

**SECOND AMENDED CLASS ACTION SETTLEMENT AGREEMENT AND
STIPULATION**

Plaintiffs Oscar Gardner and Christine Smith (“Plaintiffs”), on behalf of themselves and the Class Members, on the one hand, and defendant ADT LLC, d/b/a ADT Security Services, sued as ADT Security Services, Inc. (“Defendant”), on the other hand, by and through their respective counsel, in consideration for and subject to the promises, terms, and conditions contained in this Class Action Settlement Agreement and Stipulation, hereby stipulate and agree, subject to Court approval, as follows:¹

I. RECITALS

WHEREAS, on May 31, 2013, former plaintiff Antonio Villegas filed a class action entitled *Villegas v. ADT Security Services, Inc., et al.*, in the Superior Court of the State of California for the County of Los Angeles (“LASC”) Case No. BC510665 (the “Action”);

WHEREAS, on January 13, 2014, Villegas filed an Amended Complaint, limiting the scope of the alleged class action to ADT customers in the City of Los Angeles;

WHEREAS, On February 11, 2014, ADT filed a demurrer to the Amended Complaint on the grounds that Villegas had failed to state any legal claim against ADT;

WHEREAS, on May 5, 2014, the Court granted ADT's demurrer in its entirety with leave for Villegas to file a Second Amended Complaint;

WHEREAS, on May 27, 2014, Villegas filed a Second Amended Complaint, and on June 30, 2014, ADT filed a demurrer to the Second Amended Complaint;

WHEREAS, on September 23, 2014, the Court sustained Defendant’s demurrer to the then operative complaint without leave to amend;

WHEREAS, on December 16, 2014, Plaintiff appealed the judgment on Defendant’s demurrer;

¹ Unless otherwise defined, capitalized words or terms used in this Agreement shall have the meanings as set forth in Section II herein.

WHEREAS, on September 26, 2016, the Court of Appeal, partially reversed and partially affirmed the Court’s order sustaining Defendant’s demurrer;

WHEREAS, the Complaint has been amended, from time to time, including, *inter alia*, a Third Amended Class Action Complaint, that, among other things, dismissed plaintiff Villegas and added Plaintiff Gardner (filed November 29, 2017), and a Fourth Amended Class Action Complaint, that, among other things, added Plaintiff Smith (filed February 9, 2018) (the “FAC”);

WHEREAS, the FAC is the current operative Complaint in the Action;

WHEREAS, on July 25, 2018, Plaintiffs moved for certification of a class action, on August 20, 2018, ADT opposed the motion for class certification, and on November 17, 2018, the Court certified certain classes of ADT customers;

WHEREAS, the court certified the following subclasses:

The Pre-3/2009 Class – Installation by ADT:

All consumers located within the City of Los Angeles who: (1) had an alarm system installed, operated or monitored by ADT, LLC d/b/a/ ADT Security Services and such system was installed directly by ADT, LLC, prior to March 7, 2009; (2) whose initial contract exceeds the sum of \$250; (3) who were not informed in writing in that initial contract of the cost of the Alarm System Permit; and (4) who received penalties from the City of Los Angeles for a false alarm and not having a permit for their alarm system on or after May 31, 2010.

The Pre-3/2009 Class – Installation by Authorized Dealer:

All consumers located within the City of Los Angeles who: (1) had an alarm system installed, operated or monitored by ADT, LLC d/b/a/ ADT Security Services and such system was installed by an ADT Authorized Dealer prior to March 7, 2009; (2) whose initial contract exceeds the sum of \$250; (3) who were not informed in writing in that initial contract of the cost of the Alarm System Permit; and (4) who received penalties from the City of Los Angeles for a false alarm and not having a permit for their alarm system on or after May 31, 2010.

The Post-3/2009 Class – Installation by ADT:

All consumers located within the City of Los Angeles who: (1) had an alarm system installed, operated or monitored by ADT, LLC d/b/a/ ADT Security Services and such system was installed directly by ADT, LLC, on or after March 7, 2009; (2) who did not have a permit at the time of installation and ADT did not obtain one on the individual’s behalf; and (3) (4) who received penalties from the City of Los Angeles for a false alarm and not having a permit for their alarm system on or after May 31, 2010.

The Post-3/2009 Class – Installation by Authorized Dealer:

All consumers located within the City of Los Angeles who: (1) had an alarm system installed, operated or monitored by ADT, LLC d/b/a/ ADT Security Services and such system was installed by an ADT Authorized Dealer on or after March 7, 2009; (2) who did not have a permit at the time of installation and neither the Authorized Dealer nor ADT obtained one on the individual's behalf; and (3) (4) who received penalties from the City of Los Angeles for a false alarm and not having a permit for their alarm system on or after May 31, 2010.

WHEREAS, on October 22, 2019, the Parties stipulated to the sending of class notice.

The class notice identified as potential class members those individuals who received one or more penalties from the City of Los Angeles for not having a permit on an alarm system monitored by ADT at any time on or after May 31, 2009, through December 7, 2018. The Parties stipulated to a list of potential class members consisting of 16,420 people who met these criteria, based on comparisons of a list produced by the City of Los Angeles of all individuals who received penalties for not having an alarm permit with ADT's records of its own customers;

WHEREAS, on October 23, 2019, the Court Ordered notice sent to the Class pursuant to the Parties' stipulation regarding class notice;

WHEREAS, beginning on November 11, 2019, Phoenix Class Action Administration Solutions – on the joint instruction of the parties – sent notice to 16,420 class members in accordance with the Court's Order;

WHEREAS, two (2) individuals opted-out of the class at the time that class notice was sent;

WHEREAS, Defendant denies all material allegations in the Action, denies any wrongdoing of any kind, and denies that Defendant is liable on any causes of action that were or could have been alleged in the Action;

WHEREAS, before entering into this Agreement, Plaintiffs, by and through Class Counsel, conducted a thorough examination, investigation, and evaluation of the relevant law, facts, and allegations to assess the merits of the claims and potential claims, to determine the strength of arguments regarding liability, potential remedies, and all defenses thereto;

WHEREAS, Plaintiffs' investigation included extensive discovery: written production demands and responses thereto; notices of and depositions of persons most knowledgeable regarding a variety of relevant topics; depositions of City personnel and the Plaintiffs; propounding several rounds of Specially Prepared Interrogatories, Requests for Admissions and Form Interrogatories, as well as responses thereto; and extensive meet and confer efforts over many months;

WHEREAS, this Agreement was reached as a result of extensive arm's-length negotiations between the Parties, and their respective counsel, occurring over the course of several months, including an in-person mediation on March 28, 2019 with the Honorable Rosalyn Chapman (Ret.) of JAMS attended by participants with full authority to settle the matter, which did not result in a settlement on that date, and the continued electronically-conducted settlement efforts involving Hon. Chapman over the ensuing months;

WHEREAS, based upon Class Counsel's and Plaintiffs' review, investigation, and evaluation of the facts and law relating to the matters alleged in the Action, Plaintiffs and Class Counsel have agreed to settle the Action pursuant to the terms and conditions of this Agreement after considering, among other things: (i) the substantial benefits to the Class under the terms of this Agreement; (ii) the risks, costs, and uncertainty of the impending trial and expected appeals that may result therefrom, especially in a complex Action such as this, as well as the difficulties and delays inherent in such litigation; and (iii) the desirability of consummating this Agreement as promptly as possible in order to provide effective relief to the Class;

WHEREAS, Class Counsel have conducted substantial formal and informal discovery, have investigated the facts and underlying events relating to the subject matter of the claims, have carefully analyzed the applicable legal principles, and have concluded, based upon their investigation that a resolution and compromise on the terms set forth herein is fair, reasonable, adequate, and in the best interests of Plaintiffs and the Class;

WHEREAS, Class Counsels' investigation and conclusion take into account the risks, uncertainties, burdens and costs of further prosecution of their claims, and also the substantial

benefits the Class will receive pursuant to this Agreement as set forth below, which, in the view of the undersigned Plaintiffs and undersigned Class Counsel, is designed for the purpose of putting to rest all controversies with Defendant that were or could have been alleged; and

WHEREAS, Defendant has concluded that continued litigation of the Action could be protracted and expensive, and based on the risk and uncertainty of continuing the Litigation, has determined that, without any admission of liability or wrongdoing and while continuing to deny all allegations of wrongdoing, Defendant desires to fully and finally resolve all causes of action that were alleged or that could have been alleged in the Action, known or unknown, in the manner and upon the express terms and conditions in this Agreement.

NOW, THEREFORE, without any admission or concession by Plaintiffs and the Class as to the merit, or lack thereof, of the allegations and claims in the Litigation, and without any admission or concession by Defendant of any liability, wrongdoing or lack of merit in its defenses in the Litigation, in consideration of the mutual covenants and terms contained herein, and subject to the final approval of the Court, the undersigned Plaintiffs and Class Counsel, on behalf of the Class, and Defendant and Defendant's counsel stipulate and agree to compromise, resolve and otherwise fully and finally settle the Action as follows:

II. DEFINITIONS

For the purposes of this Agreement only, as used in this Agreement and the exhibits attached hereto (which are an integral and material part of this Agreement and incorporated in their entirety herein by reference), the following terms have the following meanings, unless this Agreement specifically provides otherwise. The plural of any defined term includes the singular, and the singular of any defined term includes the plural, as the case may be:

1. "Action" or "Litigation" means the class action lawsuit entitled *Villegas v. ADT Security Services, Inc., et al.*, Case No. BC510665, pending in the Superior Court of California for the County of Los Angeles, Central District, Spring Street Courthouse, Department 7, before the Honorable Amy D. Hogue.

2. “Administration Expenses” means any and all fees, costs, charges, advances and expenses of the Settlement Administrator for performance of its duties pursuant to the terms and conditions of this Agreement, including those incurred and/or paid for dissemination of Class Notice or implementation of the Notice Plan, or notice in any other form as ordered by the Court.

3. “Agreement” or “Settlement Agreement” means this Class Action Settlement Agreement and Stipulation, including the exhibits attached hereto.

4. “Attorneys’ Fees and Expenses” means such funds as the Court may approve and award to Class Counsel to compensate them for securing the benefits to the Class under this Agreement, and for their professional time, fees, costs, advances and expenses incurred in connection with the Action and the Agreement.

5. “Class” or “Settlement Class” means, collectively:

All persons or entities located within the City of Los Angeles who: (1) had an alarm system installed, operated or monitored by ADT, LLC d/b/a/ ADT Security Services, (2) received penalties from the City of Los Angeles for a false alarm and not having a permit for their alarm system on or after May 31, 2009 through December 7, 2018, and (3) did not opt-out of the class notice previously sent in this matter.

The “Class Period” is from May 31, 2009 through December 7, 2018.

6. “Class Counsel” or “Settlement Class Counsel” means Thomas A. Kearney, Andrew J. Kearney and Prescott W. Littlefield of Kearney Littlefield, LLP and Catherine Burke Schmidt, Attorney at Law.

7. “Class Member” or “Settlement Class Member” means any member of the Class who does not elect exclusion or opt-out from the Class pursuant to the terms and conditions for exclusion set out in Paragraphs 68-71 of this Agreement and the Class Notice.

8. “Class Notice” or “Settlement Class Notice” means collectively the Long-Form Notice and Summary Notice (attached in substantial form hereto as “**Exhibit B**” and “**Exhibit D**” respectively), as approved by the Court in any Preliminary Approval Order. Class Notice shall be disseminated as set forth in the Notice Plan.

9. “Claim Form” shall mean the Claim Form (attached in substantial form hereto as “**Exhibit E**”), or as otherwise approved by the Court, which is to be mailed to the Settlement Class Members along with the Class Notice. A Class Member must submit a Claim Form in order to receive a settlement share. An electronic version of the Claim Form shall be available on the Settlement Website, as described in Paragraph 59, below.

10. “Claim Deadline” shall be the same period of time as the Objection Deadline.

11. “Class Representative” or “Settlement Class Representative” means Plaintiffs Oscar Gardner and Christine Smith.

12. “Complaint” means the Fourth Amended Class Action Complaint, filed in the Action.

13. “Court” means the Superior Court of the State of California for the County of Los Angeles.

14. “Cy Pres” or “Cy Pres Designee” shall mean the National Volunteer Fire Council, which entity meets the requirements of California Code of Civil Procedure section 384’s requirement, and which shall receive those funds remaining of the Net Settlement Fund after payment of the Settlement Benefit to all Class Members submitting Claim Forms.

15. “Defendant” means the ADT LLC, d/b/a ADT Security Services, sued as ADT Security Services, Inc.

16. “Defendant’s Counsel” means counsel of record for Defendant: Quinn Emanuel Urquhart & Sullivan, LLP, Dominic Surprenant and Paul Slattery.

17. “Effective Date” means the date on which the Final Order and/or Final Judgment in the Action become “Final.” As used herein the term “Final” means one (1) business day after Class Counsel submits notice in writing to Defendant’s Counsel that all of the following conditions have been satisfied:

- a) the Final Order and Final Judgment have been entered; and
- b) (i) if reconsideration and/or appellate review is not sought from the Final Order and/or Final Judgment, the expiration of the time for the filing or noticing of any

motion for reconsideration, appeal, petition, and/or writ; or (ii) if reconsideration and/or appellate review is sought from the Final Order and/or Final Judgment: (A) the date on which the Final Order and/or Final Judgment are affirmed and are no longer subject to judicial review, or (B) the date on which the motion for reconsideration, appeal, petition, or writ is dismissed or denied and the Final Order and/or Final Judgment are no longer subject to judicial review.

18. “Escrow Account” means an interest-bearing bank account with a commercial bank with excess capital exceeding One Hundred Million Dollars and No Cents (\$100,000,000.00), with a minimum rating of “A” or equivalent by at least two nationally recognized statistical rating organizations and insured by the FDIC. The Escrow Account shall be opened and administered by the Settlement Administrator in accordance with the terms of this Agreement, orders of the Court, and for the benefit of the Class.

19. “Exclusion Deadline” or “Opt-Out Deadline” means the first non-holiday weekday that falls on a day that is ninety (90) calendar days after the Notice Date.

