

ADT Corp
Form DEFM14A
March 25, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant ☒ x

Filed by a Party other than the Registrant ☐ ..

Check the appropriate box:

- ☐ .. Preliminary Proxy Statement
- ☐ .. **Confidential, for Use of the Commission Only** (as permitted by Rule 14a-6(e)(2))
- ☒ x Definitive Proxy Statement
- ☐ .. Definitive Additional Materials
- ☐ .. Soliciting Material Pursuant to §240.14a-12

THE ADT CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- .. No fee required.
- .. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11
 - (1) Title of each class of securities to which transaction applies:

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 - (4) Proposed maximum aggregate value of transaction:

 - (5) Total fee paid:
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 - (1) Amount Previously Paid:

 - (2) Form, Schedule or Registration Statement No.:

 - (3) Filing Party:

(4) Date Filed:

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March 25, 2016

Dear Fellow Stockholder:

You are cordially invited to attend a special meeting of the stockholders of The ADT Corporation (ADT) to be held at the Main Dining Room, New York Stock Exchange, 11 Wall Street, New York, New York 10005 on Friday, April 22, 2016 at 9:00 a.m., Eastern Time (the special meeting).

At the special meeting, stockholders will be asked to consider and vote on a proposal to adopt the Agreement and Plan of Merger, dated as of February 14, 2016 (as amended or modified from time to time, the merger agreement), among ADT, Prime Security Services Borrower, LLC (Parent), Prime Security One MS, Inc. (Merger Sub) and, solely for purposes of Article IX thereof, Prime Security Services Parent, Inc. (Parent Inc.) and Prime Security Services TopCo Parent, L.P. (Parent LP). Subject to the terms and conditions of the merger agreement, Merger Sub will be merged with and into ADT and ADT will survive the merger as a wholly owned subsidiary of Parent (the merger). Parent, Merger Sub, Parent Inc. and Parent LP were formed by certain funds managed by Apollo Management VIII, L.P. (on behalf of its affiliated funds, Apollo).

If the merger is completed, our stockholders will have the right to receive \$42.00 in cash, without interest and subject to any applicable withholding taxes, for each share of common stock, par value \$0.01 per share, of ADT (ADT common stock), other than excluded shares (as defined in the accompanying proxy statement), that they own immediately prior to the effective time of the merger, which represents a premium of (i) approximately 56% of ADT's closing stock price on February 12, 2016, the last trading day prior to the date on which public announcement of the merger agreement was made and (ii) approximately 49% to the volume-weighted average share price of ADT common stock during the thirty (30) days ended February 12, 2016. Approval of the proposal to adopt the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of ADT common stock entitled to vote thereon.

ADT common stock is listed on the New York Stock Exchange (the NYSE) under the symbol ADT . The closing price of ADT common stock on the NYSE on March 24, 2016, the most recent practicable date prior to the date of the accompanying proxy statement, was \$41.10 per share.

The ADT board of directors has reviewed and considered the terms and conditions of the merger and unanimously determined that the merger, the merger agreement, and the other transactions contemplated by the merger agreement, are advisable, fair to and in the best interests of ADT and its stockholders and has unanimously declared advisable and approved the merger, the merger agreement and the other transactions contemplated by the merger agreement. The ADT board of directors made its determination after consultation with its outside legal counsel and financial advisor and consideration of a number of factors more fully described in the accompanying proxy statement. **The ADT board of directors unanimously recommends that you vote FOR the proposal to adopt the merger agreement.**

At the special meeting, stockholders will also be asked to vote on (i) a proposal to approve, on a non-binding, advisory basis, certain compensation that will or may be paid to ADT's named executive officers by ADT based on or otherwise relating to the merger, as required by the rules adopted by the U.S. Securities and Exchange Commission and (ii) a proposal to approve an adjournment of the special meeting, from time to time, if necessary or appropriate, to solicit additional votes for the approval of the proposal to adopt the merger agreement. **The ADT board of directors unanimously recommends that you vote FOR each of these proposals.**

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The ADT board of directors is soliciting your proxy to assure that a quorum is present and that your shares are represented and voted at the special meeting and any postponement or adjournment thereof.

If your shares are held in street name, you should instruct your broker, bank or other nominee how to vote your shares on each proposal in accordance with your voting instruction form.

