

IN THE CIRCUIT COURT OF THE FIFTEENTH JUDICIAL CIRCUIT
IN AND FOR PALM BEACH COUNTY, FLORIDA
CIVIL DIVISION

In re ADT INC. SHAREHOLDER LITIGATION) Case No. 502018CA003494XXXMB-AG
)
This Document Relates To:) CLASS ACTION
 ALL ACTIONS.)
)

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTIONS

TO: ALL PERSONS AND ENTITIES WHO PURCHASED OR OTHERWISE ACQUIRED THE COMMON STOCK OF ADT INC. (“ADT” OR THE “COMPANY”) AT ANY TIME DURING THE PERIOD BEGINNING ON JANUARY 19, 2018 THROUGH AND INCLUDING MAY 21, 2018, AND WERE DAMAGED THEREBY

THIS NOTICE WAS AUTHORIZED BY A FLORIDA COURT. IT IS NOT A LAWYER SOLICITATION. PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. IT RELATES TO A PROPOSED SETTLEMENT OF THE LITIGATION REFERRED TO IN THE CAPTION AND ANOTHER RELATED LITIGATION AND CONTAINS IMPORTANT INFORMATION REGARDING YOUR RIGHTS.

IN ORDER TO BE ELIGIBLE TO QUALIFY FOR A PAYMENT UNDER THE SETTLEMENT, YOU MUST TIMELY SUBMIT A PROOF OF CLAIM AND RELEASE FORM (“PROOF OF CLAIM”) BY FEBRUARY 3, 2021.

IF THE COURT APPROVES THE PROPOSED SETTLEMENT, THE PENDING ACTION WILL BE DISMISSED WITH PREJUDICE AND YOU WILL BE FOREVER BARRED FROM PURSUING THE CLAIMS BEING RELEASED IN THE SETTLEMENT.

IF YOU HELD ADT COMMON STOCK FOR THE BENEFIT OF ANOTHER, PLEASE PROMPTLY TRANSMIT THIS DOCUMENT TO SUCH BENEFICIAL OWNER.

WHY SHOULD I READ THIS NOTICE?

This Notice is given pursuant to an order issued by the Circuit Court of the Fifteenth Judicial Circuit in and for Palm Beach County, Florida, Civil Division (the “State Court”). It is to inform you of a proposed \$30 million settlement of two class action lawsuits filed in connection with ADT’s January 19, 2018 initial public offering (“IPO”) and of a hearing to be held on January 12, 2021, at 2:00 p.m., before the State Court at 205 North Dixie Highway, West Palm Beach, Florida 33401, to consider the fairness, reasonableness, and adequacy of the settlement, whether an order and final judgment approving the settlement should be entered, and whether and in what amount a fee and expense award should be paid to Plaintiffs’ Counsel out of the Settlement Amount (defined below) (the “Settlement Fairness Hearing”).

The proposed settlement (the “Settlement”) involves the above-captioned class action lawsuit (the “State Action”) and a similar lawsuit entitled *Perdomo v. ADT Inc.*, Case No. 18-80668-cv-Middlebrooks, which was filed in the United States District Court for the Southern District of Florida (the “Federal Action” and, together with the State Action, the “Actions”). The terms of the Settlement are set forth in a Stipulation of Settlement dated September 15, 2020 (the “Stipulation”), by and between Plaintiffs Goldstrand Investments Inc., Richard Krebsbach, Howard Katz, Daniel M. Sweet, and Robert Lowinger (the “State Court Plaintiffs”) and Federal Court Lead Plaintiff Husam Asaff (collectively, “Plaintiffs”), on behalf of themselves and the Settlement Class (as defined below), and Defendants ADT, James DeVries, Marc E. Becker, Reed B. Rayman, Matthew H. Nord, Andrew D. Africk, Eric L. Press, Lee J. Solomon, Stephanie Drescher, Brett Watson, David Ryan, Timothy J. Whall, P. Gray Finney, Jeffrey Likosar (the “Individual Defendants”), Morgan Stanley & Co. LLC., Goldman Sachs & Co. LLC, Barclays Capital Inc., Deutsche Bank Securities Inc., RBC Capital Markets, LLC, Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Apollo Global Securities, LLC, Imperial Capital, LLC, Citizens Capital Markets, Inc., Allen & Company LLC, LionTree Advisors LLC, Academy Securities, Inc., Siebert Williams Shank & Co., LLC (successor-by-merger to The William Capital Group, L.P.) (the “Underwriter Defendants”), Apollo Global Management, LLC, Prime Security Services TopCo Parent, L.P., Apollo Management, L.P., Apollo Management GP, LLC, Apollo Management Holdings, L.P., Apollo Management Holdings GP, LLC, Prime Security Services TopCo Parent GP, LLC, AP VIII Prime Security Services Holding, L.P., and AP VIII Prime Security Services Management, LLC¹ (the “Apollo Defendants”) and SunTrust Robinson Humphrey, Inc., now known as Truist Securities, Inc. (“STRH”) (all, collectively, “Defendants”).²

¹ Prime Security Services TopCo Parent GP, LLC, AP VIII Prime Security Services Holding, L.P., and AP VIII Prime Security Services Management, LLC were defendants in the Federal Action only.