20. “Fairness Hearing” or “Final Fairness Hearing” means the hearing that is to take place after the entry of the Preliminary Approval Order, the Notice Date, the Exclusion Deadline, and the Objection Deadline for purposes of: (a) entering the Final Order and Final Judgment; (b) determining whether the Agreement should be approved as fair, reasonable, and adequate; (c) ruling upon an application for Service Awards by the Class Representative; (d) ruling upon an application by Class Counsel for Attorneys’ Fees and Expenses; and (e) entering any final order awarding Attorneys’ Fees and Expenses and Service Awards.

21. “Final Order and Final Judgment” means the order and judgment entered by the Court:

- a) Giving final approval to the terms of this Agreement as fair, reasonable, and adequate;
- b) Providing for the orderly performance and enforcement of the terms and conditions of the Agreement;

- c) Discharging the Released Parties of and from all further liability to the Releasing Parties for the Released Claims;
- d) Permanently barring and enjoining the Releasing Parties from instituting, filing, commencing, prosecuting, maintaining, continuing to prosecute, directly or indirectly, as an individual or collectively, representatively, derivatively, or on behalf of the them, or in any other capacity of any kind whatsoever, any action in any state court, any federal court, before any tribunal, forum, or proceeding of any kind, against the Released Parties that asserts any Released Claims; and
- e) The actual form of the Final Order and Final Judgment entered by the Court may include additional provisions as the Court may direct that are not inconsistent with this Agreement, and will be substantially in form attached as “**Exhibit A**” hereto (Final Order Exhibit A and Final Judgment Exhibit A-1).

22. “LAMC” means the Los Angeles Municipal Code.

23. “Long-Form Notice” means the long-form notice of Settlement Agreement, substantially in the form attached as “**Exhibit B**” hereto. The Long Form Notice shall be provided as set forth in the Notice Plan.

24. “Maximum Settlement Fund” means an amount equal to, but no more than, \$635,000.00.

25. “Net Settlement Fund” means the Maximum Settlement Fund less (i) Administration Expenses, (ii) any Service Award(s), and (iii) any Attorneys’ Fees and Expenses.

26. “Notice Date” means the first date upon which the Class Notice is disseminated which shall be no more than forty-five (45) days after the Preliminary Approval Date.

27. “Notice Plan” means the plan for dissemination of the Class Notice as described in Paragraphs 56-62 of this Agreement.

28. “Objection Deadline” means the date that falls on the day that is ninety (90) calendar days after the Notice Date.

29. “Parties” means, collectively, Defendant and the Plaintiffs in the Action.

30. “Plaintiff” or “Plaintiffs” means Oscar Gardner and/or Christine Smith.

31. “Preliminary Approval Date” means the date on which the Court issues the Preliminary Approval Order.

32. “Preliminary Approval Order” means the order preliminarily approving the Agreement and proposed Class Notice and Notice Plan, a proposed form for which is attached as “**Exhibit C**” hereto.

33. “Release” means the release and waiver set forth in Paragraphs 77-85 of the Agreement and in Paragraph 9 of the Final Order and Final Judgment.

34. “Released Claims” means all claims, demands, actions, and/or causes of action of whatever kind or nature, in law or in equity, including damages, costs, expenses, penalties, restitution, punitive damages, expert fees, and attorneys’ fees that were asserted in the Action or that are based on the facts alleged in the Action by the Releasing Parties against the Released Parties, including without limitation any allegations, events, transactions, acts, omissions, matters, or occurrences related to the Alarm Permit Fee or payments of the Alarm Permit Fee or Reduced Alarm Permit Fee during the Class Period, i.e. from May 31, 2009 to December 7, 2018.

35. “Released Parties” or “Released Party” means Defendant and all of its boards, bureaus, divisions, departments, administrators, officers, agents, elected officials, employees, parents, subsidiaries, affiliates, insurers, predecessors, successors, assigns, and all persons that acted on behalf of Defendant, including Defendant’s authorized dealers. The Parties expressly acknowledge that each of the foregoing is included as a Released Party even though not identified by name herein.

36. “Releasing Parties” or “Releasing Party” means Plaintiffs, Class Representatives, and each Settlement Class Members on behalf of themselves and any other legal or natural persons who may assert claims by, through or under them.

37. “Service Award(s)” means such funds as may be awarded by the Court to the Class Representatives in recognition of their time, effort, and service to the Class, expended in

pursuing the Action and in fulfilling their obligations and responsibilities as the Class Representatives.

38. “Settlement Administrator” means a qualified third party administrator and agent agreed to by the Parties and approved and appointed by the Court in the Preliminary Approval Order to administer the Agreement, including providing the Class Notice and implementing the Notice Plan pursuant to the terms and conditions in this Agreement. The Parties agree that the Court appoint Phoenix Class Action Administration Solutions, subject to the Court’s approval. Phoenix Class Action Administration Solutions previously provided notice of this matter pursuant to the Court’s approval of the parties’ stipulated notice plan after class certification.

39. “Settlement Benefit” means the pro-rata share of the Net Settlement Fund to be distributed to each Settlement Class Member, as calculated by dividing the Net Settlement Fund by the number of Settlement Class Members who submit valid, timely claims on the Claim Form. In no event shall the Settlement Benefit exceed \$251 per claimant.

40. “Summary Notice” means the summary notice of the proposed class action Settlement Agreement substantially in the form attached as “**Exhibit D**” hereto. The Summary Notice shall be disseminated as set forth in the Notice Plan.

III. COMPROMISE OF HIGHLY CONTESTED ISSUES

41. This Agreement represents the compromise of highly contested issues in the Litigation. Defendant denies all material allegations in the Litigation, denies wrongdoing of any kind, and denies that it is liable for any of the claims alleged in the Litigation. Defendant maintains that the claims asserted have no merit, and that a class could not be properly certified and should not have been certified for purposes of litigation and trial. Specifically, Defendant denies that it failed to provide any notice or information required by State Law, or failed to act in accordance with the LAMC, or that it was the cause – legally or factually – of Plaintiffs’ or the Class Members’ alleged harm. Defendant further denies that it can be held liable for the conduct of its Authorized Dealers with respect to the sale and/or installation of Alarm Systems or otherwise, or for the ongoing monitoring of existing Alarm Systems for which an Alarm Permit

had not been issued at the time of monitoring. Defendant has entered into this Settlement Agreement because of the substantial expense of litigation, the length of time necessary to resolve the issues presented, the inconvenience involved, and the disruption to its business operations.

42. Defendant has also considered the risks, costs and uncertainties of continued and protracted litigation of the Action, on the one hand, and the benefits of the proposed Settlement Agreement, on the other hand, and desires to settle and resolve the Action upon the terms and conditions set forth in this Agreement. Further, Defendant has agreed to class action treatment of the claims and causes of action alleged in the Action solely for the Settlement Class and solely for the purpose of compromising and settling those claims and causes of action on a class basis under the terms and conditions contained in this Agreement.

43. Plaintiffs disagree with Defendant's positions, assertions and defenses, including those stated above, and continue to assert their claims are valid both on the merits, and with regard to class certification and satisfaction of California Code of Civil Procedure Section 382 *et seq.*, State law, and the LAMC.

44. All Parties, however, recognize there exist substantial and significant risks regarding their claims, defenses, and/or the ability of the Class to obtain any judgment against Defendant, among other things, and therefore agree to the terms of this Agreement to resolve this hard-fought, highly-disputed and significant Litigation in light of the risks and uncertainties faced by Plaintiffs and Defendant. This Agreement and compromise were reached at a point in the Litigation when the uncertainty, disputes and risks to all Parties had been clarified by discovery and rulings from the Court, and it resolves and compromises the Parties' disputes in a fair and reasonable manner.

IV. BENEFITS OF AGREEMENT

45. Class Counsel has investigated the law and the facts and have conducted discovery on these issues. Class Counsel have taken into account, *inter alia*, the expense and length of the Litigation that would be necessary to prosecute the Litigation through trial and

appeal; the uncertain outcome and the risk of continued and protracted litigation, especially in a complex Action such as the Litigation; and available defenses to the claims asserted in the Litigation. Plaintiffs and Class Counsel believe that considering the foregoing, the Agreement set forth herein represents a reasonable compromise of highly disputed and uncertain legal, factual and procedural issues, confers substantial benefits upon the Class and provides a result and recovery that is certain to be provided to Class Members, when any recovery should the Litigation continue is uncertain. Based on their evaluation of all of these factors, Plaintiffs and Class Counsel have determined that the Agreement, on the terms set forth herein, is in the best interests of the Class and is fair, reasonable and adequate.

46. Defendant and Defendant's Counsel have also considered applicable risks and consequences if Plaintiffs were to prevail on the merits of all Class claims at trial and through potential appeals. Defendant has considered and analyzed the legal, factual and procedural defenses to the claims alleged, as well as other options. Defendant and Defendant's Counsel have determined that the Settlement Agreement set forth herein provides a certain result, when the outcome, should the Litigation continue, is subject to uncertainties.

47. The Agreement is the result of extensive arm's-length negotiations and discussion between Class Counsel and Defendant's Counsel with the assistance of an experienced mediator, the Honorable Rosalyn Chapman (Ret.) of JAMS.

V. CLASS CERTIFICATION FOR SETTLEMENT PURPOSES

48. The Parties agree and stipulate that the Settlement Class should be certified as a class action for purposes of this Agreement only pursuant to California Code of Civil Procedure Section 382 *et seq.*

49. For purposes of Agreement only, the Parties agree to seek provisional certification of the Settlement Class. The Parties further agree that the Court should make preliminary findings and enter the Preliminary Approval Order granting provisional certification of the Settlement Class subject to final findings and ratification in the Final Order and Final Judgment,

and appointing the Class Representatives as the representatives of the Settlement Class and Class Counsel as counsel for the Settlement Class.

50. For purposes of this Settlement and subject to the Court's Approval, the Parties hereby stipulate to the appointment of Class Counsel as counsel for the Settlement Class and the effectuation of this Settlement Agreement.

51. Defendant does not consent to certification of the Settlement Class for any purpose other than to effectuate the Settlement Agreement. Defendant's agreement to certification of the Settlement Class, for settlement purposes only, does not constitute an admission of wrongdoing, fault, liability, or damage of any kind to Plaintiffs or any of the putative class members, which Defendant continues to deny in each case. Further, Defendant's agreement to certification of the Settlement Class, for settlement purposes only, does not constitute admission that certification of any class was or is appropriate for purposes of litigation and trial based on the claims in this Action.

52. If this Agreement is terminated pursuant to its terms, disapproved by any court (including any appellate court), and/or not consummated for any reason, or the Effective Date for any reason does not occur: (i) the order certifying the Class for purposes of effectuating this Agreement, and all preliminary and/or final findings regarding that class certification order, shall be automatically vacated upon notice of the same to the Court, (ii) the Action shall proceed as though the Settlement Class had never been certified pursuant to this Agreement and such findings had never been made, and (iii) the Action shall return to the procedural status quo in accordance with this Paragraph with the Parties retaining all rights, defenses, arguments and objections they have regarding the propriety of class certification for any purposes other than this Agreement.

VI. SETTLEMENT BENEFITS

53. In consideration of the entry in this Action of the Final Order and Final Judgment and the Release set forth in 77-85 of this Agreement, Defendant will provide the following considerations, payments and benefits to the Class:

54. *Payment of Maximum Settlement Fund:* Within ten (10) days after the Effective Date, Defendant shall deposit the Maximum Settlement Fund into the Escrow Account. The Settlement Administrator shall administer the Escrow Account for the benefit of the Class in accordance with the terms of this Agreement and orders of the Court.

55. *Payment to Class Members:* At the same time as the Settlement Administrator's payment from the Maximum Settlement Fund of: (i) Administration Expenses; (ii) Attorneys' Fees and Expenses; and (iii) the Service Awards, the Settlement Administrator shall calculate the Settlement Benefit to be paid to each Class Member who makes a valid, timely claim by filling out and returning the Claim Form, attached hereto as **Exhibit E**. The Settlement Benefit to be paid to each Class Member shall be the quotient of the Net Settlement Fund divided by the total number of valid, timely claims received, but in no event shall an individual Class Member receive more than \$251 as a Settlement Benefit. Should there remain funds in the Net Settlement Fund unpaid due to so capping the Settlement Benefit at \$251 per Class Member, the remaining balance shall be paid from the Net Settlement Fund to the Cy Pres. The Settlement Benefit shall be distributed no later than twenty-one (21) days after the deposit the Maximum Settlement Fund into the Escrow Account by Defendant. Settlement Checks shall remain negotiable for 180 days from issuance. Upon the expiration of this time, any funds remaining in the Net Settlement Fund resulting from expiration of the Settlement Check shall be paid to the Cy Pres.

VII. NOTICE PLAN

56. The Parties shall jointly recommend and retain Phoenix Class Action Administration Solutions, which has previously provided notice in this action, to be the Settlement Administrator.

57. Class Notice will be disseminated through: (a) the Summary Notice (substantially in the form of "**Exhibit D**" attached hereto), which shall be issued to the Settlement Class via email for those Settlement Class Members for whom the class list contains email addresses, as well as first-class mail for those Settlement Class members for whom the class list does not contain email addresses; and (b) an internet website created by the Settlement Administrator

(“Settlement Website”) which shall post the Summary Notice, the Long-Form Notice (substantially in the form of “**Exhibit B**” attached hereto), Claim Form (substantially in the form of “**Exhibit E**” attached hereto), and any additional documents as may be ordered by the Court. Class Notice shall be issued in English only; however, should the Court order that Class Notice be issued in any additional language other than English – whether such Class Notice be made available on the Settlement Website or otherwise – the Parties agree to comply with any such order provided that in no event shall Defendant be obligated to pay any amounts in excess of the Maximum Settlement Fund.

58. Defendant has already provided to the Settlement Administrator the name, any available email, and mailing address, (collectively, “Class Member Information”) of each Class Member. The Notice Date shall be no later than thirty (30) days after notice of entry of the Preliminary Approval Order has been provided to the Settlement Administrator.