The merger cannot be completed unless ADT stockholders adopt the merger agreement. **Your vote is very important, regardless of the number of shares you own. Whether or not you expect to attend the special meeting in person, please submit a proxy to vote your shares as promptly as possible so that your shares may be represented and voted at the special meeting. If you attend the special meeting and vote in person, your vote by ballot will revoke any proxy previously submitted. If you fail to return your proxy or to attend the special meeting in person, your shares will not be counted for purposes of determining whether a quorum is present at the special meeting and will have the same effect as a vote AGAINST the adoption of the merger agreement. Similarly, if you hold your shares in street name and fail to instruct your broker, bank or other nominee how to vote your shares, your shares will not be counted for purposes of determining whether a quorum is present and will have the same effect as a vote AGAINST the adoption of the merger agreement.**

The obligations of ADT, Parent and Merger Sub to complete the merger are subject to the satisfaction or waiver of certain conditions. The accompanying proxy statement contains detailed information about ADT, the special meeting, the merger agreement, the merger and the merger-related named executive officer compensation proposal. A copy of the merger agreement is attached as **Annex A** to the accompanying proxy statement and incorporated therein by reference. We urge you to, and you should, read the entire proxy statement carefully, including the merger agreement and the other annexes and the documents referred to or incorporated by reference in the accompanying proxy statement. You may obtain additional information about ADT from documents we have filed with the U.S. Securities and Exchange Commission.

If you have any questions or need assistance voting your shares of our common stock, please contact MacKenzie Partners, Inc., our proxy solicitor, by calling (212) 959-5500.

Thank you for your confidence in ADT.

Sincerely,

Bruce Gordon

Chairman of the Board of Directors

Neither the U.S. Securities and Exchange Commission nor any state securities regulatory agency has approved or disapproved of the merger, passed upon the merits of the merger agreement or the merger or determined if the accompanying proxy statement is accurate or complete. Any representation to the contrary is a criminal offense.

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The accompanying proxy statement is dated March 25, 2016 and, together with the enclosed form of proxy card, is first being mailed to ADT stockholders on or about March 25, 2016.

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The ADT Corporation

1501 Yamato Road

Boca Raton, Florida 33431

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

DATE & TIME

Friday, April 22, 2016 at 9:00 a.m., Eastern Time

PLACE

Main Dining Room

New York Stock Exchange

11 Wall Street

New York, New York 10005

ITEMS OF BUSINESS

To consider and vote on a proposal to adopt the Agreement and Plan of Merger, dated as of February 14, 2016 (as amended or modified from time to time, the merger agreement), among The ADT Corporation (ADT), Prime Security Services Borrower, LLC, Prime Security One MS, Inc., and solely for the purposes of Article IX thereof, Prime Security Services Parent, Inc. and Prime Security Services TopCo Parent, L.P. (the merger proposal); a copy of the merger agreement is attached to the accompanying proxy statement as **Annex A** and is incorporated therein by reference;

To consider and vote on a proposal to approve, on a non-binding, advisory basis, certain compensation that will or may be paid by ADT to its named executive officers that is based on or otherwise relates to the merger (the named executive officer merger-related compensation proposal);

To consider and vote on a proposal to approve an adjournment of the special meeting of ADT stockholders (the special meeting) from time to time, if necessary or appropriate, for the purpose of soliciting additional votes for the approval of the merger proposal (the adjournment proposal); and

To transact such other business as may properly be brought before the special meeting, or any adjournments or postponements of the special meeting, by or at the direction of the ADT board of directors (the ADT Board).

RECORD DATE

Only holders of record of our common stock, par value \$0.01 per share (ADT common stock), at the close of business on March 24, 2016 (the record date) are entitled to notice of, and to vote at, the special meeting and at any adjournment or postponement of the special meeting.

VOTING BY PROXY

Your vote is very important, regardless of the number of shares you own. The ADT Board is soliciting your proxy to assure that a quorum is present and that your shares are represented and voted at

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the special meeting. For information on submitting your proxy over the Internet, by telephone or by mailing back the traditional proxy card (no extra postage is needed for the provided envelope if mailed in the U.S.), please see the attached proxy statement and enclosed proxy card. If you later decide to vote in person at the special meeting, information on revoking your proxy prior to the special meeting is also provided.

