own lawyer, you may have to pay your own lawyer to attend, but it's not necessary that he or she do so.

23. Can I speak at the hearing?

You cannot speak at the hearing if you excluded yourself from the Settlement. If you filed a timely, written objection, you (or your own lawyer) may appear and speak at the Final Approval Hearing but, to do so, a notice of your intention to appear must be filed with the Court.

IF YOU DO NOTHING

24. What happens if I do nothing at all?

If you do nothing, then, if you are eligible and not excluded (as described in Questions 5 and 6 above), you'll automatically be part of the Settlement Class and (if you send in the Claim Form) be sent money from this Settlement based on the Plan of Allocation if the Settlement is approved by the Court. You will also be bound by the Judgment approving the Settlement and cannot start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against ADT about the issues in the Actions, except that you will still be able to pursue your claims against ADT for any claimed injuries or property damage that you may have sustained.

GETTING MORE INFORMATION

25. Are there more details about the Settlement?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. If you wish to review the Settlement Agreement, you may do so by visiting www.ADTHomeSecuritySettlement.com.

26. How do I get more information?

You can call the Settlement Administrator at 1-888-439-1531, write to the Settlement Administrator at ADT Settlement Administrator, c/o Dahl Administration, P.O. Box 3614, Minneapolis, MN 55403-0614 or visit the Settlement Website at www.ADTHomeSecuritySettlement.com, where you will find answers to common questions about the Settlement, plus other information to help you determine whether you are member of the Settlement Class and whether you are eligible for payment. The most important documents in this case can be viewed, free of charge, on the Settlement website. You can also call Lead Class Counsel at (312) 440-0020, email Lead Class Counsel at tom@attorneyzim.com, write to Lead Class Counsel at 77 W. Washington St., Suite 1220, Chicago, IL 60602, or visit Lead Class Counsel's website at www.attorneyzim.com.

If you wish to review all of the pleadings and other records in the *Edenborough* Action, including the Settlement Agreement, they may be examined online on PACER at www.pacer.gov/findcase.html. After arriving at the website, click the 'Search the PACER Case Locator' link, then follow the directions and enter **16-cv-02233** as the case number and click 'SEARCH.' Images of every document filed in the case may be viewed at a minimal charge. You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at the U.S. District Court for the Northern District of California, 450 Golden Gate Ave., San Francisco, CA 94102.

Date: November 16, 2017