59. Prior to the Notice Date, the Settlement Administrator shall establish the Settlement Website that will inform Class Members of the terms of this Agreement, their rights, dates, and deadlines with respect to the Agreement, updated information regarding benefits provided pursuant to this Agreement herein and related information. The Settlement Website shall have a Claim Form that can be submitted online. The Settlement Website may also have a section for frequently asked questions, as well as a portal for Class Members to submit questions via confidential e-mail to Class Counsel for a confidential response. Defendant shall have the right to review and consent to the form of any publicly available frequently asked questions and answers section, consent for which shall not be unreasonably withheld. Questions submitted to Class Counsel through the portal shall constitute confidential and privileged communications seeking legal advice, which questions and responses Defendant shall not see. The Settlement Website shall include, in .pdf format, the following:

- a) the Long-Form Notice;
- b) the Preliminary Approval Order;
- c) this Agreement (including all of its Exhibits);

- d) the Complaint;
- e) the Motion for Award of Attorneys' Fees, Costs, and Service Awards (when prepared);
- f) the Final Order and Final Judgment; and
- g) any other materials agreed upon by the Parties and/or required by the Court.

60. Prior to the transmission of the Summary Notice, the Settlement Administrator shall cause the address of each Class Member, as provided in the Class Member Information, to be updated using the United States Postal Service's National Change of Address System. Summary Notice will be mailed to the updated addresses. After the mailing, for each Class Member's Summary Notice that is returned by the United States Postal Service without a forwarding address, the Settlement Administrator shall conduct a one-time address search for that Class Member for the purpose of obtaining an updated address. In the event an updated address is found, the Summary Notice will be mailed to the updated address. If a Class Member's Summary Notice is returned by the United States Postal Service with a forwarding address, the Settlement Administrator shall mail the Summary Notice to the forwarding address. All re-mailings shall be performed within 3 business days of the receipt of returned Summary Notices. The deadlines for submitting claims, exclusion, and objections shall not be extended due to re-mailing.

61. The Long-Form Notice shall be in a form substantially similar to the document attached to this Agreement as "**Exhibit B**", and shall advise Class Members of and comport to the following:

- a) *General Terms*: The Long-Form Notice shall contain a plain and concise description of the nature of the Action, the history of the Litigation, the preliminary certification of the Settlement Class for Agreement purposes, the risks of continued litigation, and the proposed Agreement, including information regarding the Class, how the proposed Agreement would provide relief to the Class and Class Members, what

claims are released under the proposed Agreement and other relevant terms and conditions.

- b) *Claim Form*: The Long-Form Notice shall inform Class Members of the Claim Form, and inform Settlement Class Members of their obligation to timely complete and return a Claim Form to receive a Settlement Benefit. It shall also inform Settlement Class Members of the online Claim Form submission.
- c) *Opt-Out Rights*: The Long-Form Notice shall inform Class Members that they have the right to opt-out of the Agreement. The Long-Form Notice shall provide in summary form the deadlines and procedures for exercising this right.
- d) *Objection to Agreement*: The Long-Form Notice shall inform Class Members of their right to object to the proposed Agreement and appear at the Final Fairness Hearing. The Long-Form Notice shall provide in summary form the deadlines and procedures for exercising these rights.
- e) *Appearance through Counsel*: The Long-Form Notice shall inform Class Members of their right to enter an appearance through their own counsel of choice, at their own expense, and that if they do not, they will be represented by Class Counsel, who will be supporting the Agreement and its approval by the Court.
- f) *Professional Fees and Litigation Expenses*: The Long-Form Notice shall inform Class Members about the amounts which Class Counsel may petition as Attorneys' Fees and Expenses and the amounts for which the Class Representatives may petition for as individual Service Awards. The Long-Form Notice will explain that any such amounts awarded will be pursuant to the Court's discretion and approval and be deducted from the Agreement Fund, reducing the amount available to confer monetary benefits on Class Members.

62. The Long-Form Notice shall be available on the Settlement Website. In addition, the Settlement Administrator shall send via first-class mail the Long-Form Notice to those persons who request it in writing or through the dedicated toll-free telephone number established

and monitored by the Settlement Administrator for purposes of this Agreement. The mailing address and toll-free telephone number to be used to request the Long-Form Notice from the Settlement Administrator shall be printed on the Summary Notice and Settlement Website.

VIII. ADMINISTRATION OF THE AGREEMENT

63. Because the names of Class Members and other personal information about them will be provided to the Settlement Administrator, the Settlement Administrator shall remain bound by the confidentiality and non-disclosure agreement it has previously signed, which shall remain in force and effect pursuant to its terms.

64. The Settlement Administrator shall administer the Agreement in accordance with the terms of this Agreement and, without limiting the foregoing, shall:

- a) Treat any and all documents, communications and other information and materials received in connection with the administration of the Agreement as confidential and shall not disclose any or all such documents, communications or other information to any person or entity except as provided for in this Agreement or by court order;
- b) The Settlement Administrator shall promptly provide copies of any requests for exclusion, objections and/or related correspondence to counsel for the Parties. Specifically, the Settlement Administrator shall receive requests for exclusion or opt-out requests from Class Members and provide to Class Counsel and Defendant's Counsel a copy thereof within three (3) business days of receipt. If the Settlement Administrator receives any objections and/or requests for exclusion or opt-out requests after the deadline for the submission of such requests, the Settlement Administrator shall promptly provide Class Counsel and Defendant's Counsel with copies thereof; and
- c) The Settlement Administrator shall receive and maintain all correspondence from any Class Member regarding the Agreement.

65. The Settlement Administrator shall be responsible for, without limitation, the following:

- a) Formatting for email and disseminating the Summary Notice and Long-Form Notice as described in this Agreement;
- b) printing and disseminating the Summary Notice and Long-Form Notice as described in this Agreement;
- c) handling returned mail not delivered to Class Members as described in this Agreement;
- d) attempting to obtain updated address information for any Summary Notices returned without a forwarding address as described in this Agreement;
- e) making any additional mailings required under the terms of this Agreement;
- f) responding to requests for the Long-Form Notice by mail, telephone, e-mail or otherwise;
- g) receiving and maintaining on behalf of the Court any correspondence with Class Members regarding requests for exclusion and/or objections to the Agreement;
- h) receiving and maintaining Claim Forms, whether written or electronic, and, within five (5) days prior to the final approval hearing, certifying the number of individual Class Members who submitted timely claims;
- i) forwarding written inquiries of Class Counsel for any response Class Counsel deems warranted;
- j) establishing and maintaining a post-office box, toll-free telephone number as described herein, facsimile number, and voicemail and electronic mailboxes, as necessary for the receipt of any correspondence from Class Members;
- k) responding to requests from Class Counsel and/or Defendant's Counsel;
- l) establishing the Settlement Website;
- m) making any mailings required under the terms of this Agreement;
- n) otherwise implementing and/or assisting with the dissemination of the Notice;

- o) opening and maintaining the Escrow Account and administering payments from the Maximum Settlement Fund via the Escrow Account, as approved by the Court and as required under the Agreement; and
- p) providing a final accounting of all funds distributed under this Settlement Agreement and reporting the same to the Court pursuant to California Code of Civil Procedure Section 384.

66. No more than one hundred (100) days after the Notice Date, the Settlement Administrator shall provide the Parties with a declaration: (i) attaching a list of those persons who timely opted out or excluded themselves from the Agreement; (ii) attaching a list of those persons who timely objected to the Agreement, along with a copy of their written objections; and (iii) providing an accounting reflecting the Administration Expenses incurred as of that time and the amount of additional Administration Expenses expected to be incurred for which the Settlement Administrator will seek to be reimbursed from the Maximum Settlement Fund via the Escrow Account. The Settlement Administrator shall file with the Court a declaration outlining the scope, method and results of the notice program.

67. On the same date that the Settlement Administrator makes the payments to Class Members under Paragraph 55, *supra*, the Settlement Administrator shall be reimbursed from the Maximum Settlement Fund via the Escrow Account for Administration Expenses incurred which, as of the date of the execution of this Agreement, is estimated to be \$50,000.

IX. REQUESTS FOR EXCLUSION

68. Any Class Member who wishes to be excluded from the Class must mail a written request for exclusion to the Settlement Administrator at the address provided in the Long-Form Notice, postmarked by the Exclusion Deadline ordered by the Court in the Preliminary Approval Order. The request must (a) state the Class Member's name, address, and telephone number; (b) reference *Villegas v. ADT Security Services, Case No. BC510665*; and (c) clearly state that the Class Member wants to be excluded from the Class and to not participate in the Agreement and

not receive any Agreement benefits, and it must otherwise comply with the terms stated in the Long-Form Notice and Preliminary Approval Order.

69. If a potential Class Member files a request for exclusion, he, she, or it may not file an objection. If a potential Class Member files a request for exclusion and an objection, he or she will be deemed to have opted-out, and the objection shall be deemed invalid.

70. If any Class Member files a timely request for exclusion, he, she, or it will not be a member of the Class, will not release any Released Claims pursuant to this Agreement or be subject to the Release, and will reserve all Released Claims he, she or it may have.

71. Any potential Class Member who does not file a timely written request for exclusion shall be bound by all subsequent proceedings, orders and judgments, including, but not limited to, the Release, Final Order and Final Judgment in the Action.

X. OBJECTIONS TO THE AGREEMENT

72. Any Class Member who has not timely filed a written request for exclusion and who wishes to object to the fairness, reasonableness, or adequacy of this Agreement or the proposed Agreement, or to the award of Attorneys' Fees and Expenses, or to the Service Awards to the Class Representatives, must mail a written statement, describing the Class Member's objections in the specific manner set forth in the remainder of this Section, to the Settlement Administrator. The objection must be postmarked by the Objection Deadline ordered by the Court in the Preliminary Approval Order. Any such objection shall include: (a) the full name of objector; (b) the full address of Objector; (c) the specific reason(s), if any, for the objection, including any legal support the Class Member wishes to bring to the Court's attention; (d) copies of any evidence or other information the Class Member wishes to introduce in support of the objections; (e) a statement of whether the Class Member intends to appear and argue at the Fairness Hearing; (f) the individual Class Member's written signature, with date; and (g) reference *Villegas v. ADT Security Services, Case No. BC510665*. The objection shall be mailed to:

Phoenix Class Action Administration Solutions
Villegas v. ADT

[address]

73. Class Members may personally object or object through an attorney retained at their own expense provided, however, that each individual Class Member objecting to the Agreement, in whole or part, shall personally sign the objection.

74. Any Class Member may appear at the Fairness Hearing, either in person or through personal counsel hired at the Class Member's own expense, to object to the fairness, reasonableness, or adequacy of this Agreement or the proposed Agreement, or to the award of Attorneys' Fees and Expenses, or Service Awards to the individual Plaintiffs and/or the Class Representatives.

75. Plaintiffs designated as the Class Representatives by the Court maintain their right to support or object to the Agreement based on the Court's determination of Class Representatives' entitlement to any Service Award, provided that Class Representatives acknowledge that while they may petition the Court for a Service Award under this Agreement, the award of a Service Award by the Court is not guaranteed and the award of a Service Award in any amount is determined by the Court in its discretion.

76. Any Class Member (including any Plaintiffs or Class Representatives) who objects to the Agreement as provided herein shall still be entitled to all benefits of the Agreement if this Agreement and the terms contained herein are approved by the Court despite their objection.

XI. RELEASE AND WAIVER

77. The Parties agree to the following release and waiver, which shall take effect ten (10) days after the Effective Date, which is the deadline for payment set forth in Paragraph 54, *supra*.

78. In consideration for the Agreement, Plaintiffs, Class Representatives, and each Settlement Class Member, on behalf of themselves and any other legal or natural persons who may claim by, through or under them, (each a "Releasing Party" and collectively all "Releasing

Parties”) agree to fully, finally and forever release, relinquish, acquit, discharge and hold harmless the Released Parties from all Released Claims.

79. Plaintiffs, Class Representatives, and the Settlement Class Members expressly acknowledge and agree that this Release, and the Final Order and Final Judgment, may and will be raised as a complete defense to, and will preclude any action or proceeding encompassed by, this Release.

80. Plaintiffs, *on behalf of themselves only*, each agree to expressly waive and relinquish, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, 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.

81. Plaintiffs fully understand that the facts on which the Agreement is to be executed may be different from the facts now believed by Plaintiffs and Class Counsel to be true and expressly accept and assume the risk of this possible difference in facts and agree that the Agreement will remain effective despite any difference in facts. Further, Plaintiffs agree that this waiver is an essential and material term of this Agreement, the settlement embodied herein and the release contained in this section, and that without such waiver the settlement in this Agreement would not have been accepted.

82. Plaintiffs, Class Representatives, and each Settlement Class Members shall not, now or hereafter, institute, maintain, prosecute, and/or assert, any suit, action, and/or proceeding, against the Released Parties, either directly or indirectly, on their own behalf, on behalf of a class or on behalf of any other person or entity with respect to the Released Claims and/or any other matters released through this Agreement.

83. Nothing in this Release shall preclude any action to enforce the terms of the Agreement, including participation in any of the processes detailed herein. Any motion or proceeding to enforce the terms of the Agreement, in whole or in part, shall be before the Court, which shall retain jurisdiction over the matter for such purposes. Moreover, the Court retains jurisdiction to adjudicate any dispute between the Parties regarding the terms and conditions of this Agreement.

84. Plaintiffs, Class Representatives, Settlement Class Members, and Class Counsel hereby agree and acknowledge that the provisions of this Release together constitute an essential and material term of the Agreement and shall be included in any Final Order and Final Judgment entered by the Court.

85. Persons who are not Class Members, or Class Members who timely exclude themselves from the Class in the manner set forth herein, release no claims, and any and all claims of such persons are reserved and unaffected by this Agreement.