² The Stipulation can be viewed and/or downloaded at www.ADTSecuritiesLitigation.com. All capitalized terms used herein have the same meaning as the terms defined in the Stipulation.

This Notice is intended to inform you about how this lawsuit and proposed Settlement may affect your rights and what steps you may take in relation to it. This Notice is NOT an expression of any opinion by the State Court as to the merits of the claims or defenses asserted in the lawsuit or whether the Defendants engaged in any wrongdoing.

WHAT IS THIS LAWSUIT ABOUT?

THE STATE COURT HAS NOT RULED AS TO WHETHER DEFENDANTS ARE LIABLE TO PLAINTIFFS OR TO THE SETTLEMENT CLASS. THIS NOTICE IS NOT INTENDED TO BE AN EXPRESSION OF ANY OPINION BY THE STATE COURT WITH RESPECT TO THE TRUTH OF THE ALLEGATIONS IN THE ACTIONS OR THE MERITS OF THE CLAIMS OR DEFENSES ASSERTED. THIS NOTICE IS SOLELY TO ADVISE YOU OF THE BACKGROUND AND PROPOSED SETTLEMENT OF THESE ACTIONS AND YOUR RIGHTS IN CONNECTION WITH THAT SETTLEMENT.

PROCEDURAL HISTORY

The Actions assert claims against Defendants under §§11, 12(a)(2), and 15 of the Securities Act of 1933 (the “Securities Act”). The Actions are brought by Plaintiffs on behalf of themselves and all persons and entities who purchased or otherwise acquired ADT common stock pursuant and/or traceable to ADT’s January 19, 2018 IPO.

The State Court Plaintiffs allege that Defendants violated §§11, 12(a)(2), and 15 of the Securities Act and the Federal Court Lead Plaintiff alleges that Defendants violated §§11 and 15 of the Securities Act by making material misrepresentations and omissions in the Registration Statement for ADT’s IPO (and, in the State Action, in the Prospectus). Specifically, Plaintiffs allege that the Registration Statement misrepresented and/or failed to disclose ADT’s litigation with Ring.com (“Ring”) over Ring’s theft of intellectual property from ADT and the settlement in principle of that litigation, and that ADT’s traditional competitors were being displaced by do-it-yourself (“DIY”) home security offerings from certain technology companies.

Goldstrand Investments Inc. (“Goldstrand”) commenced the State Action on March 21, 2018, by filing the first of five complaints that were filed in the Circuit Court of the Fifteenth Judicial Circuit in and for Palm Beach County, Florida. On July 2, 2018, Goldstrand filed a motion to, among other things, (i) consolidate the five state court actions under the caption *In re ADT Inc. Shareholder Litigation*, Case No. 502018CA003494XXXMB-AG; (ii) appoint the State Court Plaintiffs as lead plaintiffs for the consolidated action; (iii) appoint Robbins Geller Rudman & Dowd LLP (“Robbins Geller”) as lead counsel for the consolidated action; and (iv) appoint an executive committee consisting of Robbins Geller, Labaton Sucharow LLP, Scott + Scott Attorneys at Law LLP, Levi & Korsinsky, LLP, and Stull, Stull & Brody to jointly litigate the consolidated action on behalf of plaintiffs and the proposed class. The State Court granted that motion on July 10, 2018.

The State Court Action Plaintiffs filed a Consolidated Class Action Complaint on August 24, 2018. On October 23, 2018, Defendants filed three separate motions to dismiss the Consolidated Class Action Complaint. Briefing on the motions to dismiss was completed on February 25, 2019, and the State Court heard oral argument on the motions to dismiss on July 19, 2019. On July 29, 2019, the State Court denied in part Defendants’ motions to dismiss the Consolidated Class Action Complaint and requested additional briefing on whether the State Court had jurisdiction over the Apollo Defendants, the Underwriter Defendants, and certain of the Individual Defendants. That additional briefing was completed on July 30, 2019.

The Federal Action was commenced on May 21, 2018. On November 20, 2018, the Federal Court appointed Asaff to serve as Lead Plaintiff in the Federal Action. Asaff filed an Amended Class Action Complaint on January 15, 2019. On March 25, 2019, ADT and the Individual Defendants, the Underwriter Defendants, and the Apollo Defendants each filed motions to dismiss the Amended Class Action Complaint. On April 8, 2019, Asaff filed briefs in opposition to each of the three motions, and each of the moving parties filed reply briefs on April 15, 2019.

