

District Court for Arapahoe County, Colorado

**If you are a current or former ADT Dealer and paid “connection fees” under a contract signed between 1997 and 2001, a class action lawsuit may affect your rights**

*A court authorized this notice. This is not a solicitation from a lawyer.*

- Former ADT Dealers have sued ADT Security Systems, Inc. alleging ADT overcharged for Dealer connection fees
- The Court has allowed the lawsuit to be a class action on behalf of all current and former ADT Dealers who paid connection fees as described below.
- The Court has not decided whether ADT did anything wrong. There is no money available now, and no guarantee there will be. However, your legal rights are affected, and you have a choice to make now.

**YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT**

<b>DO NOTHING</b>	<b>Stay in this lawsuit. Await the outcome. Give up certain rights.</b>  By doing nothing, you keep the possibility of getting money or benefits that may come from a trial or a settlement of this lawsuit. But, you give up any rights to sue separately about the same legal claims in this lawsuit.
<b>ASK TO BE EXCLUDED</b>	<b>Get out of this lawsuit. Get no benefits from it. Keep rights.</b>  If you ask to be excluded and money or benefits are later awarded in this lawsuit, you won't share in those. But, you keep any rights to sue ADT separately about the same legal claims in this lawsuit.

- Your options are explained in this notice. To ask to be excluded, you must act before **March 31, 2009**.
- Lawyers must prove the claims against ADT at a trial to be scheduled. If money or benefits are obtained from ADT, you will be notified about how to ask for a share.
- **Any questions? Read on and visit [www.ADTClassAction.com](http://www.ADTClassAction.com).**

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## **BASIC INFORMATION**

### **1. Why did I get this notice?**

ADT's records show that you are a current or former Dealer. This notice explains that the Court has allowed, or "certified," a class action lawsuit that may affect you. You have legal rights and options that you may exercise before the Court holds a trial. The trial is to decide whether the claims being made against ADT, on your behalf, are correct. Judge Gerald J. Rafferty of the District Court for Arapahoe County, Colorado is overseeing this class action. The lawsuit is known as *Advantek Pro, Inc. and Westco International SRL v. ADT Security Services, Inc.*, Case No. 04CV587.

### **2. What is this lawsuit about?**

This lawsuit is about whether ADT overcharged its Dealers for certain "connection fees" collected by ADT from approximately January 1998 through 2003.

### **3. What is a class action and who is involved?**

In a class action lawsuit, one or more people called "Class Representatives" or "Named Plaintiffs" (in this case, former ADT Dealers Advantek Pro, Inc. and Westco International SRL) sue on behalf of other people who have similar claims. The people together are a "Class" or "Class Members." The Dealers who sued – and all the Class Members like them – are called the Plaintiffs. The company they sued (in this case, ADT) is called the Defendant. One court resolves the issues for everyone in the Class – except for those people who choose to exclude themselves from the Class.

### **4. Why is this lawsuit a class action?**

The Court decided that this lawsuit can be a class action and move towards a trial because it meets the requirements of Colorado Rule of Civil Procedure 23, which governs class actions in Colorado. Colorado is the forum selected in the form Dealer Agreement for the resolution of disputes between ADT and its Dealers.

- There are more than 400 companies and individuals who are or were contracted with ADT as Dealers;
- There are legal questions and facts that are common to each of them;
- Advantek's and Westco's claims are typical of the claims of the rest of the Class;
- Advantek, Westco and the lawyers representing the Class will fairly and adequately represent the Class' interests;
- The common legal questions and facts are more important than questions that affect only individuals; and
- This class action will be more efficient than having many individual lawsuits.

More information about why the Court is allowing this lawsuit to be a class action is in the Court's *Order re: Motion to Alter or Amend Class Certification Order*, which is available at [www.ADTClassAction.com](http://www.ADTClassAction.com).

## THE CLAIMS IN THE LAWSUIT

### **5. What does the lawsuit complain about?**

In the lawsuit, the Plaintiffs say that connection fees Dealers paid to ADT were intended to reimburse ADT for certain costs and expenses. Plaintiffs say that, in violation of Dealer contracts, the fees charged actually were far in excess of ADT's reimbursable costs. You can read Plaintiffs' *Amended Complaint and Jury Demand* at [www.ADTClassAction.com](http://www.ADTClassAction.com).

### **6. How does ADT answer?**

ADT denies that it did anything wrong and says that the fees were charged properly. ADT's *Answer to Plaintiffs' Amended Complaint and Jury Demand* also is at the website.

### **7. Has the Court decided who is right?**

The Court hasn't decided whether ADT or the Plaintiffs are correct. By establishing the Class and issuing this Notice, the Court is not suggesting the Plaintiff will win or lose this case. The Plaintiffs must prove their claims at a trial to be scheduled. (See "The Trial" below).

### **8. What are the Plaintiffs asking for?**

The Plaintiffs are asking for ADT to pay back the money it collected for connection fees in excess of its reimbursable costs. In addition, Plaintiffs are asking for ADT to pay interest on that money.

### **9. Is there any money available now?**

No money or benefits are available now because the Court has not yet decided whether ADT did anything wrong, and the two sides have not settled the case. There is no guarantee that money or benefits ever will be obtained. If they are, you will be notified about how to ask for a share.

## WHO IS IN THE CLASS

You need to decide whether you are affected by this lawsuit.