XII. REVIEW, APPROVAL AND RELATED ORDERS

86. As soon as is practicable following the signing of this Agreement, Class Counsel shall apply to the Court for entry of the Preliminary Approval Order (substantially in the form attached as “**Exhibit C**” hereto), for the purpose of, among other things:

- a) Approving the Class Notice, substantially in the form set forth at “**Exhibit B**” (Long-Form Notice) and “**Exhibit D**” (Summary Notice) attached hereto;
- b) Finding that the requirements for provisional certification of the Class have been satisfied, appointing Plaintiffs as the Class Representatives of the Class and Class Counsel as counsel for the Class, and preliminarily approving the Agreement as being within the range of reasonableness such that the Class Notice should be provided pursuant to this Agreement;
- c) Scheduling the Fairness Hearing on a date ordered by the Court, provided in the Preliminary Approval Order, and in compliance with applicable law, to determine

- whether the Agreement should be approved as fair, reasonable, and adequate, and to determine whether the Final Order and Final Judgment should be entered;
- d) Determining that the notice of the Agreement and of the Fairness Hearing, as set forth in this Agreement, complies with all legal requirements, including, but not limited to, the Due Process Clause of the United States Constitution;
 - e) Preliminarily approving the form of the Final Order and Final Judgment;
 - f) Appointing the Settlement Administrator;
 - g) Directing that Class Notice shall be given to the Class as provided in herein;
 - h) Providing that any written objections by any Class Member to the certification of the Class and the proposed Agreement contained in this Agreement, and/or the entry of the Final Order and Final Judgment submitted to the Settlement Administrator, shall be heard and any papers submitted in support of said objections shall be considered by the Court at the Fairness Hearing, and, that nothing agreed to herein shall bar any Class Member from appearing and requesting to be heard at the Fairness Hearing;
 - i) Establishing dates by which the Parties shall file and serve all papers in support of the application for final approval of the Agreement and in response to any valid and timely objections;
 - j) Providing that all Class Members will be bound by the Final Order and Final Judgment unless such Class Members timely file valid written requests for exclusion or opt-out in accordance with this Agreement and the Class Notice;
 - k) Providing that Class Members wishing to exclude themselves from the Agreement will have until the date specified in the Class Notice and the Preliminary Approval Order to submit a valid written request for exclusion or opt-out to the Settlement Administrator;
 - l) Providing a procedure for Class Members to request exclusion or opt-out from the Agreement;

- m) Directing the Parties, pursuant to the terms and conditions of this Agreement, to take all necessary and appropriate steps to establish the means necessary to implement the Agreement;
- n) Pending the Fairness Hearing, staying all proceedings in the Action, other than proceedings necessary to carry out or enforce the terms and conditions of this Agreement and the Preliminary Approval Order;
- o) Authorizing Defendant to take all necessary and appropriate steps to establish the means necessary to implement the Agreement;
- p) Authorizing the Parties, Class Counsel and the Settlement Administrator to take all necessary and appropriate steps to establish the means necessary to implement the Agreement;
- q) Adopting all deadlines set forth herein; and
- r) Issuing other related orders to effectuate the preliminary approval of the Agreement.

87. Following the entry of the Preliminary Approval Order, Class Notice shall be given and published in the manner directed and approved by the Court.

88. At the Fairness Hearing, the Parties shall seek to obtain from the Court a Final Order and Final Judgment in substantially the same form as attached as “**Exhibit D**” hereto. The Final Order and Final Judgment shall, among other things:

- a) Find that the Court has jurisdiction over all Plaintiffs and Class Members and that venue is proper;
- b) Finally approve the Agreement pursuant to California Code of Civil Procedure Sections 382 *et seq.*, as fair, adequate and reasonable to the Class;
- c) Finally certify the Class for Agreement purposes only pursuant to California Code of Civil Procedure Section 382 *et seq.* and appoint Plaintiffs as Class Representatives and Class Counsel as counsel for the Class;
- d) Find that the Class Notice complies with all laws, including, but not limited to, the Due Process Clause of the United States Constitution;

- e) Incorporate the Release set forth in the Agreement and make the Release effective as of the date of the Final Order and Final Judgment;
- f) Discharge the Released Parties of and from all further liability to the Releasing Parties for the Released Claims;
- g) Permanently bar and enjoin the Releasing Parties from instituting, filing, commencing, prosecuting, maintaining, continuing to prosecute, directly or indirectly, as an individual or collectively, representatively, derivatively, or on behalf of the them, or in any other capacity of any kind whatsoever, any action in any state court, any federal court, before any tribunal, forum, or proceeding of any kind, against the Released Parties that asserts any Released Claims;
- h) Preserve all claims of persons not within the Class definition as well as those who have timely excluded themselves from the Class;
- i) discharging the Released Parties of and from all further liability to the Releasing Parties for the Released Claims;
- j) Adjudicate any objections that have been presented to the Agreement;
- k) Award Service Awards and Attorneys' Fees and Expenses in amounts deemed fair, adequate and reasonable in the circumstances;
- l) Authorize the Parties to implement the terms of the Agreement;
- m) Retain jurisdiction relating to the administration, consummation, enforcement, and interpretation of the Agreement, the Final Order and Final Judgment, and for any other necessary purpose;
- n) Set a date when the parties shall report to the Court the total amount that was actually paid to the class members. After the report is received, the parties shall present to the Court a proposed amended judgment and the Court shall amend the judgment to direct payment to pay the sum of any amounts remaining in the Net Settlement Fund plus any interest that has accrued thereon, to the Cy Pres; and,

- o) Issue related orders necessary to effectuate the final approval of the Agreement and its implementation.

XIII. MODIFICATION OR TERMINATION OF THIS AGREEMENT

89. The terms and provisions of this Agreement may be amended, modified, or expanded by written agreement of the Parties and approval of the Court; provided, however, that after entry of the Final Order and Final Judgment, the Parties may by written agreement effect such amendments, modifications, or expansions of this Agreement and its implementing documents (including all exhibits attached hereto) without further notice to the Class or approval by the Court if such changes are consistent with the Court's Final Order and Final Judgment and do not limit the rights of Class Members under this Agreement

90. In the event the terms or conditions of this Agreement, other than terms pertaining to the Attorneys' Fees and Expenses and/or Service Awards, are materially modified by any court, either party in its sole discretion to be exercised within twenty-one (21) days after such a material modification may declare this Agreement null and void. In the event that a Party exercises his/her/its option to withdraw from and terminate this Agreement, then the Agreement proposed herein shall become null and void and shall have no force or effect, the Parties shall not be bound by this Agreement, and the Parties will be returned to their respective positions existing immediately before the execution of this Agreement. Notwithstanding the foregoing, in the event this Agreement is not approved by any court, or the Agreement set forth in this Agreement is declared null and void, or in the event that the Effective Date does not occur, one or both Parties may petition the Court for allocation of the costs of notice and administration associated with this Agreement to that date in the event the Parties cannot agree on a method for allocation. In that case, each Party shall bear its own attorneys' fees and costs associated with the Agreement not being approved, the Agreement being declared null and void, or the event that the Effective Date does not occur.

XIV. SERVICE AWARDS AND ATTORNEYS' FEES AND EXPENSES

91. In recognition of the time and effort Plaintiffs expended in pursuing this action and in fulfilling their obligations and responsibilities as Class Representatives, and because of the benefits conferred on the Class, Class Representatives, by and through Class Counsel, shall request the Court to award each Class Representative for the payment of a Service Award to be paid from the Maximum Settlement Fund in the amount of Seven Thousand Five Hundred (\$7,500.00) each. Defendant has agreed to take no position as to the entitlement to, or the amount of, the Service Award to each Class Representative so long as neither request exceeds Seven Thousand Five Hundred Dollars (\$7,500.00).

92. No amount has been guaranteed or promised to the Class Representatives as a Service Award. The Court shall determine the final amount of any Service Award to the Class Representatives, in its discretion, based on the request filed by Class Counsel on behalf of the Class Representatives. Any Service Award awarded by the Court shall be deducted from the Maximum Settlement Fund and paid by the Settlement Administrator from the Escrow Account.

93. The Service Award, as approved by the Court, shall be paid at the same time as the distribution of the payments to Class Members under Paragraph 55, *supra*. The Settlement Administrator shall issue a check drawn from the Escrow Account for the Service Payments to Class Counsel made payable to each Class Representative. Each Class Representative shall provide the Settlement Administrator and Defendant with an executed IRS Form W-9 for the Service Awards and either the Settlement Administrator or Defendant shall issue each Class Representative an IRS Form 1099.

94. Each Class Representative acknowledges they: (a) support the Agreement as fair, adequate and reasonable to the Class, whether or not the Court appoints them as a Class Representative or awards them any Service Award; (b) have not asserted any individual, non-class claims against Defendant; (c) have not entered into any separate Agreement with Defendant for a release of any reserved claims; (d) have not received any additional consideration from

Defendant that the Class is not in a position to receive should this Agreement be approved, other than the Service Award; and (e) has read and considered this Agreement.

95. The ability of each Class Representative to apply to the Court for a Service Award is not conditioned on his or her respective support of the Agreement.

96. Class Counsel shall apply to the Court for payment of Attorneys' Fees and Expenses to be paid from the Maximum Settlement Fund as follows: (i) attorneys' fees in an amount not to exceed thirty-three and one-third (33.33%) percent of the Maximum Settlement Fund, or Two Hundred Eleven Thousand Six Hundred Sixty Six Dollars and Sixty Seven Cents (\$211,666.67); and (ii) unreimbursed litigation costs in an amount not to exceed Forty Two Thousand Dollars (\$42,000.00). Defendant has agreed to take no position as to the entitlement to, or the amount of, Attorneys' Fees and Expenses so long as the total amount does not exceed Two Hundred Fifty Three Thousand Six Hundred Sixty Six Dollars and Sixty Seven Cents (\$253,666.67).

97. Any Attorneys' Fees and Expenses awarded by the Court shall be deducted from the Maximum Settlement Fund and paid by the Settlement Administrator from the Escrow Account. Such payment will be in lieu of statutory fees Plaintiffs and/or Class Counsel might otherwise have been entitled to recover from Defendant. Plaintiffs and Class Counsel agree that Defendant shall not pay, or be obligated to pay, in excess of any award of Attorneys' Fees and Expenses by the Court, and that in no event shall Defendant be obligated to pay any amounts in excess of the Maximum Settlement Fund. Class Counsel shall provide the Settlement Administrator and Defendant with an executed IRS Form W-9 for the Attorneys' Fees and Expenses and either the Settlement Administrator or Defendant shall issue each Class Counsel an IRS Form 1099.

98. Attorneys' Fees and Expenses approved by the Court shall be paid at the same time as payment of the settlement benefit to Class Members under Paragraph 55, *supra*. Class Counsel shall have the sole and absolute discretion to allocate the Attorneys' Fees and Expenses amongst Class Counsel and any other attorneys for Plaintiffs, including Class Counsel.

Defendant shall have no liability or other responsibility for allocation of any such Attorneys' Fees and Expenses awarded, and, in the event that any dispute arises relating to the allocation of fees, Class Counsel agree to indemnify and hold Defendant harmless from any and all such liabilities, costs, and expenses of such dispute.

99. Any petition for Attorneys' Fees and Expenses or for Class Representative Service Awards shall be filed at least fourteen (14) calendar days prior to the Objection Deadline and Exclusion Deadline and made available for viewing and download on the Settlement Website. Updated or supplemental petition(s) by those making initial timely petitions only, limited to reporting new and additional professional time and expenses incurred in relation to the Agreement and administration process after the filing of the initial petition, shall be permitted to be filed after that date to ensure that the new professional time, costs and expenses on a going-forward basis in the Litigation are fairly accounted for by the Court and remain compensable, subject to the Court's approval.

XV. GENERAL MATTERS AND RESERVATIONS

100. Class Counsel shall take all necessary Action to accomplish approval of the Agreement, the Class Notice, and entry of the Final Order and Final Judgment. The Parties (including their counsel, successors, and assigns) agree to cooperate fully and in good faith with one another and to use their best efforts to effectuate the Agreement, including without limitation in seeking preliminary and final Court approval of this Agreement, carrying out the terms of this Agreement, and promptly agreeing upon and executing all such other documentation as may be reasonably required to obtain final approval by the Court of the Agreement. In the event that the Court fails to approve the Agreement or fails to issue the Final Order and Final Judgment, the Parties agree to use all reasonable efforts, consistent with this Agreement to cure any defect identified by the Court.

101. Plaintiffs represent that they: (a) have agreed to serve as representatives of the Class proposed to be certified herein; (b) are willing, able, and ready to perform all of the duties and obligations of representatives of the Class, including, but not limited to, being involved in

discovery and fact finding; (c) have read the relevant pleadings in the Action, or have had the contents of such pleadings described to them; (d) are generally familiar with the results of the fact-finding undertaken by Class Counsel; (e) have been kept apprised of Agreement negotiations among the Parties, and have either read this Agreement, including the exhibits annexed hereto, or have received a detailed and adequate description of it from Class Counsel, and they have agreed to its terms; (f) have consulted with Class Counsel about the Action and this Agreement and the obligations imposed on representatives of the Class; (g) have authorized Class Counsel to execute this Agreement or any amendments thereto on their behalf; and (h) shall remain and serve as representative of the Class until the terms of this Agreement are effectuated, this Agreement is terminated in accordance with its terms, or the Court at any time determines that said Plaintiff and Class Representative cannot represent the Class.

102. Without affecting the finality of the Final Order and Final Judgment in any way and even after the Effective Date, pursuant to Code of Civil Procedure Section 664.6, the Court shall retain continuing jurisdiction over (a) implementation of the Agreement; and (b) the Parties for the purpose of enforcing and administering this Agreement.

103. The Parties acknowledge and agree that no opinion concerning the tax consequences of the proposed Agreement to Class Members is given or will be given by the Parties, nor are any representations or warranties in this regard made by virtue of this Agreement. Each Class Member's tax obligations, and the determination thereof, are the sole responsibility of the Class Member, and it is understood that the tax consequences may vary depending on the particular circumstances of each individual Class Member.

104. Defendant represents and warrants the individual(s) executing this Agreement is/are authorized to enter into this Agreement on behalf of Defendant and to bind the Defendant to the terms, conditions, and obligations of this Agreement. Defendant represents and warrants the execution and delivery of this Agreement and the performance of such Party's obligations hereunder have been duly authorized, and that the Agreement is a valid and legal Agreement binding on Defendant and enforceable in accordance with its terms.