While the motions to dismiss the Federal Action and additional briefing on the State Court jurisdiction issue were pending, the Parties engaged the services of David Geronemus, Esq., a nationally recognized mediator to help them explore settlement. The Parties exchanged mediation statements and agreed to a settlement in principle after a full-day in-person mediation with Mr. Geronemus on September 12, 2019. The Parties agreed to a written Settlement Term Sheet (the “Term Sheet”) on October 25, 2019, setting forth the material terms of their agreement in principle, subject to the negotiation of a Stipulation of Settlement and related documents and approval by the State Court. The Stipulation (together with the exhibits thereto) reflects the final and binding agreement between the Parties and supersedes the Term Sheet.

HOW DO I KNOW IF I AM A SETTLEMENT CLASS MEMBER?

If you purchased or otherwise acquired ADT common stock at any time during the period beginning on January 19, 2018 through and including May 21, 2018 (the “Settlement Class Period”), you are a member of the proposed Settlement Class, unless you fall into one of the following categories of persons who are excluded from the proposed Settlement Class: (i) Defendants; (ii) members of the immediate families of the Individual Defendants; (iii) the parents, subsidiaries, assigns, successors and predecessors of ADT, the Underwriter Defendants, and the Apollo Defendants (but,

for the avoidance of doubt, not excluding Persons who are members or partners of such parents, subsidiaries, assigns, successors, or predecessors); (iv) the subsidiaries and predecessors of STRH; (v) any Persons who served as partners, control persons, officers and/or directors of ADT, the Underwriter Defendants, or the Apollo Defendants during the Settlement Class Period; (vi) any Persons who served as partners, officers, and/or directors of STRH during the Settlement Class Period; (vii) Defendants' liability insurance carriers; (viii) the legal representatives, heirs, successors, and assigns of any person or entity except STRH, excluded under provisions (i) through (vii) hereof; and (ix) the legal representatives of STRH. For the avoidance of doubt, any Investment Vehicle shall not be excluded from the proposed Settlement Class.³ Also excluded from the proposed Settlement Class are those Persons who would otherwise be Settlement Class Members but who timely and validly exclude themselves therefrom, as discussed below.

PLEASE NOTE: Receipt of this Notice does not mean that you are a Settlement Class Member or that you will be entitled to receive a payment from the Settlement. If you are a Settlement Class Member and you wish to be eligible to participate in the distribution of proceeds from the Settlement, you must submit the Proof of Claim that is being distributed with this Notice and the required supporting documentation as set forth therein postmarked or submitted online on or before February 3, 2021.

WHAT IS THE MONETARY VALUE OF THE PROPOSED SETTLEMENT?

The Settlement, if approved, will result in the creation of a cash settlement fund of \$30,000,000 (the "Settlement Fund"). The Settlement Fund, plus accrued interest and minus the costs of this Notice, costs associated with the administration of the Settlement Fund, and any attorneys' fees and expenses and awards to Plaintiffs for representing the Settlement Class as may be approved by the State Court (the "Net Settlement Fund"), will be distributed to eligible Settlement Class Members pursuant to the Plan of Allocation that is described in the next section of this Notice.

WHAT IS THE PROPOSED PLAN OF ALLOCATION?

The objective of the proposed Plan of Allocation is to distribute the Net Settlement Fund among Settlement Class Members equitably and proportionately, based on their economic losses allegedly resulting from the securities law violations alleged in the Actions.

The Claims Administrator shall determine each Settlement Class Member's share of the Net Settlement Fund (a "Recognized Claim") based upon the recognized loss formula described below. A Recognized Claim will be calculated for each share of ADT common stock purchased or otherwise acquired during the period beginning on January 19, 2018 (the date of ADT's IPO) through and including May 21, 2018. The calculation of a Recognized Claim will depend upon several factors, including the number of shares purchased or otherwise acquired; the price paid for the shares; whether the shares were sold, and, if so, when they were sold and at what price. The Recognized Claim is not intended to estimate the amount a Settlement Class Member might have been able to recover after a trial, or to estimate the amount that will be paid to Settlement Class Members pursuant to the Settlement. The Recognized Claim is the basis upon which the Claims Administrator will make a determination concerning the proportionate amount of the Net Settlement Fund that each Settlement Class Member will receive.

Your share of the Net Settlement Fund will depend on the amount of your Recognized Claim and the total amount of all Recognized Claims that are submitted.

The calculation of your Recognized Claim below is not an estimate of the amount you will receive. It is a formula for proportionately allocating the Net Settlement Fund among all Authorized Claimants. Furthermore, if any of the formulas set forth below yield an amount less than \$0.00, the claim per share is \$0.00.

CALCULATION OF RECOGNIZED CLAIMS

A Recognized Claim will be calculated as follows:

Initial Public Offering Price:	\$14.00 per share
Closing price on the date the State Action lawsuit was filed: ⁴	\$8.97 per share

"Purchase Price" means the price at which an eligible share is purchased.

"Sale Price" means the price at which an eligible share is sold.