### **10. Am I part of this Class?**

Judge Rafferty decided that all current and former ADT Dealers who paid connection fees pursuant to the Dealer contract used by ADT from approximately January 1998 through January 2001 are members of the Class. Specifically, the contract at issue states in or about Section 9.2.4 that the connections fees are “reimbursement for administrative expenses and costs associated with the cut-in and connection associated with the Purchased Alarm Accounts, not a franchise fee.”

### **11. Which current and former Dealers are included?**

If you paid connection fees under the contract described in the response to question 10 above, then you are included.

### **12. I’m still not sure if I am included.**

If you are still not sure whether you are included, you can get free help at [www.ADTClassAction.com](http://www.ADTClassAction.com) or by calling or writing to the lawyers in this case, at the phone number or address listed in the response to question 22 below.

## **YOUR RIGHTS AND OPTIONS**

You have to decide whether to stay in the Class or be excluded before the trial, and you have to decide this now.

### **13. What happens if I do nothing at all?**

You don't have to do anything now if you want to keep the possibility of getting money or benefits from this lawsuit. By doing nothing you are staying in the Class. If you stay in and the Plaintiffs obtain money or benefits, either as a result of the trial or a settlement, you will be notified about how to apply for a share (or how to ask to be excluded from any settlement). Keep in mind that if you do nothing now, regardless of whether the Plaintiffs win or lose the trial, you will not be able to sue, or continue to sue, ADT – as part of any other lawsuit – about the same legal claims that are the subject of this lawsuit. You will also be legally bound by all the Orders the Court issues and judgments the Court makes in this class action.

### **14. Why would I ask to be excluded?**

If you already have your own connection fee lawsuit against ADT and want to continue with it, you need to ask to be excluded from the Class. If you exclude yourself from the Class – which also means to remove yourself from the Class, and is sometimes called “opting-out” of the Class – you won't get any money or benefits from this lawsuit even if the Plaintiffs obtain them as a result of the trial or from any settlement (that may or may not be reached) between ADT and the Plaintiffs. However, if you exclude yourself, you may then be able to sue or continue to sue ADT for any connection fee claims in a separate lawsuit. If you exclude yourself, you will not be legally bound by the Court's judgments in this class action.

If you start your own lawsuit against ADT after you exclude yourself, you'll have to hire and pay your own lawyer for that lawsuit, and you'll have to prove your claims. If you do exclude yourself so you can start or continue your own lawsuit against ADT, you should talk to your own lawyer soon, because your claims may be subject to a statute of limitations.

### **15. How do I ask the Court to exclude me from the Class?**

To ask to be excluded from the Class, you must send an “Exclusion Request” in the form of a letter sent by mail, stating that you want to be excluded from *Advantek, et al. v. ADT*. Be sure to include your name, the name of your Dealership and address, telephone number and sign the letter. You must mail your Exclusion Request postmarked by March 31, 2009 to Advantek v. ADT Exclusions, c/o Fognani & Faught, P.O. Box 1020, Denver, Colorado 80201-1020.

## THE LAWYERS REPRESENTING YOU

### **16. Do I have a lawyer in this case?**

The Court decided that the law firms of Fognani & Faught, PLLC, of Denver, Colorado, and the Thomas Law Firm, P.C., of Snowmass, Colorado, are qualified to represent you and all Class Members. Together the two firms are called “Class Counsel.” They are experienced in handling similar cases against companies. More information about these law firms, their practices, and their lawyer’s experience is available at [www.FognaniLaw.com](http://www.FognaniLaw.com) and [www.LawPWT.com](http://www.LawPWT.com).

### **17. Should I get my own lawyer?**

You do not need to hire your own lawyer because Class Counsel is working on your behalf. But, if you want your own lawyer, you will have to pay that lawyer. For example, you can ask him or her to appear in Court for you if you want someone other than Class Counsel to speak for you.

### **18. How will the lawyers be paid?**

If Class Counsel gets money or benefits for the Class, they may ask the Court for fees and expenses. You won’t have to pay these fees and expenses. If the Court grants Class Counsels’ request, the fees and expenses would be either deducted from any money obtained for the Class or paid separately by ADT.

## **THE TRIAL**

The Court will schedule a trial to decide who is right in this case.

### **19. How and when will the Court decide who is right?**

As long as the case isn't resolved by a settlement or otherwise, Class Counsel will have to prove the Plaintiffs' claims at a trial. Although the trial has not been scheduled, it will be held in the District Court for Arapahoe County, Colorado, 7325 South Potomac Street, Centennial, Colorado 80112. During the trial, a Jury or the Judge will hear all of the evidence to help them reach a decision about whether the Plaintiffs or Defendant are right about the claims in the lawsuit. There is no guarantee that the Plaintiffs will win, or that they will get any money for the Class.

### **20. Do I have to come to the trial?**

You do not need to attend the trial. Class Counsel will present the case for the Plaintiffs, and ADT will present the defenses. You or your own lawyer are welcome to come at your own expense.

### **21. Will I get money after the trial?**

If the Plaintiffs obtain money or benefits as a result of the trial or a settlement, you will be notified about how to participate. We do not know how long this will take.

## **GETTING MORE INFORMATION**

### **22. Are more details available?**

Visit the website, [www.ADTClassAction.com](http://www.ADTClassAction.com), where you will find the Court's class certification order, the Plaintiffs' Complaint and the Defendant's Answer to that Complaint. You may also speak to one of the lawyers by calling 303-382-6200 or by writing to: ADT Class Action, c/o Fognani & Faught, P.O. Box 1020, Denver, Colorado 80201-1020.