RECOMMENDATIONS

The ADT Board unanimously recommends that you vote:

FOR the merger proposal;

FOR the named executive officer merger-related compensation proposal; and

FOR the adjournment proposal.

APPRAISAL

ADT stockholders who do not vote in favor of the proposal to adopt the merger agreement will have the right to seek appraisal of the fair value of their shares of ADT common stock, as determined in accordance with Section 262 of the General Corporation Law of the State of Delaware (the "DGCL"), if they deliver a demand for appraisal before the vote is taken on the merger agreement and comply with all the requirements of Delaware law, including Section 262 of the DGCL, which are summarized in the accompanying proxy statement. Section 262 of the DGCL is reproduced in its entirety in **Annex C** to the accompanying proxy statement and is incorporated therein by reference.

YOUR VOTE IS VERY IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE SPECIAL MEETING IN PERSON, PLEASE SUBMIT A PROXY TO VOTE YOUR SHARES OVER THE INTERNET OR BY TELEPHONE PURSUANT TO THE INSTRUCTIONS CONTAINED IN THESE MATERIALS OR COMPLETE, DATE, SIGN AND RETURN A PROXY CARD AS PROMPTLY AS POSSIBLE. IF YOU RECEIVE MORE THAN ONE PROXY BECAUSE YOU OWN SHARES REGISTERED IN DIFFERENT NAMES OR ADDRESSES, EACH PROXY SHOULD BE SUBMITTED. IF YOU DO NOT SUBMIT YOUR PROXY OR VOTE IN PERSON AT THE SPECIAL MEETING ON THE MERGER PROPOSAL, IT WILL HAVE THE SAME EFFECT AS A VOTE **AGAINST THIS PROPOSAL. IF YOU HOLD YOUR SHARES IN STREET NAME AND DO NOT INSTRUCT YOUR BROKER, BANK OR OTHER NOMINEE HOW TO VOTE YOUR SHARES, IT WILL HAVE THE SAME EFFECT AS A VOTE **AGAINST** THE MERGER PROPOSAL.**

Your proxy may be revoked at any time before the vote at the special meeting by following the procedures outlined in the accompanying proxy statement.

If your shares are held by a broker, bank or other nominee and you wish to vote in person at the special meeting, you must bring to the special meeting a proxy from the broker, bank or other nominee that holds your shares authorizing you to vote in person at the special meeting. Please also bring to the special meeting your account statement

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evidencing your beneficial ownership of ADT common stock as of the record date. All stockholders should also bring photo identification.

The proxy statement of which this notice forms a part provides a detailed description of the merger, the merger agreement, the named executive officer merger-related compensation proposal and provides specific information concerning the special meeting. We urge you to read the proxy statement, including any documents incorporated therein by reference, and its annexes carefully and in their entirety. If you have any questions concerning the merger or the proxy statement, would like additional copies of the proxy statement or need help voting your shares of ADT common stock, please contact ADT's proxy solicitor, MacKenzie Partners, Inc.

By Order of the Board of Directors,

Lorna R. Simms

Corporate Secretary

Boca Raton, Florida

March 25, 2016

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SUMMARY TERM SHEET

*This summary highlights information contained elsewhere in this proxy statement and may not contain all the information that is important to you with respect to the merger and the other matters being considered at the special meeting of ADT stockholders. We urge you to read carefully the remainder of this proxy statement, including the attached annexes, and the other documents to which we have referred you. For additional information on ADT included in documents incorporated by reference into this proxy statement, see the section entitled *Where You Can Find More Information* beginning on page 115. We have included page references in this summary to direct you to a more complete description of the topics presented below.*