105. This Agreement, complete with its exhibits, sets forth the sole and entire Agreement among the Parties with respect to its subject matter, and it may not be altered, amended, or modified except by written instrument of the Parties. The Parties expressly acknowledge that no other Agreements, arrangements, or understandings not expressed in this Agreement exist among or between them, and that in deciding to enter into this Agreement, they rely solely upon their judgment and knowledge. This Agreement supersedes any prior Agreements, understandings, or undertakings (written or oral) by and between the Parties regarding the subject matter of this Agreement.

106. In the event that any of the benefits and/or obligations are implemented or completed prior to the Effective Date, the Parties expressly agree and hereby acknowledge that said benefits and/or obligations are a result of arm's-length negotiation and Agreement of this Action.

107. This Agreement and any amendments thereto shall be governed by and interpreted according to the law of the State of California notwithstanding any conflict of laws issues.

108. Any disagreement and/or action to enforce this Agreement shall be commenced and maintained only in the Superior Court of the State of California for the County of Los Angeles.

109. The Parties agree that the recitals are contractual in nature and form a material part of this Agreement.

110. The Parties reserve the right, subject to the Court's approval, to agree to any reasonable extensions of time that might be necessary to carry out any of the provisions of this Agreement.

111. Plaintiffs, the Class, Class Counsel, Defendant and/or Defendant's Counsel shall not be deemed to be the drafter of this Agreement or of any particular provision, nor shall they argue that any particular provision should be construed against its drafter. All Parties agree that this Agreement was drafted by counsel for the Parties during extensive arm's-length

negotiations. No parol or other evidence may be offered to explain, construe, contradict, or clarify its terms, the intent of the Parties or their counsel, or the circumstances under which this Agreement was made or executed.

112. The Parties expressly acknowledge and agree that this Agreement and its exhibits, along with all related drafts, motions, pleadings, conversations, negotiations, and correspondence, constitute an offer of compromise and a compromise within the meaning of California Evidence Code Section 1152. In no event shall this Agreement, any of its provisions or any negotiations, statements or court proceedings relating to its provisions in any way be construed as, offered as, received as, used as, or deemed to be evidence of any kind in the Action, any other action, or in any judicial, administrative, regulatory or other proceeding, except in a proceeding to enforce this Agreement or the rights of the Parties or their counsel. Without limiting the foregoing, neither this Agreement nor any related negotiations, statements, or court proceedings shall be construed as, offered as, received as, used as, or deemed to be evidence of, an admission or concession of any liability or wrongdoing whatsoever on the part of any person or entity, including, but not limited to, the Released Parties, Plaintiffs, or the Class or as a waiver by the Released Parties, Plaintiffs or the Class of any applicable privileges, claims or defenses.

113. The waiver by one Party of any breach of this Agreement by another Party shall not be deemed a waiver of any prior or subsequent breach of this Agreement.

114. If one Party to this Agreement considers another Party to be in breach of its obligations under this Agreement, that Party must provide the breaching Party with written notice of the alleged breach and provide a reasonable opportunity to cure the breach before taking any action to enforce any rights under this Agreement.

115. This Agreement may be signed with a facsimile or PDF signature and in counterparts, each of which shall constitute a duplicate original.

116. The terms “he” or “she” and “his” or “her” include “it” or “its” where applicable.

117. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity,

illegality, or unenforceability shall not affect any other provision if Defendant's Counsel, on behalf of Defendant, and Class Counsel, on behalf of Plaintiffs, Class Representatives and the Class Members, mutually agree in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement. Any such Agreement shall be reviewed and approved by the Court before it becomes effective.

IN WITNESS WHEREOF, the Parties hereto, by and through their respective attorneys, and intending to be legally bound hereby, have duly executed this Agreement as of the date set forth below.

Dated: 2-10-21 Christine Smith
CHRISTINE SMITH

Dated: 2-10-21 Oscar Gardner
OSCAR GARDNER.

Dated: 2/10/21 Thomas A. Kearney
THOMAS A. KEARNEY
KEARNEY LITTLEFIELD, LLP
Attorneys for Plaintiff and the Class

Dated: 2/10/2021 Dominic Surprenant
DOMINIC SURPRENANT
QUINN EMANUEL URQUHART & SULLIVAN
Attorneys for Defendant

Dated: 2-9-2021 ADT LLC, d/b/a/ ADT SECURITY SERVICES
Daniel J. McGrath *
By: Daniel J. McGrath
Title: VP & Asst. Secretary.
* Signed under sub-delegation of authority from EVP & CFO

Exhibit A

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

Antonio Villegas, an individual, on behalf of
himself and all others similarly situated

Plaintiff,

v.

ADT SECURITY SERVICES, INC., a
corporation, and IMI INTEGRITY
SERVICES, INC., a corporation, and
DOES 1 through 500, inclusive,

Defendants.

Case No. BC510665

CLASS ACTION

**[PROPOSED] ORDER GRANTING
PLAINTIFF'S *UNOPPOSED* MOTION
FOR FINAL APPROVAL OF CLASS
ACTION SETTLEMENT**

Dept. SSC 7
Assn'ed to Hon. Amy D. Hogue

1 The Motion of Plaintiffs Christine Smith and Oscar Gardner (“Plaintiffs”) for final
2 approval of the class action settlement came on regularly for hearing on _____, ____ at _____
3 in Department 7 of the Los Angeles Superior Court, Spring Street Courthouse, the Honorable
4 Amy D. Hogue presiding. Appearing for Plaintiffs and Settlement Class Representatives were
5 Class Counsel: Andrew J. Kearney and Prescott W. Littlefield of Kearney Littlefield, LLP.
6 Appearing for Defendant, ADT LLC, f/k/a ADT Security Services, Inc. (“Defendant”) were
7 Dominic Surprenant and Paul Slattery of Quinn Emanuel Urquhart & Sullivan, LLP.

8 On _____, _____, the Court entered an Order Granting Motion for Preliminary Approval
9 of Class Action Settlement (“Preliminary Approval Order”), preliminarily approving the proposed
10 settlement of this action pursuant to the terms of the Class Action Settlement Agreement and
11 Stipulation (the “Settlement Agreement”) and directing that Class Notice be given to the members
12 of the Settlement Class.

13 Having reviewed and considered (a) the Motion, including the Settlement Agreement, (b)
14 any objections filed with the Court, (c) the Parties’ responses to any objections, (d) the argument
15 of counsel, and (e) any oral presentations made at the Final Fairness Hearing, and good cause
16 appearing therefore, the Court hereby grants the Motion, and issues the following findings,
17 determinations and orders in this Order Granting Final Approval of Class Action Settlement
18 (“Final Order”):

19 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED AS FOLLOWS:**

- 20 **1.** This Court, for purposes of this Final Order, adopts all defined terms as set forth in
21 the Settlement Agreement for all capitalized terms used herein, unless otherwise specified herein.
- 22 **2.** This Court has jurisdiction over the subject matter of the Action and over all claims
23 and causes of action raised therein and all Parties thereto, including the Settlement Class
24 Members.
- 25 **3.** The Court finally certifies, pursuant to California Code of Civil Procedure section
26 382, the following Settlement Class:

27 All persons or entities located within the City of Los Angeles who: (1) had an
28 alarm system installed, operated or monitored by ADT, LLC d/b/a/ ADT Security

1 Services, (2) received penalties from the City of Los Angeles for a false alarm and
2 not having a permit for their alarm system on or after May 31, 2009 through
December 7, 2018, and (3) did not opt-out of the class notice previously sent in
this matter.

3 4. The Settlement Class, which will be bound by this Final Order and the Final
4 Judgment to be entered forthwith, shall include and bind all Settlement Class Members, including
5 those who did not properly request exclusion pursuant to the Preliminary Approval Order and
6 Section IX of the Settlement Agreement. The members of the Class who requested exclusion
7 from the Settlement Class in accordance with the Preliminary Approval Order and Section IX of
8 the Settlement Agreement are identified on **Appendix 1** attached hereto.

9 5. Plaintiffs appointed Settlement Class Representatives pursuant to the Preliminary
10 Approval Order fairly and adequately represented the Settlement Class.

11 6. Class Counsel appointed pursuant to the Preliminary Approval Order fairly,
12 adequately, and competently represented the Class Members.

13 7. Class Notice to the Settlement Class was provided in accordance with the
14 Preliminary Approval Order and the Notice Plan set forth in Section VII of the Settlement
15 Agreement, and satisfied the requirements of due process, California Code of Civil Procedure
16 section 382, California Rules of Court 3.766 and 3.769, the California and United States
17 Constitutions, and any other applicable law. The Class Notice: (i) fully and accurately informed
18 Class Members about the lawsuit and proposed Settlement Agreement; (ii) provided sufficient
19 information so that Class Members were able to decide whether to accept the benefits offered, opt-
20 out and pursue their own remedies, or object to the Settlement Agreement; (iii) provided
21 procedures for Class Members to file written objections to the Settlement Agreement, to appear at
22 the Final Fairness Hearing, and to state objections to the Settlement Agreement; and (iv) provided
23 the time, date and place of the Final Fairness Hearing.

24 8. The Notice Plan set forth in Section VII Settlement Agreement and effectuated
25 pursuant to the Preliminary Approval Order constitutes the best notice practicable under the
26 circumstances and shall constitute due and sufficient notice to the Settlement Class of the
27 pendency of the Action, certification of the Settlement Class for settlement purposes only, the
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1 terms of the Settlement Agreement, and the Final Fairness Hearing, and it satisfies the
2 requirements of California law and federal due process of law.

3 **9.** The Settlement Agreement was arrived at following informed, arm’s length,
4 adversarial negotiations conducted in good faith by Class Counsel and Defendant’s Counsel, was
5 facilitated by an experienced mediator, and is supported by a majority of the members of the
6 Settlement Class.

7 **10.** The Settlement Agreement was entered into in good faith, is fair, reasonable and
8 adequate, and satisfies the standards and applicable requirements for final approval of this class
9 action settlement under California law, including the provisions of California Code of Civil
10 Procedure section 382 and California Rules of Court, Rule 3.769. It is hereby finally approved.

11 **11.** The Parties shall effectuate the Settlement Agreement according to its terms. The
12 Settlement Agreement shall be deemed incorporated herein as if explicitly set forth herein.

13 **12.** Upon the Effective Date of the Final Judgment to be entered forthwith, Class
14 Representatives, Plaintiffs, and each Settlement Class Member, on behalf of themselves and any
15 other legal or natural persons who may claim by, through or under them, and all Class Members
16 not identified on **Appendix 1**, are deemed to have released and discharged the Defendant and all
17 other Released Parties from all Released Claims under the Settlement Agreement.

18 **13.** Settlement Class Members, Class Representatives, and Plaintiffs, on behalf of
19 themselves and any other legal or natural persons who may claim by, through or under them, are
20 hereby permanently enjoined and barred from asserting, instituting, or prosecuting, either directly
21 or indirectly, any Released Claim against any of the Released Parties.

22 **14.** This Final Order, the Settlement Agreement, and the settlement which it reflects –
23 and any and all acts, statements, documents or proceedings relating to the Settlement Agreement –
24 are not, and shall not be construed as, or used as an admission by or evidence against Defendant or
25 any Released Party of any fault, wrongdoing, or liability on their part, or of the validity of any
26 Released Claim, of the existence or amount of any damages, or of the propriety of class action
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1 treatment for any Released Claim outside of for the purposes of the Settlement Agreement and this
2 Final Order.

3 **15.** Defendant shall pay the Maximum Settlement Fund in the amount of SIX
4 HUNDRED THIRTY FIVE THOUSAND AND ZERO CENTS (\$635,000.00) to the Escrow
5 Account as required under, and according to the timelines set forth in, Section VI of the Settlement
6 Agreement.

7 **16.** The Court approves the Administration Expenses in the amount of \$_____
8 The Settlement Administrator shall be paid Administration Expenses in the total amount of
9 \$_____, which amount shall be paid out of the Escrow Account and in accordance with
10 Section VIII of the Settlement Agreement.

11 **17.** An award of \$211,666.67_____ in attorneys' fees and
12 \$_____ in costs to Class Counsel is fair and reasonable in light of the nature of this
13 case, Class Counsel's experience and efforts in prosecuting this Action, and the benefits obtained
14 for the Class. Class Counsel is hereby awarded Attorneys' Fees and Expenses in the amount of
15 \$_____. The Attorneys' Fees and Expenses hereby awarded shall be paid by
16 the Settlement Administrator from the Escrow Account as required under, and according to the
17 timelines set forth in, Section XIV of the Settlement Agreement.

18 **18.** A Service Award to each Class Representative in the amount of \$7,500_____
19 is fair and reasonable in light of: (a) Plaintiffs' risks (including financial, professional, and
20 emotional) in commencing this action as the class representatives; (b) the time and effort spent by
21 Plaintiffs in litigating this action as the class representatives; and (c) Class Representatives' public
22 interest service. Each Class Representative is hereby awarded \$7,500_____ as a Service
23 Award. These amounts shall paid by the Settlement Administrator from the Escrow Account as
24 required under, and according to the timelines set forth in, Section XIV of the Settlement
25 Agreement.

26 **19.** The Settlement Administrator shall distribute all Settlement Benefits to Class
27 Members who have made valid and timely claims, as set forth in Section VI. The Settlement
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1 Administrator shall then transfer any remaining amounts in the Net Settlement Fund from the
2 Escrow Account to the Cy Pres as required under, and according to the timelines set forth in,
3 Section VI of the Settlement Agreement.

4 **20.** Plaintiffs, Class Representatives, and the Settlement Class, on the one hand, and
5 Defendant, on the other hand, shall take nothing further from the other side except as expressly set
6 forth in the Settlement Agreement and this Final Approval Order.

7 **21.** This Final Order does not constitute an expression by the Court of any opinion or
8 determination as to the merit or lack thereof of any of the Plaintiffs' claims or Defendant's
9 defenses. This Final Approval Order is not an admission or indication of the validity of any claim
10 by Plaintiffs in this action or of any liability, wrongdoing, or violation of any law on the part of
11 Defendant.

12 **22.** The Parties are authorized to the implement the terms of the Settlement Agreement
13 as provided in this Final Order as of the Effective Date of the Final Judgment to be entered
14 forthwith.