³ "Investment Vehicle" means any investment company or pooled investment fund, including, but not limited to, mutual fund families, exchange traded funds, fund or funds, and hedge funds, in which any of the Underwriter Defendants and/or STRH or any of the Apollo Defendants have, has or may have a direct or indirect interest, or as to which its affiliates may act as an investment advisor, but in which any of the Underwriter Defendants and/or STRH or any of the Apollo Defendants alone or together with its respective affiliates is not a majority owner or does not hold a majority beneficial interest.

⁴ State Action Complaint filed on March 21, 2018. Federal Action Complaint filed on May 21, 2018.

For shares of ADT common stock purchased or otherwise acquired pursuant and/or traceable to the January 19, 2018 IPO through the end of trading on May 21, 2018, and

- 1) sold prior to March 21, 2018, the claim per share is the lesser of: (i) the Purchase Price less the Sale Price, or (ii) \$14.00 less the Sale Price.
- 2) sold from March 21, 2018 through May 21, 2018, inclusive, the claim per share is the least of: (i) \$5.03 (\$14.00 less \$8.97), (ii) the Purchase Price less the Sale Price, or (iii) the Purchase Price less \$8.97.
- 3) retained or sold after May 21, 2018, the claim per share is the lesser of: (i) \$5.03 (\$14.00 less \$8.97), or (ii) the Purchase Price less \$8.97.

A purchase, acquisition, or sale of ADT common stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. All purchase, acquisition and sale prices shall exclude any fees and commissions. The receipt or grant by gift, devise, or operation of law of ADT common stock during the proposed Settlement Class Period shall not be deemed a purchase, acquisition, or sale of ADT common stock for the calculation of a claimant’s Recognized Claim nor shall it be deemed an assignment of any claim relating to the purchase or acquisition of such share unless specifically provided in the instrument of gift or assignment. The receipt of ADT common stock during the Settlement Class Period in exchange for securities of any other corporation or entity shall not be deemed a purchase, acquisition or sale of ADT common stock.

In the event a Settlement Class Member has more than one eligible purchase and sale, all such purchases and sales shall be matched on a first-in, first-out (“FIFO”) basis. Sales will be matched against purchases in chronological order, beginning with the earliest purchase made during the relevant period.

With respect to ADT common stock purchased or sold through the exercise of an option, the purchase/sale date of the share is the exercise date of the option and the purchase/sale price of the share is the exercise price of the option. Any Recognized Claim arising from purchases of ADT common stock acquired during the Settlement Class Period through the exercise of an option on ADT common stock shall be computed as provided for other purchases of ADT common stock in the Plan of Allocation.

The total of all of a Settlement Class Member’s profits shall be subtracted from the total of all of a Settlement Class Member’s losses from transactions during the Settlement Class Period to determine if a Settlement Class Member has a Recognized Claim. Only if a Settlement Class Member had a net market loss, after all profits from transactions in ADT common stock during the Settlement Class Period are subtracted from all losses, will such Settlement Class Member be eligible to receive a distribution from the Net Settlement Fund.

If an Authorized Claimant has an overall market gain, the Recognized Claim for that Authorized Claimant will be zero.

The Claims Administrator shall allocate to each Authorized Claimant a *pro rata* share of the Net Settlement Fund based on the claimants’ Recognized Claim as a proportion of the total Recognized Claims of all Authorized Claimants. However, if an Authorized Claimant’s *pro rata* share is less than \$10.00, no distribution shall be made to that claimant.

Distributions will be made to Authorized Claimants after all claims have been processed, after the State Court has entered a Judgment approving the Settlement, and after any appeals are resolved or the time to appeal has expired. If there is any balance remaining in the Net Settlement Fund after at least six (6) months from the initial date of distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks, or otherwise), the Claims Administrator shall, if feasible, reallocate such balance among Authorized Claimants in an equitable and economic fashion. These redistributions shall be repeated until the balance remaining in the Net Settlement Fund is no longer economically feasible to distribute to Settlement Class Members. Thereafter, any residual amount shall be donated to an appropriate non-profit organization unaffiliated with any of Plaintiffs’ or Defendants’ Counsel.

Please contact the Claims Administrator or the State Court Lead Counsel if you disagree with any determinations made by the Claims Administrator regarding your Proof of Claim. If you are dissatisfied with the determinations, you may ask State Court Lead Counsel to request that the State Court, which retains jurisdiction over all Settlement Class Members and the claims administration process, decide the issue. The State Court has reserved jurisdiction to allow, disallow, or adjust the claim of any Settlement Class Member on equitable grounds.

Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Authorized Claimants. No Person shall have any claim against Plaintiffs, Plaintiffs’ Counsel or the Claims Administrator, or any other Person designated by Plaintiffs’ Counsel based on determinations or distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further order(s) of the State Court, and no Person shall have any claim against the Released Parties or Defendants’ Counsel in regard to the handling of the Person’s claim under any circumstances. Any Settlement Class Member who does not submit a valid and timely Proof of Claim will be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by the State Court), but will nonetheless be bound by all of the terms of the Stipulation, including the terms of any judgment entered and the releases given.