All references to ADT, the Company, we, us, or our in this proxy statement refer to The ADT Corporation, a Delaware corporation; all references to Parent refer to Prime Security Services Borrower, LLC, a Delaware limited liability company; all references to Merger Sub refer to Prime Security One MS, Inc., a Delaware corporation and a wholly owned subsidiary of Parent formed solely for the purpose of entering into the merger agreement and engaging in the transactions contemplated by the merger agreement; all references to Parent Inc. refer to Prime Security Services Parent, Inc., a Delaware corporation; all references to Parent LP refer to Prime Security Services TopCo Parent, L.P., a Delaware limited partnership; all references to Apollo refer to Apollo Management VIII, L.P., on behalf of its affiliated funds; all references to ADT common stock refer to the common stock, par value \$0.01 per share, of ADT; all references to the ADT Board refer to the board of directors of ADT; all references to the merger refer to the merger of Merger Sub with and into ADT with ADT surviving as a wholly owned subsidiary of Parent; unless otherwise indicated or as the context otherwise requires, all references to the merger agreement refer to the Agreement and Plan of Merger, dated as of February 14, 2016, by and among ADT, Parent, Merger Sub and solely for purposes of Article IX thereof, Parent Inc. and Parent LP, a copy of which is included as **Annex A** to this proxy statement and incorporated by reference herein, as amended or modified from time to time. ADT, following the completion of the merger, is sometimes referred to in this proxy statement as the surviving corporation.

The Parties

ADT (see page 27)

ADT is a Delaware corporation formed in 2012. ADT is a leading provider of monitored security, interactive home and business automation and related monitoring services in the United States and Canada. We deliver an integrated customer experience by maintaining the industry's largest sales, installation and service field force as well as a monitoring network, all backed by the support of approximately 17,000 employees. ADT's broad and pioneering set of products and services, including interactive home and business solutions and home health services, meet a range of customer needs for today's active and increasingly mobile lifestyles.

Our common stock is traded on the New York Stock Exchange (the NYSE) under the ticker symbol ADT. ADT's headquarters are located at 1501 Yamato Road, Boca Raton, Florida 33431 and its telephone number is (561) 988-3600. Our corporate web address is www.adt.com. The information provided on the ADT website is not part of this proxy statement and is not incorporated in this proxy statement by reference hereby or by any other reference to ADT's website provided in this proxy statement.

Additional information about ADT is contained in our public filings with the U.S. Securities and Exchange Commission (the SEC), which are incorporated by reference herein. See the section entitled *Where You Can Find Additional Information*.

Parent (see page 27)

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Parent is a holding company that owns Protection 1, a premier full-service business and home security company in the United States that provides installation, maintenance, and monitoring of single-family home security systems, business security systems and multi-family security systems. Protection 1 serves over two

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million customers and employs over 4,000 people in more than 90 office locations and five UL Certified monitoring centers across the country. Parent's principal executive offices are located at 4221 W. John Carpenter Freeway, Irving, Texas 75063 and its telephone number is (972) 916-6195. Protection 1's corporate website is www.P1newsroom.com. The information provided on the Protection 1 website is not part of this proxy statement and is not incorporated in this proxy statement by reference hereby or by any other reference to Protection 1's website provided in this proxy statement.

Merger Sub (see page 27)

Merger Sub, a Delaware corporation and a wholly owned subsidiary of Parent, was formed by Parent solely for the purpose of engaging in the transactions contemplated by the merger agreement. Upon completion of the merger, Merger Sub will merge with and into ADT, and Merger Sub will cease to exist. Merger Sub's principal executive offices are located at 9 West 57th Street, 43rd Floor, New York, New York 10019 and its telephone number is (212) 245-8736.

Parent Inc. (see page 28)

Parent Inc. is a Delaware corporation and the indirect parent of Parent. Parent Inc.'s principal executive offices are located at 9 West 57th Street, 43rd Floor, New York, New York 10019 and its telephone number is (212) 245-8736.

Parent LP (see page 28)

Parent LP is a Delaware limited partnership and the parent of Parent Inc. Parent LP's principal executive offices are located at 9 West 57th Street, 43rd Floor, New York, New York 10019 and its telephone number is (212) 245-8736.

The Special Meeting

Date, Time and Place (see page 29)

The special meeting of ADT stockholders (the "special meeting") is scheduled to be held at the Main Dining Room, New York Stock Exchange, 11 Wall Street, New York, New York 10005 on Friday, April 22, 2016 at 9:00 a.m., Eastern Time.

Purpose of the Meeting (see page 29)

The special meeting is being held in order to consider and vote on the following proposals:

To adopt the merger agreement (the "merger proposal").

To approve, on a non-binding, advisory basis, certain compensation that will or may be paid by ADT to its named executive officers that is based on or otherwise relates to the merger (the "named executive officer merger-related compensation proposal").