15 **23.** Pursuant to California Code of Civil Procedure section 664.6, and Rule 3.769(h) of
16 California Rules of Court, and without effecting the finality of the Final Judgment, the Court
17 reserves exclusive and continuing jurisdiction over this Action, the Plaintiff, the Class Members,
18 and Defendant for purposes of administrating, consummating, enforcing, and interpreting the
19 Settlement Agreement, this Final Order, and the Final Judgment, and to issue related orders
20 necessary to effectuate final approval of the Settlement Agreement.

21 **24.** The Court finds that there is no reason for delay in entering Final Judgment in this
22 Action. The Court directs the Clerk to enter the Final Judgment as of the date of this Final Order.

23 **25.** The Clerk is directed to enter this Final Order forthwith.

24 **26.** The Administrator must submit a declaration accounting for and confirming final
25 pay out on or before _____, as set forth in Section VIII, paragraph 65, section
26 (p).

27 **IT IS SO ORDERED.**

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Dated: _____

JUDGE OF THE SUPERIOR COURT

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APPENDIX 1

Excluded Class Members:

Exhibit A1

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

Antonio Villegas, an individual, on behalf of
himself and all others similarly situated

Plaintiff,

v.

ADT SECURITY SERVICES, INC., a
corporation, and IMI INTEGRITY
SERVICES, INC., a corporation, and
DOES 1 through 500, inclusive,

Defendants.

Case No. BC510665

CLASS ACTION

[PROPOSED] FINAL JUDGMENT

Dept. SSC 7
Assn'ed to Hon. Amy D. Hogue

1 WHEREAS, this matter came before the Court for hearing on _____, ____ at _____ in
2 Department 7 of the Los Angeles Superior Court, Spring Street Courthouse, the Honorable Amy
3 D. Hogue presiding (“Final Fairness Hearing”), in accordance with the: (i) Order Granting Motion
4 for Preliminary Approval of Class Action Settlement (“Preliminary Approval Order”) entered on
5 _____; and (ii) Plaintiffs’ Motion for Final Approval of Class Action Settlement
6 seeking approval of the settlement set forth in the Class Action Settlement Agreement and
7 Stipulation (“Settlement Agreement”);

8 WHEREAS, the Court, having considered all papers filed in this Action and oral
9 arguments of counsel in this Action and those appearing at the Final Fairness Hearing, and
10 otherwise being fully informed, and good cause appearing thereon;

11 WHEREAS, on _____, this Court gave final approval to the Settlement
12 Agreement in its Order Granting Final Approval of Class Action Settlement (“Final Order”);

13 WHEREAS, all capitalized terms used herein shall have the same meaning as the defined
14 terms in the Settlement Agreement, unless otherwise specified herein.

15 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:**

16 1. This Court has jurisdiction over the subject matter of the Action, this litigation, and
17 all Parties to the Action, including all Settlement Class Members.

18 2. The Settlement Class is hereby certified pursuant to California Code of Civil
19 Procedure section 382 as follows:

20 All persons or entities located within the City of Los Angeles who: (1) had an
21 alarm system installed, operated or monitored by ADT, LLC d/b/a/ ADT Security
22 Services, (2) received penalties from the City of Los Angeles for a false alarm and
23 not having a permit for their alarm system on or after May 31, 2009 through
24 December 7, 2018, and (3) did not opt-out of the class notice previously sent in
25 this matter.

26 3. Excluded from the Action, this litigation, and the Settlement Class are those
27 persons who submitted valid and timely requests for exclusion pursuant to the Preliminary
28 Approval Order as identified in Appendix 1 of the Final Order. Attached to this Final Judgment as
Appendix 1 hereto is a list of all such persons excluded from the Settlement Class and this Final
Judgment.

1 **4.** This Court hereby enters judgment pursuant to the terms and conditions set forth in
2 the Final Order, and the Plaintiffs, Class Representatives, and Settlement Class Members shall
3 take nothing except as provided in the Settlement Agreement and Final Order.

4 **5.** Plaintiffs and Settlement Class Representatives (Christine Smith and Oscar
5 Gardner) fairly and adequately represented the Settlement Class.

6 **6.** Class Counsel (Thomas A. Kearney, Andrew J. Kearney, and Prescott W.
7 Littlefield of Kearney Littlefield, LLP and Catherine Burke Schmidt Attorney at Law) fairly,
8 adequately, and competently represented the Class Members.

9 **7.** The Parties shall take all steps necessary and appropriate to effectuate the terms of
10 the Settlement Agreement and provide Settlement Class Members with the benefits to which they
11 are entitled under the Settlement Agreement and pursuant to the Final Order.

12 **8.** Defendant, ADT LLC, d/b/d ADT Security Services, Inc. (“Defendant”), shall pay
13 the Maximum Settlement Fund in the amount of SIX HUNDRED THIRTY FIVE THOUSAND
14 AND ZERO CENTS (\$635,000.00) to the Escrow Account as provided under the Settlement
15 Agreement and pursuant to the Final Order.

16 **9.** Each Class Representative shall be awarded \$7,500.00 _____ as a Service
17 Award in his and/or her capacity as a representative Plaintiff in the Action. Such funds shall be
18 paid out of the Escrow Account as provided under the Settlement Agreement and pursuant to the
19 Final Order.

20 **10.** Class Counsel shall be awarded Attorneys’ Fees and Expenses in the amount of
21 \$211,666.67 _____ in attorneys’ fees and \$ _____ in costs, which amounts
22 are approved as fair and reasonable, and in accordance with the terms of the Settlement
23 Agreement. Such funds shall be paid out of the Escrow Account as provided under the Settlement
24 Agreement and pursuant to the Final Order.

25 **11.** The Court awards Administration Expenses to the Settlement Administrator in the
26 amount of \$ _____. Such funds shall be paid out of the Escrow Account as provided
27 under the Settlement Agreement and pursuant to the Final Order.

1 **12.** The Net Settlement Fund shall be distributed from the Escrow Account to as
2 provided under the Settlement Agreement and pursuant to the Final Order. The Settlement
3 Administrator shall issue the Settlement Benefit as provided under the Settlement Agreement and
4 pursuant to the Final Order. Any remaining amounts from the Net Settlement Fund after
5 distribution of the Settlement Benefit shall be transferred to the Cy Pres Designee.

6 **13.** The Court hereby approves the Settlement Agreement and finds that it is, in all
7 respects, fair, reasonable, and adequate to the Settlement Class.

8 **14.** Class Notice disseminated to the Class pursuant to the Preliminary Approval Order
9 and Notice Plan under the Settlement Agreement was the best notice practicable under the
10 circumstances. The Class Notice provided due and adequate notice of those proceedings and
11 matters set forth therein, including the proposed Settlement Agreement, to all persons entitled to
12 such notice, and the Class Notice fully satisfied the requirements of the requirements of due
13 process, California Code of Civil Procedure section 382, California Rules of Court, Rules 3.766
14 and 3.769, the California and United States Constitutions.

15 **15.** Ten days after the Effective Date of this Final Judgment, Plaintiffs, Class
16 Representatives, and each Settlement Class Member, on behalf of themselves and any other legal
17 or natural persons who may claim by, through or under them, and all Class Members who are not
18 identified in **Appendix 1** attached hereto, are deemed to have released and discharged Defendant
19 and all other Released Parties from all Released Claims under the Settlement Agreement and
20 pursuant to the Final Order. Settlement Class Members, Class Representatives, and Plaintiffs, on
21 behalf of themselves and any other legal or natural persons who may claim by, through or under
22 them, are hereby permanently enjoined and barred from asserting, instituting, or prosecuting,
23 either directly or indirectly, any Released Claim against any of the Released Parties.

24 **16.** Pursuant to the Settlement Agreement, California Code of Civil Procedure
25 section 664.6, and Rule 3.769(h) of the California Rules of Court, this Court retains exclusive
26 jurisdiction over this Action, Plaintiffs, the Class Members, and Defendant to enforce the terms of
27 the Settlement Agreement and this Final Judgment.

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17. This Final Judgment shall constitute a judgment for purposes of Rule 3.769(h) of the California Rules of Court.

18. The Court is directed to enter this Final Judgment forthwith.

19. The Parties are Ordered to file with the Court, no later than _____ (DATE) a report, containing sufficient information and declarations showing the Court the total amount that was actually paid to the Class Members and otherwise distributed through the Settlement Agreement and any amounts that remain in the Net Settlement Fund due to any unpaid residue or unclaimed or abandoned Class Member funds, plus any interest that has accrued thereon. The Parties are to also submit a proposed amended judgment consistent with California Code of Civil Procedure section 384.

Dated: _____

JUDGE OF THE SUPERIOR COURT

APPENDIX 1

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Excluded Class Members:

Exhibit B

Villegas, et al. v. ADT Security Services, Inc., et al.
Case No. BC510665

If you received penalties from the City of Los Angeles for not having a permit for your alarm system monitored by ADT at any time on or after May 31, 2009 but before December 7, 2018, a class action settlement may affect your rights.

A CALIFORNIA COURT AUTHORIZED THIS NOTICE. THIS IS NOT A SOLICITATION FROM A LAWYER.

A settlement (“Settlement”) has been proposed in the class action lawsuit referenced above pending in the Superior Court of the State of California in the County of Los Angeles (“Action”). If the Court gives final approval to the Settlement, then ADT LLC, f/k/a ADT Security Services, Inc. (“Defendant”) will provide, for each Settlement Class Member who submits a valid and timely Claim Form, a Settlement Benefit of approximately **XXXXXX** calculated as explained below.

Your legal rights are affected whether you act or don’t act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT		
SUBMIT A CLAIM	<p>If you received direct notice of this settlement via email or a letter, this means records indicate you are a Class Member. You must complete and mail in the Claim Form enclosed therewith to receive the settlement benefit. This means to fill in your name, current mailing address, email address, and phone number. These will only be used to communicate with you about your claim and you will not receive any solicitations. You must check the box that you did in fact receive a fine for an unpermitted alarm system, date and sign the claim form. It must be mailed to the address on the form. Claim forms can also be submitted online at: WEBSITE.</p> <p>YOU MUST SUBMIT A CLAIM FORM IN ORDER TO RECEIVE A SETTLEMENT BENEFIT. If you choose to participate in this Settlement, you will give up your right to bring a separate lawsuit on your own about the legal claims in this case.</p> <p>If you do not submit a claim form and do not exclude yourself from the Class, you will not receive the class benefit but will still give up your right to bring a separate lawsuit about the legal claims in this case. You are strongly urged to submit a claim form if you do not wish to exclude yourself.</p>	Deadline: <hr/>

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

EXCLUDE YOURSELF	If you exclude yourself from the Settlement, you will not receive a benefit under the Settlement. Excluding yourself is the only option that allows you to bring or maintain your own lawsuit against the Defendant regarding the allegations in the Action ever again.	Deadline: _____
OBJECT	You may send a written objection explaining why you object to (i.e., don't like) the Settlement and think it shouldn't be approved. Sending an objection does not exclude you from the Settlement, and you may submit a Claim Form.	Deadline: _____
GO TO THE "FAIRNESS HEARING"	The Court will hold a "Fairness Hearing" to consider the Settlement, the request for attorneys' fees and costs of the lawyers who brought the Action, and the Representative Plaintiffs' request for a service award for bringing the Action.	Hearing Date and Time: _____

These rights and options—and the deadlines to exercise them—are explained in more detail below.

The Court in charge of this Action has preliminarily approved the Settlement and shall decide whether to give final approval to the Settlement. The relief provided to Class Members will be provided only if the Court gives final approval to the Settlement and, if there are any appeals, after the appeals are resolved in favor of the Settlement. *Please be patient.*

WHAT THIS NOTICE CONTAINS

BACKGROUND INFORMATION

1. Why did I get a notice?
2. What is this lawsuit about?
3. Why is this a class action?
4. Why is there a Settlement?
5. How do I know if I am part of the Settlement?
6. I'm still not sure if I am included.

THE PROPOSED SETTLEMENT

7. What relief does the Settlement provide to the Class Members?

THE LAWYERS IN THIS CASE AND THE REPRESENTATIVE PLAINTIFFS

8. Do I have a lawyer in this case?
9. How will the lawyers be paid?

- 10. Will the Representative Plaintiffs receive any compensation for their efforts in bringing this Action?

DISMISSAL OF ACTION AND RELEASE OF ALL CLAIMS..... ##

- 11. What am I giving up to obtain relief under the Settlement?

HOW TO EXCLUDE YOURSELF FROM THE SETTLEMENT..... ##

- 12. How do I exclude myself from the Settlement?

HOW TO OBJECT TO THE SETTLEMENT..... ##

- 13. How do I tell the Court that I disagree with the Settlement?
- 14. What is the difference between excluding myself and objecting to the Settlement?

FAIRNESS HEARING..... ##

- 15. What is the Fairness Hearing?
- 16. When and where is the Fairness Hearing?
- 17. May I speak at the hearing?

ADDITIONAL INFORMATION..... ##

- 18. How do I get more information?
- 19. What if my address or other information has changed or changes after I submit a written objection to the Settlement or Request to be excluded from the Class?

BACKGROUND INFORMATION

1. Why did I get a notice?

You received a notice because a Settlement has been reached in this Action. Based on Defendant’s and the City of Los Angeles’ records, you appear to be a “Class Member” of the Settlement Class and therefore eligible for the relief detailed below.

This Notice explains the nature of the Action, the general terms of the proposed Settlement, and your legal rights and obligations. To obtain more information about the Settlement, including information about how you can see a copy of the Settlement Agreement (which defines certain capitalized terms used in this Notice), visit the Settlement Website at **XXXXXXXXXX**.

2. What is this lawsuit about?

Plaintiffs Christine Smith and Oscar Gardner (“Representative Plaintiffs”) filed a lawsuit against Defendant on behalf of themselves and all others similarly situated. The lawsuit alleges Defendant failed to properly ensure its customers had alarm system permits prior to installing or monitoring alarm systems in Los Angeles, and that those customers received increased penalties from the City of Los Angeles for false alarms as

a result of their failure to have alarm system permits.