DO I NEED TO CONTACT PLAINTIFFS' COUNSEL IN ORDER TO PARTICIPATE IN DISTRIBUTION OF THE SETTLEMENT FUND?

No. If you have received this Notice and timely submit your Proof of Claim to the designated address, you need not contact Plaintiffs' Counsel. If your address changes or has changed since May 2018, please contact the Claims Administrator at the following address and provide your current address:

ADT Securities Litigation Settlement
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 43352
Providence, RI 02940-3352
Telephone: 1-866-753-8860
www.ADTSecuritiesLitigation.com
Email: info@ADTSecuritiesLitigation.com

THERE WILL BE NO PAYMENTS IF THE SETTLEMENT IS TERMINATED

The Settlement may be terminated under several circumstances outlined in the Stipulation. If the Settlement is terminated, the Actions will proceed as if the Stipulation had not been entered into and no settlement payment will be made to any Settlement Class Member.

WHAT ARE THE REASONS FOR SETTLEMENT?

The Settlement was reached after motion practice directed to the sufficiency of Plaintiffs' claims. But neither the State Court nor the Federal Court reached any final decisions regarding Plaintiffs' claims against Defendants or concerning whether the Actions should be certified as class actions. Instead, Plaintiffs and Defendants have agreed to this Settlement, which was reached with the substantial assistance of David Geronemus, Esq., a mediator experienced in helping to resolve securities class actions.

The Settlement reflects the results of arm's-length negotiations among the Parties, who were all represented by counsel with extensive experience and expertise in stockholder class action litigation. In reaching the Settlement, the Parties have avoided the cost, delay and uncertainty of further litigation. This Settlement is not evidence of the validity or invalidity of any claims or defenses in the Actions or any other actions or proceedings, or of any wrongdoing by any of the Defendants or of any damages or injury to Plaintiffs or any Settlement Class Member.

As in any litigation, Plaintiffs and the proposed Settlement Class would face an uncertain outcome if they did not agree to the Settlement. Continuation of the Actions against Defendants could result in a judgment greater or lesser than this Settlement if Plaintiffs were to prevail, or in no recovery at all, if Defendants were to prevail. In any event, the Parties expected that litigation of the Actions could continue for a lengthy period of time before final resolution, including a potential appeal by the non-prevailing side.

Plaintiffs and Plaintiffs' Counsel believe that this Settlement is fair, reasonable, and adequate to the members of the Settlement Class. They have reached this conclusion for several reasons. Specifically, if the Settlement is approved, the Settlement Class will receive a certain and substantial immediate monetary recovery. Additionally, Plaintiffs' Counsel believe that the significant and immediate benefits of the Settlement, when weighed against the significant risk, delay and uncertainty of continued litigation, are a very favorable result for the Settlement Class.

Defendants have denied, and continue to deny, all allegations of wrongdoing, fault, liability or damage with respect to all claims asserted or that could be asserted in the Actions or any other action, in any court or tribunal, relating to ADT's IPO, including any allegations that Defendants have committed any violations of law, that they have acted improperly in any way, and that they have any liability or owe any damages of any kind to Plaintiffs and/or the proposed Settlement Class. The Apollo Defendants, the Underwriter Defendants, and certain of the Individual Defendants have also asserted jurisdictional challenges to the State Action and consent to jurisdiction solely for purposes of this Settlement. Defendants maintain that their conduct was at all times proper, and that if the Actions were to proceed to trial, they would have prevailed on all claims asserted against them. Defendants also deny that any ADT investors were harmed by any conduct of Defendants alleged in the Actions. Defendants are entering into the Settlement in order to, among other things, eliminate the uncertainty, burden, inconvenience, expense, and distraction of further litigation; and to terminate all claims that were or could have been asserted by Plaintiffs or any other Settlement Class Members against Defendants in the Actions or in any other action, in any court or tribunal, relating to ADT's IPO and the disclosures made in connection with the IPO.

WHO REPRESENTS THE SETTLEMENT CLASS?

The following attorneys are counsel for the Settlement Class:

State Court Lead Counsel

Ellen Gusikoff Stewart, Esq.
ROBBINS GELLER RUDMAN &
DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101
Telephone: 1-800-449-4900

Federal Court Lead Counsel

Joseph D. Cohen
GLANCY PRONGAY
& MURRAY LLP
1925 Century Park East, Suite 2100
Los Angeles, CA 90067
Telephone: 1-310-201-9150

If you have any questions about the Actions, or the Settlement, you are entitled to consult with Plaintiffs' Counsel by contacting counsel at the phone numbers listed above.