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To approve the adjournment of the special meeting, from time to time, if necessary or appropriate, for the purpose of soliciting additional votes for the approval of the merger proposal (the adjournment proposal). Stockholders may also be asked to transact such other business as may properly be brought before the special meeting or any adjournments or postponements of the special meeting, by or at the direction of the ADT Board.

The ADT Board has reviewed and considered the terms and conditions of the proposed merger. After consulting with its outside legal counsel and financial advisor and after consideration of various factors more

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fully described in this proxy statement, the ADT Board unanimously determined that the merger, the merger agreement and the other transactions contemplated by the merger agreement are advisable, fair to and in the best interests of ADT and our stockholders and unanimously declared advisable and approved the merger, the merger agreement and the other transactions contemplated by the merger agreement. **The ADT Board unanimously recommends that ADT stockholders vote FOR the merger proposal, FOR the named executive officer merger-related compensation proposal and FOR the adjournment proposal.**

ADT stockholders must vote to approve the merger proposal as a condition for the merger to occur. If the ADT stockholders fail to approve the merger proposal by the requisite vote, the merger will not occur.

Record Date; Stockholders Entitled to Vote (see page 30)

Only holders of record of ADT common stock at the close of business on March 24, 2016, the record date for the special meeting (the record date), will be entitled to notice of, and to vote at, the special meeting or any adjournments or postponements of the special meeting. At the close of business on the record date, 165,546,026 shares of ADT common stock were issued and outstanding, held by approximately 17,084 holders of record.

Holders of ADT common stock are entitled to one vote on each matter submitted to a vote at the special meeting for each share of ADT common stock they own at the close of business on the record date.

Quorum (see page 30)

Under our bylaws, the presence at the special meeting, in person or by proxy, of the holders of a majority of the shares of ADT common stock issued and outstanding at the close of business on the record date will constitute a quorum. There must be a quorum for business to be conducted at the special meeting. Failure of a quorum to be represented at the special meeting will necessitate an adjournment or postponement of the special meeting and may subject ADT to additional expense.

If you submit (and do not thereafter revoke) a properly executed proxy card, even if you abstain from voting, your shares of ADT common stock will be counted for purposes of determining whether a quorum is present at the special meeting. In the event that a quorum is not present at the special meeting or additional votes must be solicited to adopt the merger agreement, the meeting may be adjourned or postponed to solicit additional proxies.

Required Vote (see page 30)

The approval of the merger proposal requires the affirmative vote of the holders of a majority of the shares of ADT common stock outstanding at the close of business on the record date and entitled to vote thereon.

Approval of the named executive officer merger-related compensation proposal (on a non-binding basis) requires the affirmative vote of the holders of a majority of the shares of ADT common stock present in person or represented by proxy at the special meeting and entitled to vote thereon.

Approval of the adjournment proposal requires the affirmative vote of a majority of the shares of ADT common stock present in person or represented by proxy at the special meeting and entitled to vote thereon.

Voting at the Special Meeting (see page 32)

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If your shares are registered directly in your name with our transfer agent, you are considered a stockholder of record. Stockholders of record can vote their shares of ADT common stock in the following four ways: (i) by completing, signing and returning by mail the enclosed proxy card authorizing the persons named as proxies on the proxy card to vote your shares at the special meeting, (ii) by submitting a proxy by telephone using the toll-

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free number (1-800-690-6903), (iii) by submitting a proxy over the Internet at the website at www.proxyvote.com or (iv) attending the special meeting and voting your shares in person. Even if you plan to be present at the special meeting, ADT encourages you to complete and mail the enclosed card to vote your shares by proxy or vote by telephone or the Internet to ensure that your shares are represented and voted at the meeting.

If your shares are held by your broker, bank or other nominee, you are considered the beneficial owner of shares held in street name and you will receive a form from your broker, bank or other nominee seeking instruction from you as to how your shares should be voted. You should instruct your broker, bank or other nominee how to vote your shares on each proposal in accordance with your voting instruction form. If you beneficially own your shares and receive a voting instruction form, you can vote by following the instructions on your voting instruction form. Please refer to information from your bank, broker or other nominee on how to submit voting instructions. Stockholders who own their shares in street name are not able to vote at the special meeting unless they have a legal proxy, executed in their favor, from their broker, bank or other nominee, the stockholder of record of their shares giving them the right to vote the shares at the special meeting.