Defendant ADT denies any wrongdoing, any allegations of unlawful conduct, and any liability, and no court or other official entity has made any judgment or other decision that ADT acted wrongfully or unlawfully or is liable. ADT also denies that any Class Member is entitled to relief or that this Action is appropriate for treatment as a class action, except for the purposes of this Settlement and the relief it provides.

The issuance of this Notice is not an expression of the Court’s opinion on the merits or the lack of merits of the Representative Plaintiffs’ claims in the Action.

For information about how to learn about what has happened in the Action to date, please see Section 18 below.

3. *Why is this a class action?*

In a class action lawsuit, one or more people called “Representative Plaintiffs” sue on behalf of other people who allegedly have similar claims. For purposes of this proposed Settlement, one court will resolve the issues for all Class Members. The company sued is called the Defendant.

4. *Why is there a Settlement?*

The Representative Plaintiffs have made claims against Defendant. Defendant denies that it has done anything wrong or illegal and admits no liability. The Court has **not** decided that the Representative Plaintiffs or Defendant should win this Action. Instead, both sides agreed to a settlement. That way, they avoid the cost of a trial, and the Class Members will receive relief now rather than years from now, if at all.

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

The Court has decided that everyone who fits this description is a Class Member for purposes of the proposed Settlement: All persons or entities located within the City of Los Angeles who: (1) had an alarm system installed, operated or monitored by ADT, LLC d/b/a/ ADT Security Services, (2) received penalties from the City of Los Angeles for a false alarm and not having a permit for their alarm system on or after May 31, 2009 through December 7, 2018, and (3) did not opt-out of the class notice previously sent in this matter.

If you received notice of this Settlement via a letter in the mail or via email, you appear to be a member of the Class based on the Defendant’s and the City of Los Angeles’ records.

6. *I’m still not sure if I am included.*

If you are still not sure whether you are included, you can call Class Counsel for help. The contact information for Class Counsel is: Prescott W. Littlefield, Esq., (213) 473-1900.

THE PROPOSED SETTLEMENT

7. *What relief does the Settlement provide to the Class Members?*

Under the Agreement, Defendant has agreed to establish a Maximum Settlement Fund of \$635,000. The Maximum Settlement Fund will be used to provide Class Members who submit a Claim Form on time with a one-time payment of approximately **XXXXX**.

This amount is calculated by taking the Maximum Settlement Fund and subtracting anticipated Class Counsel's attorneys' fees (estimated at \$211,666.67), actual litigation costs not to exceed \$42,000, administration expenses of \$50,000.00, and the two Class Representative Enhancement awards of a combined \$15,000. The remaining amount, approximately **XXXXXX** is to be divided by the total number of Class Members (approximately 16,418) for an average benefit to each class member of **XXXXXX**.

If not all Class Members make claims, then the average settlement amount for those who submit Claim Forms will be higher than that, but in no event will payments to those Class Members who submit Claim Forms exceed \$251 per Class Member.

THE LAWYERS IN THIS CASE AND THE REPRESENTATIVE PLAINTIFFS

8. *Do I have a lawyer in this case?*

The Court has ordered that the law firms of Kearney Littlefield, LLP and Catherine Burke Schmidt, Attorney at Law ("Class Counsel") will represent the interests of all Class Members. You will not be separately charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

9. *How will the lawyers be paid?*

Class Counsel will seek for the Court to award up to \$211,666.67 in attorney's fees and no more than \$42,000.00 in costs. You will not be required to pay any attorneys' fees or costs. Please see Section XIV of the Settlement Agreement, available at **WEBSITE**, for additional details.

10. *Will the Representative Plaintiffs receive any compensation for her efforts in bringing this Action?*

The two Representative Plaintiffs will request a service award of up to \$7,500 each for their services as class representatives and their efforts in bringing the Action. The Court will make the final decision as to the amount to be paid to the class representatives.

DISMISSAL OF ACTION AND RELEASE OF ALL CLAIMS

11. *What am I giving up to obtain relief under the Settlement?*

If the Court approves the proposed Settlement, unless you exclude yourself from the Settlement, you will be releasing any claims you might have against Defendant ADT

and certain other Released Parties.

Specifically, you will be releasing the following claims: “all claims, demands, actions, and/or causes of action of whatever kind or nature, in law or in equity, including damages, costs, expenses, penalties, restitution, punitive damages, expert fees, and attorneys’ fees that were asserted in the Action or that could have reasonably been alleged or asserted based on the facts alleged in the Action by the Releasing Parties against the Released Parties arising out of or related to the Action, including without limitation any allegations, events, transactions, acts, omissions, matters, or occurrences related to the Alarm Permit Fee or payments of the Alarm Permit Fee or Reduced Alarm Permit Fee during the Class Period, i.e. from May 31, 2009 to December 7, 2018, the Exclusion Deadline.

The Released Parties are: Defendant and all of its boards, bureaus, divisions, departments, administrators, officers, agents, elected officials, employees, parents, subsidiaries, affiliates, insurers, predecessors, successors, assigns, and all persons that acted on behalf of Defendant, including Defendant’s authorized dealers. The Parties expressly acknowledge that each of the foregoing is included as a Released Party even though not identified by name.

12. *How do I exclude myself from the Settlement?*

You may exclude yourself from the Class and the Settlement. If you want to be excluded, you must send a signed letter or postcard which: (a) includes your name, address, and telephone number; (b) references *Villegas v. ADT Security Services, Inc.* BC510665; and (c) clearly states that you desire to be excluded from the Class, not participate in the Agreement and not receive any Agreement benefits. The letter or postcard must be postmarked no later than [REDACTED] and sent to the Claims Administrator at:

Villegas v. ADT Security Services, Inc.

c/o Phoenix Class Action Administration Solutions

[REDACTED]
[REDACTED]

If you timely request exclusion from the Class: you will be excluded from the Class; you will not receive any benefit under the Settlement; you will not be bound by the judgment entered in the Action; and you will not be precluded from prosecuting any timely, individual claim against Defendant or other Released Parties based on the conduct complained of in the Action.

13. How do I tell the Court that I disagree with the Settlement?

At the date, time, and location stated in Section 15 below, the Court will hold a Fairness Hearing to determine if the Settlement is fair, reasonable, and adequate, and to also consider Class Counsel’s request for an award of attorneys’ fees and costs and service awards to the Representative Plaintiffs.

If you wish to object to the fairness, reasonableness, or adequacy of the Settlement Agreement or the proposed Settlement, you may provide a written objection to the Settlement Administrator, at the addresses set forth below, no later than (*i.e.*, postmarked by) _____.

Villegas v. ADT Security Services, Inc.

c/o Phoenix Class Action Administration Solutions



Any written objections should contain: (a) the full name of objector; (b) the full address of Objector; (c) the specific reason(s), if any, for the objection, including any legal support the Class Member wishes to bring to the Court’s attention; (d) copies of any evidence or other information the Class Member wishes to introduce in support of the objections; (e) a statement of whether the Class Member intends to appear and argue at the Fairness Hearing; (f) the individual Class Member’s written signature, with date; and (g) reference *Villegas v. ADT Security Services, Case No. BC510665* on the envelope and written objection.

You may, but need not, submit your objection through counsel of your choice. If you do make your objection through an attorney, you will be responsible for your personal attorney’s fees and costs.

Class Members have the option to appear at the Fairness Hearing, either in person or through personal counsel hired at the Class Member’s expense.

14. What is the difference between excluding myself and objecting to the Settlement?

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

FAIRNESS HEARING

15. What is the Fairness Hearing?

The Court has preliminarily approved the Settlement and will hold a hearing to decide

whether to give final approval to the Settlement. The purpose of the Fairness Hearing will be for the Court to: (a) determine whether the Settlement should be approved as fair, reasonable, adequate, and in the best interests of the Settlement Class; (b) consider the award of attorneys' fees and expenses to Class Counsel, and (c) consider the request for service awards to the Representative Plaintiffs. You may attend, but you do not have to.

16. *When and where is the Fairness Hearing?*

On _____, at _____, a hearing will be held on the fairness of the proposed Settlement. At the hearing, the Court will be available to hear any objections and arguments concerning the proposed Settlement's fairness. The hearing will take place before the Honorable Amy D. Hogue in Department 7 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. The hearing may be postponed to a different date or time or location without notice, except posting on the website. Please check _____ .com for any updates about the Settlement generally or the Fairness Hearing specifically. If the date or time of the Fairness Hearing changes, an update to the Settlement website will be the only way you will be informed of the change.

17. *May I speak at the hearing?*

At that hearing, the Court will be available to hear any objections and arguments concerning the fairness of the Settlement.

If you have requested exclusion from the Settlement, you may not speak at the hearing.

ADDITIONAL INFORMATION

18. *How do I get more information?*

To see a copy of the Settlement Agreement, the Court's Preliminary Approval Order, Class Counsel's application for attorneys' fees and costs, and the operative complaint filed in the Action, please visit the Settlement website located at: _____.

Alternatively, you may contact the Settlement Administrator at the email address _____ or the U.S. postal (mailing) address: _____.

This description of this Action is general and does not cover all of the issues and proceedings that have occurred. In order to see the complete file you should visit the Clerk's office at _____. The Clerk will tell you how to obtain the file for inspection and copying at your own expense.

19. What if my address or other information has changed or changes after I submit a Claim, Written Objection to the Settlement or Request to be excluded from the Class?

It is your responsibility to inform the Settlement Administrator of your updated information. You may do so at the address below:

Villegas v. ADT Security Services, Inc.

c/o Phoenix Class Action Administration Solutions

[REDACTED]

[REDACTED]

PLEASE NOTE THAT, DUE TO THE CURRENT COVID-19 OUTBREAK, THE COURT HAS CURRENTLY IMPLEMENTED CERTAIN SOCIAL DISTANCING PROCEDURES. THIS INCLUDES LIMITED ACCESS TO THE COURTHOUSE, REMAINING SIX FEET APART IN ALL AREAS, WEARING FACE COVERINGS AND FOLLOWING ALL EMPLOYEE INSTRUCTIONS. FURTHER INFORMATION CAN BE FOUND ON THE LOS ANGELES SUPERIOR COURT'S WEBSITE AT: LACOURT.ORG

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE.

Exhibit C

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

Antonio Villegas, an individual, on behalf of
himself and all others similarly situated

Plaintiff,

v.

ADT SECURITY SERVICES, INC., a
corporation, and IMI INTEGRITY
SERVICES, INC., a corporation, and
DOES 1 through 500, inclusive,

Defendants.

Case No. BC510665

CLASS ACTION

**[PROPOSED] ORDER GRANTING
PLAINTIFF'S *UNOPPOSED* MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Dept. SSC 7
Assn'ed to Hon. Amy D. Hogue

1 The Motion by Plaintiffs Christine Smith and Oscar Gardner (“Plaintiffs”) for an Order
2 preliminarily approving a proposed Settlement and provisional class certification under California
3 Rule of Court 3.769(c) and (d) came on regularly for hearing on _____, 2020, at _____ in
4 Department 7 of the Los Angeles Superior Court, Spring Street Courthouse, the Honorable Amy
5 D. Hogue presiding. Appearing for Plaintiffs and Settlement Class Representatives were Class
6 Counsel: Andrew J. Kearney and Prescott W. Littlefield of Kearney Littlefield, LLP. Appearing
7 for Defendant, ADT LLC, f/k/a ADT Security Services, Inc. (“Defendant”) were Dominic
8 Surprenant and Paul Slattery of Quinn Emanuel Urquhart & Sullivan, LLP. Plaintiffs and
9 Defendant are referred herein together as the “Parties.”

10 Having reviewed and considered the Motion, including the Class Action Settlement
11 Agreement and Stipulation (“Settlement”), the papers filed in connection with the Motion and the
12 argument of counsel, and good cause appearing therefore, IT IS HEREBY ORDERED that the
13 Motion is granted, on the following terms and conditions:

14 1. The capitalized terms used in this Preliminary Approval and Provisional Class
15 Certification Order (“Preliminary Approval Order”) shall have the same meaning as the defined
16 terms in the Settlement Agreement, unless otherwise specified.

17 2. The Court preliminary finds that the Settlement falls within the range of possible
18 approval as fair, reasonable and adequate, subject to further consideration by the Court at the time
19 of the Final Fairness Hearing.

20 3. The Court finds that the Long-Form Notice and Summary Notice: (a) constitute the
21 best notice practicable under the circumstances, (b) constitute valid, due, and sufficient notice to
22 all members of the Class, and (c) comply fully with the requirements of California Code of Civil
23 Procedure § 382, Rules 3.766 and 3.769 of the California Rules of Court, the California and
24 United States Constitutions, and other applicable law.

25 4. The Court, for purposes of this Settlement only, finds that the Class is so numerous
26 that joinder of all Class Members is impracticable, Plaintiffs’ claims are typical of the Class’s
27 claims, there are questions of law and fact common to the Class, which predominate over any
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1 questions affecting only individual Class Members, and Class certification is superior to other
2 available methods for the fair and efficient adjudication of the controversy.

3 **5. Settlement Approval.** The Settlement Agreement, including the Long-Form
4 Notice and Summary Notice attached to the Settlement Agreement as Exhibit B and Exhibit D
5 respectively, are preliminarily approved.

6 **6. Provisional Certification.** The Class is provisionally certified, for settlement
7 purposes only, as a class of all persons or entities located within the City of Los Angeles who: All
8 persons or entities located within the City of Los Angeles who: (1) had an alarm system installed,
9 operated or monitored by ADT, LLC d/b/a/ ADT Security Services, (2) received penalties from
10 the City of Los Angeles for a false alarm and not having a permit for their alarm system on or after
11 May 31, 2009 through December 7, 2018, and (3) did not opt-out of the class notice previously
12 sent in this matter.

13 **7. Appointment of Class Representative and Class Counsel.** Plaintiffs Christine
14 Smith and Oscar Gardner (collectively “Plaintiffs”) are conditionally certified as the class
15 representatives to implement the Settlement Agreement in accordance with its terms. Thomas A.
16 Kearney, Andrew J. Kearney, and Prescott W. Littlefield of Kearney Littlefield, LLP and
17 Catherine Burke Schmidt, Attorney at Law, are conditionally appointed as Class Counsel.
18 Plaintiffs and Class Counsel shall fairly and adequately protect the Class’s interests.