You may obtain a copy of the Stipulation by contacting the Claims Administrator at:

ADT Securities Litigation Settlement
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 43352
Providence, RI 02940-3352
Telephone: 1-866-753-8860
www.ADTSecuritiesLitigation.com

You may also access and download the Stipulation from the following Internet address:
www.ADTSecuritiesLitigation.com.

HOW WILL THE PLAINTIFFS' LAWYERS BE PAID?

State Court Lead Counsel will file a motion for an award of attorneys' fees and expenses that will be considered at the Settlement Fairness Hearing. State Court Lead Counsel will apply for an attorneys' fee award for all of Plaintiffs' Counsel in the amount of up to 33 1/3% of the Settlement Fund, plus payment of Plaintiffs' Counsel's expenses incurred in connection with the Actions in an amount not to exceed \$200,000.00, plus interest on both amounts. In addition, Plaintiffs may seek a payment of up to \$15,000.00 in the aggregate for their efforts in representing the Settlement Class. Such sums as may be approved by the State Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested will be the only payment to Plaintiffs' Counsel for their efforts in achieving this Settlement and for their risk in undertaking this representation on a wholly contingent basis. The fees requested will compensate Plaintiffs' Counsel for their work in achieving the Settlement. The State Court will decide what constitutes a reasonable fee award and may award less than the amount requested by Plaintiffs' Counsel.

CAN I EXCLUDE MYSELF FROM THE SETTLEMENT?

Yes. If you do not want to receive a payment from this Settlement, or if you want to keep the right to sue or continue to sue Defendants on your own in connection with your purchase, acquisition or sale of ADT common stock during the proposed Settlement Class Period, then you must take steps to remove yourself from the Settlement Class. This is called excluding yourself from, or "opting out" of, the Settlement Class. If you are requesting exclusion because you want to bring your own lawsuit based on the matters alleged in the Actions, you may want to consult an attorney and discuss whether any individual claim that you may wish to pursue would be time-barred by the applicable statutes of limitation or repose.

To exclude yourself from the Settlement Class, you must send a signed letter by mail saying that you want to be excluded from the Settlement Class in the following action: *In re ADT Inc. Shareholder Litigation*, Case No. 502018CA003494XXXXMB-AG. You must include your name, address, telephone number, and the date(s), price(s), and number of shares of ADT common stock that you purchased or acquired during the Settlement Class Period (January 19, 2018-May 21, 2018). Your exclusion request must be **postmarked no later than December 30, 2020**, and be sent to the Claims Administrator at the following address:

ADT Securities Litigation Settlement
Claims Administrator
c/o Gilardi & Co. LLC
EXCLUSIONS
150 Royall Street, Suite 101
Canton, MA 02021

You cannot exclude yourself by phone or by email. If you make a proper request for exclusion, you will not receive a settlement payment, and you cannot object to the Settlement. If you make a proper request for exclusion, you will not be legally bound by the proposed Settlement or the releases set forth in the Stipulation and proposed Judgment.

CAN I OBJECT TO THE SETTLEMENT, THE REQUESTED ATTORNEYS' FEES, THE REQUESTED PAYMENT OF COSTS AND EXPENSES AND/OR THE PLAN OF ALLOCATION?

Yes. If you are a Settlement Class Member and you do not submit a Request for Exclusion, you may object to the terms of the Settlement. Whether or not you object to the terms of the Settlement, you may also object to the requested attorneys' fees, costs and expenses, Plaintiffs' request for awards for representing the Settlement Class and/or the Plan of Allocation. In order for any objection to be considered, you must file a written statement, accompanied by proof of Settlement Class membership, with the State Court and send a copy to State Court Lead Counsel and ADT's Counsel, at the addresses listed below **by December 30, 2020**. The Court's address is 205 North Dixie Highway, West Palm Beach, FL 33401; State Court Lead Counsel's address is Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, c/o Ellen Gusikoff Stewart; and ADT's Counsel's address is Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, NY 10019-6064, c/o Andrew J. Ehrlich. Attendance at the Settlement Fairness Hearing is not necessary; however, persons wishing to be heard orally at the Settlement Fairness Hearing are required to indicate in their written objection their intention to appear at the hearing and identify any witnesses they may call to testify and all exhibits, if any, they intend to offer in evidence.

WHAT IS THE DIFFERENCE BETWEEN OBJECTING AND EXCLUDING MYSELF FROM THE SETTLEMENT?

Objecting is telling the State Court that you do not like something about the proposed Settlement, the Plan of Allocation, or Plaintiffs' Counsel's request for an award of attorneys' fees and expenses. You can object only if you stay in the Settlement Class, and you will not forfeit your right to receive a payment for your claim by objecting to the Settlement, and you will continue to be bound by the terms of the Settlement, including the releases, if it is approved.

Excluding yourself is telling the State Court that you do not want to be part of the Settlement Class and you do not want to receive a payment under the Settlement. If you exclude yourself, you cannot object to the Settlement because it will no longer apply to you.