You may revoke your proxy at any time prior to the vote at the special meeting by delivering to ADT's Corporate Secretary a signed notice of revocation or submitting a later-dated proxy. You may also revoke your proxy by attending the special meeting and voting in person. Attendance at the special meeting will not, in and of itself, result in the revocation of a proxy or cause your shares of ADT common stock to be voted.

ADT recommends that you submit a proxy to vote your shares as soon as possible, even if you are planning to attend the special meeting to ensure that your shares are represented and voted at the meeting and so that the vote count will not be delayed.

Abstentions and Broker Non-Votes (see page 31)

At the special meeting, abstentions will be counted as present for purposes of determining whether a quorum exists. Abstaining from voting will have the same effect as a vote **AGAINST** the merger proposal, the named executive officer merger-related compensation proposal and the adjournment proposal. If no instruction as to how to vote is given (including no instruction to abstain from voting) in an executed, duly returned and not revoked proxy, the proxy will be voted **FOR** (i) approval of the merger proposal, (ii) approval of the named executive officer merger-related compensation proposal and (iii) approval of the adjournment proposal. Broker non-votes are shares held in street name by brokers, banks and other nominees that are present or represented by proxy at the special meeting, but with respect to which the broker, bank or other nominee is not instructed by the beneficial owner of such shares how to vote on a particular proposal and such broker, bank or other nominee does not have discretionary voting power on such proposal. Because, under NYSE rules, brokers, banks and other nominees holding shares in street name do not have discretionary voting authority with respect to any of the three proposals described in this proxy statement, if a beneficial owner of shares of ADT common stock held in street name does not give voting instructions to the broker, bank or other nominee, then those shares will not be counted as present in person or by proxy at the special meeting. As the vote to approve the merger proposal is based on the total number of shares of ADT common stock outstanding at the close of business on the record date, not just the shares that are counted as present in person or by proxy at the special meeting, if you fail to issue voting instructions to your broker, bank or other nominee, it will have the same effect as a vote **AGAINST** the merger proposal.

Solicitation of Proxies (see page 33)

The ADT Board is soliciting your proxy, and ADT will bear the cost of soliciting proxies. MacKenzie Partners, Inc. has been retained to assist with the solicitation of proxies. MacKenzie Partners Inc. will be paid approximately

\$50,000 and will be reimbursed for its reasonable out-of-pocket expenses for these and other advisory services in connection with the special meeting. Solicitation initially will be made by mail. Forms of

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proxies and proxy materials may also be distributed through brokers, banks and other nominees to the beneficial owners of shares of ADT common stock, in which case these parties will be reimbursed for their reasonable out-of-pocket expenses. Proxies may also be solicited in person or by telephone, facsimile, electronic mail, or other electronic medium by MacKenzie Partners, Inc. or, without additional compensation by certain of ADT's directors, officers and employees.

Adjournment (see page 33)

In addition to the merger proposal and the named executive officer merger-related compensation proposal, ADT stockholders are also being asked to approve the adjournment proposal, which will enable the adjournment of the special meeting for the purpose of soliciting additional votes in favor of the merger proposal if there are not sufficient votes at the time of the special meeting to approve the merger proposal. If a quorum is not present, the person presiding at the special meeting or the stockholders acting by the affirmative vote of the holders of a majority of the shares of ADT common stock present or represented by proxy at the special meeting and entitled to vote thereon may adjourn the special meeting to another place, date or time. If the adjournment is for more than 30 days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. In addition, the special meeting could be postponed before it commences, subject to the terms of the merger agreement. If the special meeting is adjourned for the purpose of soliciting additional votes, stockholders who have already submitted their proxies will be able to revoke them at any time prior to the final vote on the proposals. If the special meeting is adjourned or postponed, stockholders who have already submitted their proxies will be able to revoke them at any time prior to the final vote on the proposals. If you return a proxy and do not indicate how you wish to vote on the adjournment proposal, your shares will be voted in favor of the adjournment proposal.