19 **8. Appointment of Settlement Administrator.** The Court approves Phoenix Class
20 Action Administration Solutions as the Settlement Administrator. The Settlement Administrator
21 shall comply with the terms and conditions of the Settlement Agreement in carrying out its duties
22 pursuant to the Settlement Agreement.

23 **9. Provision of Class Notice.** The Settlement Administrator shall disseminate Class
24 Notice as provided in the Notice Plan in Section VII of the Settlement Agreement, and the Parties
25 shall cooperate in good faith with the Settlement Administrator to ensure Class Notice is timely
26 disseminated. The costs of such notice shall be deemed Administration Expenses as defined under
27 the Settlement Agreement and shall be paid out of the Escrow Account funded by the Maximum
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1 Settlement Fund as set forth in the terms and conditions of the Settlement Agreement. The Notice
2 Date shall be no later than forty-five (45) days after the issuance of this Preliminary Approval
3 Order.

4 **10. Requesting Exclusion.** A Class Member may elect to be excluded from the
5 Settlement Class and to not be bound by the Settlement Agreement. To make this election, a Class
6 Member must mail a written request for exclusion to the Settlement Administrator at the address
7 provided in the Long-Form Notice, postmarked by the Exclusion Deadline ordered by the Court in
8 the Preliminary Approval Order. The request must (a) state the Class Member's name, address,
9 and telephone number; (b) reference *Villegas v. ADT Security Services, Inc.* BC510665; and (c)
10 clearly state that the Class Member wants to be excluded from the Class, not participate in the
11 Agreement and not receive any Agreement benefits, and otherwise comply with the terms stated in
12 the Long-Form Notice and Preliminary Approval Order. All Class Members will be by bound by
13 the Final Order and Final Judgment unless such Class Members timely file valid written requests
14 for exclusion or opt out in accordance with this Preliminary Approval Order.

15 **11. Objection to Settlement.** Any Class Member who has not submitted a written
16 exclusion request pursuant to paragraph 10 above and who wishes to object to the fairness,
17 reasonableness, or adequacy of this Settlement Agreement or the proposed Settlement Agreement,
18 or to the award of Attorneys' Fees and Expenses, or to award of Service Awards to the Class
19 Representative(s), must mail a written statement, describing the Class Member's objections in the
20 specific manner set forth in this Section (below), to the Settlement Administrator at the address
21 provided in the Long-Form Notice. The objection must be postmarked by the Objection Deadline
22 ordered by the Court in this Preliminary Approval Order. Any such objection shall include: (a) the
23 full name of objector; (b) the full address of Objector; (c) the specific reason(s), if any, for the
24 objection, including any legal support the Class Member wishes to bring to the Court's attention;
25 (d) copies of any evidence or other information the Class Member wishes to introduce in support
26 of the objections; (e) a statement of whether the Class Member intends to appear and argue at the
27 Fairness Hearing; (f) the individual Class Member's written signature, with date; and (g) reference

1 *Villegas v. ADT Security Services, Inc.* BC510665 on the envelope and written objection.

2 **12. Failure to Object to Settlement.** Class Members who do not object to the
3 proposed Settlement Agreement in the manner specified in paragraph 11 above will: (a) be
4 deemed to have waived their right to object to the Settlement Agreement; and (b) be foreclosed
5 from objecting (whether by a subsequent objection, intervention, appeal, or any other process) to
6 the Settlement Agreement.

7 **13. Final Fairness Hearing.** A Final Fairness Hearing shall be held before this Court
8 on _____, _____ at _____, before the Honorable Amy D. Hogue in Department 7 of the
9 Los Angeles Superior Court, Spring Street Courthouse, located at located at 312 Spring Street, Los
10 Angeles CA 90012, to determine whether the Settlement Agreement should be finally approved as
11 fair, reasonable, and adequate.

12 **14.** Class Counsel shall file and serve papers in support of its Motion for Attorneys'
13 Fees, Costs, and Service Awards no later than fourteen (14) days before the Objection Deadline.
14 Such a motion shall not exceed twenty-five (25) pages in length.

15 **15.** The Parties shall file and serve papers in support of final approval of the Settlement
16 Agreement no later than sixteen (16) Court days before the Final Fairness Hearing. Such a motion
17 shall not exceed twenty-five (25) pages in length.

18 **16.** No later than 100 days after the Notice Date, the Settlement Administrator shall
19 serve on Class Counsel and the Defendant's Counsel a declaration: (i) attaching a list of those
20 persons who timely opted out or excluded themselves from the Settlement Agreement; (ii)
21 attaching a list of those persons who timely objected to the Settlement Agreement, along with a
22 copy of their written objections; (iii) providing an accounting reflecting the Administration
23 Expenses incurred as of that time and the amount of additional Administration Expenses expected
24 to be incurred for which the Settlement Administrator will seek to be reimbursed from the
25 Maximum Settlement Fund via the Escrow Account; and (iv) outlining the scope, method, and
26 results of the Notice Plan set forth in Section VII of the Settlement Agreement.

27 **17.** The Parties may file replies/responses to objections and supplemental papers to any
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1 motion or petition on no later than seven (7) calendar days before the Final Fairness Hearing.

2 **18.** Based on the date of this Order and the date of the Fairness Hearing, the following
3 are the certain associated dates in this Settlement:

Event	Timing	Date
4 Last day for the Settlement Administrator to send 5 Summary Notice and activate the Settlement 6 Website	7 30 days after entry of 8 this Preliminary 9 Approval Order	
10 Last day for Plaintiffs and Class Counsel to file and 11 serve a Motion for Attorneys' Fees, Costs, and 12 Service Awards	13 106 days after entry 14 of this Preliminary 15 Approval Order	
16 Last day for Class Members to request exclusion or 17 object to the Settlement	18 120 days after entry 19 of this Preliminary 20 Approval Order	
21 Last day for Settlement Administrator to serve 22 declaration on Parties as to the information set forth 23 in paragraph 16	24 130 days after entry 25 of this Preliminary 26 Approval Order	
27 Last day to file motion for final approval of the 28 Settlement Agreement.	16 Court days before Fairness Hearing	
Last day to file replies or responses to objections and supplemental papers to any motion for final approval or Motion for Attorneys' Fees, Costs, and Service Awards.	7 days before the Final Fairness Hearing	

24 **19.** This Court may order the Fairness Hearing to be postponed, adjourned, or
25 continued. If that occurs, the updated hearing date shall be posted on the Settlement Website, but
26 other than the website posting, the Parties will not be required to provide any additional notice to
27 Class Members.

1 **20.** If the proposed Settlement Agreement is finally approved, the Court shall enter a
2 separate order finally approving the Settlement Agreement and entering judgment. The form of
3 the Final Order and Final Judgment attached to the Settlement Agreement as Exhibit A is
4 preliminarily approved.

5 **21.** The Parties are hereby ordered, pursuant to the terms and conditions of the
6 Settlement Agreement, to take all necessary and appropriate steps to establish the means to
7 implement the Settlement Agreement.

8 **22. Stay of Dates and Deadlines.** Pending the Final Fairness Hearing, all discovery
9 and pretrial proceedings and deadlines in this Action are stayed and suspended until further notice
10 from the Court, except for such actions as are necessary to implement the Settlement Agreement
11 and this Preliminary Approval Order.

12 **23. Termination.** If the Settlement Agreement terminates for any reason, the
13 following will occur: (a) this Preliminary Approval Order and all of its provisions will be vacated
14 by its own terms, including, but not limited to, vacating conditional certification of the Class,
15 conditional appointment of Plaintiffs as class representatives, and conditional appointment of
16 Plaintiffs' Counsel as Class Counsel; (b) the Action will revert to the status that existed before
17 Plaintiffs filed their motion for approval of the Preliminary Approval Order; and (c) no term or
18 draft of the Agreement, or any part of the Parties' settlement discussions, negotiations or
19 documentation will have any effect or be admissible into evidence for any purpose in the Action or
20 any other proceeding. This Preliminary Approval Order will not waive or otherwise impact the
21 Parties' rights, defenses, or arguments in this Action.

1 **24. No Admissions.** Nothing in this Preliminary Approval Order, the Settlement
2 Agreement, and the settlement which it reflects – and any and all acts, statements, documents or
3 proceedings relating to the Settlement Agreement – are not, and shall not be construed as, or used
4 as an admission by or evidence against Defendant or any Released Party of any fault, wrongdoing,
5 or liability on their part, or of the validity of any Released Claim, of the existence or amount of
6 any damages, or of the propriety of class action treatment for any Released Claim outside of for
7 the purposes of the Settlement Agreement and this Preliminary Approval Order.

8 **IT IS SO ORDERED.**

9 Dated: _____

JUDGE OF THE SUPERIOR COURT

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Exhibit D

Villegas, et al. v. ADT Security Services, Inc., et al.
Case No. BC510665

IF YOU RECEIVED PENALTIES FROM THE CITY OF LOS ANGELES FOR NOT HAVING A PERMIT FOR YOUR ALARM SYSTEM MONITORED BY ADT AT ANY TIME ON OR AFTER MAY 31, 2009 BUT BEFORE DECEMBER 7, 2018, A CLASS ACTION SETTLEMENT MAY AFFECT YOUR RIGHTS.

Why did I get this notice? You received this notice because a Settlement has been reached in the above Action. Based on Defendant's and the City of Los Angeles' records, you appear to be a member of the Settlement Class and therefore eligible for the relief detailed below.

The purpose of this Notice is to inform you of the Action and the Settlement so that you may decide what steps to take in relation to it.

What is the Action about? Plaintiffs Christine Smith and Oscar Gardner ("Representative Plaintiffs") filed a lawsuit against Defendant ADT on behalf of themselves and all others similarly situated. The lawsuit alleges the Defendant failed to ensure permits existed or to obtain permits for Los Angeles customers' alarm systems prior to installing or monitoring them.

Defendant ADT denies any wrongdoing, any allegations of unlawful conduct, and any liability, and no court or other official entity has made any judgment or other decision that ADT acted wrongfully or unlawfully, or that ADT is liable. ADT also denies that any Class Member is entitled to relief or that this Action is appropriate for treatment as a class action, except for the purposes of this Settlement and the relief it provides.

No court has decided which side is right. But both sides agreed to provide benefits to Class Members now through this Settlement to resolve the case.

What relief does the Settlement provide? Under the Agreement, Defendant has agreed to establish a Maximum Settlement Fund of \$635,000. The Maximum Settlement Fund will be used to provide Class Members who submit a Claim Form on time with a one-time payment of approximately [REDACTED].

This amount is calculated by taking the Maximum Settlement Fund and subtracting anticipated Class Counsel's attorneys' fees (estimated at \$211,666.67), actual litigation costs not to exceed \$42,000, administration expenses of [REDACTED], and the two Class Representative Enhancement awards of a combined \$15,000. The remaining amount, approximately [REDACTED] is to be divided by the total number of Class Members (approximately 16,418) for an average benefit to each class member of [REDACTED]. If not all Class Members make claims, then the average settlement amount for those who submit Claim Forms will be higher than that, but in no event will payments to those Class Members who submit Claim Forms exceed \$251 per Class Member. The Claim Form can be found at [REDACTED]. You must submit a Claim Form to receive your Settlement Benefit.

What are my other options? If you don't want to be legally bound by the Settlement and to receive its benefits, you shall exclude yourself as explained in the detailed notice available at [REDACTED]. If you do not exclude yourself, you will participate in the Settlement, and you

won't be able to sue ADT or its representatives over the legal claims raised in this Action ever again. If you exclude yourself, you cannot receive a benefit from this Settlement.

If you wish to stay in the Settlement but to challenge aspects of it in Court, you may object to it as explained in the detailed notice available at [REDACTED]. The Court will hold a hearing on [REDACTED] at [REDACTED] to consider any objections and whether to approve the Settlement and a request by the lawyers representing all Class Members for an award of up to \$211,666.67 in attorney's fees and no more than \$42,000.00 in costs, and for the two Class Representatives' request for a service award of up to \$7,500 each for their services. If you choose to object in writing, you may appear at the hearing but do not have to. Please see the notice on the settlement website for details regarding the Court's social distancing procedures.

What am I giving up if I stay in the Class? If the Court approves the proposed Settlement, unless you exclude yourself from the Settlement, all Class Members will be legally bound by the Settlement and will release claims against Defendant and its representatives relating to penalties received from Los Angeles for unpermitted alarm systems. This generally means that you will not be able to file a lawsuit, continue prosecuting a lawsuit, or be part of any other lawsuit against ADT or its representatives regarding the claims in the Action. The Settlement Agreement, available on the Internet at the website [REDACTED], contains the full terms of the release.

Fairness Hearing. A Final Fairness Hearing will be held on [REDACTED], [REDACTED] at [REDACTED], before the Honorable Amy D. Hogue in Department 7 of the Los Angeles Superior Court, Spring Street Courthouse, located at 312 Spring Street, Los Angeles CA 90012, to determine whether the Settlement Agreement should be finally approved as fair, reasonable, and adequate.

More information? For complete information about the Settlement, to view the Settlement Agreement, related Court documents, and to learn more about how to exercise your various options under the Settlement, visit [REDACTED]. You may also write to the Settlement Administrator at the email address [REDACTED] or the postal address [REDACTED].

Exhibit E

CLAIM FORM

Villegas et al. v. ADT Security Services, Inc. et al
Case No. BC510665

MUST BE POSTMARKED BY XXXXXX
AND SENT TO:

PHOENIX CLASS ACTION ADMINISTRATION SOLUTIONS

XXX
XXX

PERSONAL INFORMATION. Please legibly print or type the following information requested below. *This information will be used to deliver your settlement check and communicate with you if any problems arise with your claim.*

Name (first, middle, and last): _____

Current Mailing Address: _____

City, State, and ZIP code: _____

Email Address: _____

Telephone Number: (_____) _____

CONFIRMATION OF ELIGIBILITY FOR REFUND.

- I declare that, at some time between May 31, 2009 and December 7, 2018, I was both an ADT alarm system customer and received a penalty from the City of Los Angeles for not having a permit for that alarm system.

The Claims Administrator and/or Defendant may verify your claim.

Dated: _____

Signature: _____