WHAT ARE MY RIGHTS AND OBLIGATIONS UNDER THE SETTLEMENT?

If you are a Settlement Class Member and you do not exclude yourself from the Settlement Class, you may receive the benefit of, and you will be bound by, the terms of the Settlement described in this Notice, upon approval by the Court.

HOW CAN I GET A PAYMENT?

In order to qualify for a payment, you must timely complete and return the Proof of Claim that accompanies this Notice. A Proof of Claim is enclosed with this Notice and also may be downloaded at www.ADTSecuritiesLitigation.com. Read the instructions carefully; fill out the Proof of Claim; sign it; and mail or submit it online so that it is **postmarked (if mailed) or received (if submitted online) no later than February 3, 2021**. The Proof of Claim may be submitted online at www.ADTSecuritiesLitigation.com. If you do not submit a timely Proof of Claim with all of the required information, you will not receive a payment from the Settlement Fund; however, unless you expressly exclude yourself from the Settlement Class as described above, you will still be bound in all other respects by the Settlement, the Judgment, and the release contained in them.

WHAT CLAIMS WILL BE RELEASED BY THE SETTLEMENT?

If the Settlement is approved by the State Court, the State Court will enter a Judgment. If the Judgment dismissing the State Action with prejudice becomes final pursuant to the terms of the Stipulation, all Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged any and all of the Released Parties from all Released Claims.

- "Released Parties" means Defendants and each and all of their Related Parties.
- "Related Parties" means each of a Defendant's past, present, or future direct or indirect parents, subsidiaries, divisions, affiliates or joint ventures, as well as each of their respective present or former directors, officers, employees, partners, members, principals, agents, underwriters, insurers, co-insurers, reinsurers, controlling shareholders, attorneys, accountants, auditors, financial or investment advisors or consultants, banks or investment bankers, personal or legal representatives, predecessors, successors, assigns, spouses, heirs, related or affiliated entities, any entity in which a Defendant has a controlling interest, any member of an Individual Defendant's immediate family, any trust of which any Individual Defendant is the settlor or which is for the benefit of any Individual Defendant and/or member(s) of his or her family, and the legal representatives, heirs, successors in interest or assigns of the Individual Defendants.

- “Released Claims” means any and all claims, demands, rights, causes of action or liabilities of every nature and description whatsoever, including “Unknown Claims” as defined below, that could have been asserted in any forum, whether foreign or domestic, whether based on or arising under federal, state, local, or foreign statutory or common law, rule or regulation, whether fixed or contingent, foreseen or unforeseen, matured or unmatured, accrued or unaccrued, liquidated or unliquidated, whether direct, representative, class or individual in nature, based on, arising from or relating to: (i) the purchase or acquisition of ADT common stock in or traceable to the Company’s January 2018 IPO; and (ii) any of the allegations, acts, transactions, facts, events, matters, occurrences, representations or omissions involved, set forth, alleged or referred to, in the Actions, or which could have been alleged in the Actions. Released Claims do not include any claims relating to the enforcement of the Settlement or any claims of any Person that submits a Request for Exclusion that is accepted by the State Court. For the avoidance of doubt, Released Claims includes all claims under the Securities Act of 1933 and Securities Exchange Act of 1934 concerning the purchase and acquisition of ADT common stock during the Settlement Class Period.
- “Unknown Claims” means any and all claims and potential claims against Defendants that Plaintiffs or any Settlement Class Members do not know or suspect to exist in their, his, her, or its favor as of the Effective Date, and any claims against Plaintiffs that Defendants do not know or suspect to exist in their, his, her, or its favor, which if known by them, him, her, or it might have affected their, his, her, or its decision(s) with respect to the Settlement. With respect to any and all Released Claims and Released Defendants’ Claims, the Parties stipulate and agree that by operation of the Judgment, upon the Effective Date, Plaintiffs and Defendants shall have expressly waived, and each Settlement Class Member shall be deemed to have waived, and by operation of the Final Judgment shall have expressly waived, the provisions, rights and benefits of Cal. Civ. Code §1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY;

and any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code §1542. Plaintiffs, any other Settlement Class Members, and Defendants may hereafter discover facts in addition to or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Plaintiffs and Defendants shall expressly fully, finally, and forever settle and release, and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Plaintiffs and Defendants acknowledge, and Settlement Class Members shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of Released Claims and Released Defendants’ Claims was separately bargained for and was an essential element of the Settlement.

The above description of the proposed Settlement is only a summary. The complete terms are set forth in the Stipulation (including its exhibits), which may be obtained at www.ADTSecuritiesLitigation.com, or by contacting State Court Lead Counsel listed on Page 6 above.

THE SETTLEMENT FAIRNESS HEARING

The State Court will hold a Settlement Fairness Hearing on January 12, 2021, at 2:00 p.m., before the Honorable Donald Hafele at the Circuit Court of the Fifteenth Judicial Circuit in and for Palm Beach County, Florida, 205 North Dixie Highway, West Palm Beach, Florida 33401, for the purpose of determining whether: (1) the Settlement as set forth in the Stipulation, including the settlement payment of \$30,000,000 and the releases provided therein, should be approved by the State Court as fair, reasonable and adequate; (2) Judgment as provided under the Stipulation should be entered dismissing the State Action with prejudice; (3) Plaintiffs’ Counsel should be awarded attorneys’ fees and expenses out of the Settlement Fund and, if so, in what amount; (4) Plaintiffs should receive awards out of the Settlement Fund for their efforts in representing the Settlement Class and, if so, in what amount; and (5) the Plan of Allocation is fair and reasonable and should be approved. The State Court may adjourn or continue the Settlement Fairness Hearing without further notice to members of the Settlement Class.

The Coronavirus (COVID-19) pandemic is a fluid situation that creates the possibility that the Court may decide to conduct the Settlement Fairness Hearing by video, telephone conference, or otherwise allow Settlement Class Members to appear at the hearing by telephone without further notice to the Settlement Class. In order to determine whether the date and time of the Settlement Fairness Hearing have changed, or whether Settlement Class Members must or may participate by phone or video, it is important that you monitor the Settlement website, www.ADTSecuritiesLitigation.com, or the Court's docket, before making any plans to attend the Settlement Fairness Hearing. Any updates regarding the Settlement Fairness Hearing will be posted to the Settlement website. Also, if the State Court requires or allows Settlement Class Members to participate in the Settlement Fairness Hearing by telephone, the phone number for accessing the telephonic conference will be posted to the Settlement website. You will not receive another notice such as this one regarding such changes; they will only be posted to the Settlement website.

Any Settlement Class Member who has not filed a Request for Exclusion may appear at the Settlement Fairness Hearing and be heard on any of the foregoing matters; provided, however, that no such person shall be heard unless his, her, or its objection is made in writing and is filed, together with proof of membership in the Settlement Class and with copies of all other papers and briefs to be submitted by him, her, or it to the Court at the Settlement Fairness Hearing, with the State Court no later than December 30, 2020, and showing proof of service on the following counsel:

Ellen Gusikoff Stewart
ROBBINS GELLER RUDMAN &
DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101

Andrew J. Ehrlich
PAUL, WEISS, RIFKIND, WHARTON
& GARRISON LLP
1285 Avenue of the Americas
New York, NY 10019-6064

Attorneys for Plaintiffs

Attorneys for the ADT Defendants

Unless otherwise directed by the State Court, any Settlement Class Member who does not make his, her or its objection in the manner provided shall be deemed to have waived all objections to this Settlement and shall be foreclosed from raising (in this or any other proceeding or on any appeal) any objection and any untimely objection shall be barred.

If you hire an attorney (at your own expense) to represent you for purposes of objecting, your attorney must serve a notice of appearance on counsel listed above and file it with the State Court (at the address set out above) by no later than December 30, 2020.

INJUNCTION

The State Court has issued an order enjoining all Settlement Class Members from instituting, commencing, maintaining or prosecuting any action in any court or tribunal that asserts Released Claims against any Released Party, pending final determination by the State Court of whether the Settlement should be approved.

HOW DO I OBTAIN ADDITIONAL INFORMATION?

This Notice contains only a summary of the terms of the proposed Settlement. The records in the State Action may be examined and copied at any time during regular office hours, and subject to customary copying fees, at the Clerk of the Circuit Court of the Fifteenth Judicial Circuit in and for Palm Beach County, Florida. In addition, all of the Settlement documents, including the Stipulation, this Notice, the Proof of Claim and proposed Judgment may be obtained by contacting the Claims Administrator at:

ADT Securities Litigation Settlement
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 43352
Providence, RI 02940-3352
Email: info@ADTSecuritiesLitigation.com
Telephone: 1-866-753-8860

The Settlement documents may also be viewed and downloaded from the following Internet address: www.ADTSecuritiesLitigation.com.

In addition, you may contact Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900 if you have any questions about the Actions or the Settlement.

DO NOT WRITE TO OR TELEPHONE THE STATE COURT FOR INFORMATION

SPECIAL NOTICE TO BANKS, BROKERS, AND OTHER NOMINEES

If you hold any ADT common stock purchased or acquired between January 19, 2018 and May 21, 2018, inclusive, as a nominee for a beneficial owner, then, within ten (10) business days after you receive this Notice, you must either: (1) send a copy of this Notice by First-Class Mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator at notifications@gilardi.com or:

ADT Securities Litigation Settlement
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 43352
Providence, RI 02940-3352

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator.

DATED: October 15, 2020

BY ORDER OF THE CIRCUIT COURT OF
THE FIFTEENTH JUDICIAL CIRCUIT IN AND
FOR PALM BEACH COUNTY, FLORIDA