The Merger

The rights and obligations of the parties to the merger agreement are governed by the specific terms and conditions of the merger agreement and not by any summary or other information in this proxy statement. Therefore, the information in this proxy statement regarding the merger agreement and the merger is qualified in its entirety by reference to the merger agreement, a copy of which is attached as **Annex A** to this proxy statement and incorporated herein by reference. We encourage you to read the merger agreement carefully and in its entirety because it is the principal legal agreement that governs the merger.

Structure of the Merger (see page 34)

If the merger is completed, then at the effective time of the merger (the "effective time"), Merger Sub will merge with and into ADT, the separate corporate existence of Merger Sub will cease and ADT will survive the merger as a wholly owned subsidiary of Parent.

Merger Consideration (see page 34)

Upon the terms and subject to the conditions of the merger agreement, at the effective time, ADT stockholders will have the right to receive \$42.00 in cash, without interest and subject to any applicable withholding taxes, for each share of ADT common stock that they own immediately prior to the effective time of the merger (other than shares (i) owned by Parent, Merger Sub or any other direct or indirect wholly owned subsidiary of Parent, (ii) owned by ADT, including shares held in treasury by the Company or owned by any direct or indirect wholly owned subsidiary of ADT or (iii) held by holders who have not voted in favor of the merger proposal and who are entitled to and have properly demanded appraisal rights with respect thereto under Delaware law; collectively we refer to all such shares in this proxy statement as "excluded shares").

Treatment of ADT Equity Awards (see page 34)

The merger agreement provides that outstanding equity-based awards under ADT's equity plan will be treated as set forth below.

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Stock Options. Immediately prior to the effective time, each outstanding option to purchase shares of ADT common stock will become immediately vested and be cancelled and the holder thereof will be entitled to receive an amount in cash, without interest and less any applicable withholding taxes, equal to the product of (i) the number of shares subject to such option, multiplied by (ii) the excess, if any, of \$42.00 over the exercise price of the option, payable in a lump sum through ADT's payroll system or by check or other method as determined by Parent as soon as reasonably practicable after the effective time.

Stock Units. Immediately prior to the effective time, any vesting conditions applicable to each outstanding ADT restricted stock unit, deferred stock unit, phantom stock unit or similar stock right (in each case, other than a performance share unit or PSU, a "Stock Unit") will automatically accelerate in full, and each Stock Unit will be cancelled and the holder thereof will be entitled to receive, at or promptly following the effective time, an amount in cash, without interest and less any applicable withholding taxes, equal to the product of (x) the total number of shares subject to such Stock Units immediately prior to the effective time multiplied by (y) \$42.00, payable in a lump sum through ADT's payroll system or by check or other method as determined by Parent as soon as reasonably practicable after the effective time.

PSUs. Immediately prior to the effective time, each outstanding ADT performance share unit ("PSU") will automatically, be cancelled and the holder thereof will be entitled to receive an amount in cash, without interest and less any applicable withholding taxes, equal to the product of (x) the total number of shares subject to such PSU immediately prior to the effective time (assuming for this purpose that performance resulted in a payout of 115% of the target award) multiplied by (y) \$42.00, payable in a lump sum through ADT's payroll system or by check or other method as determined by Parent as soon as reasonably practicable after the date that such PSU would have otherwise vested in accordance with its terms (and in any event not later than December 31 of the year during which such vesting date occurs) but only if such conditions to vesting are satisfied prior to such vesting date; provided, that if the employment or service of such holder of such PSU is terminated by ADT or its affiliates or by the holder prior to such vesting date within two years following the completion of the merger under conditions that would have accelerated the vesting of such PSU had it remained outstanding, then such vesting will be accelerated as of the date of such termination of employment or service.

Recommendation of the ADT Board of Directors (see page 45)

The ADT Board has reviewed and considered the terms and conditions of the proposed merger. After consulting with its outside legal counsel and financial advisor and after consideration of various factors, the ADT Board unanimously (i) determined that it is advisable, fair to and in the best interests of ADT and our stockholders for ADT to enter into the merger agreement and the transactions contemplated by the merger agreement, including the merger, (ii) declared advisable and approved the merger, the merger agreement and the other transactions contemplated by the merger agreement and (iii) resolved that the merger agreement be submitted to the ADT stockholders for adoption thereby in accordance with applicable law, the merger agreement and the bylaws of ADT at a special meeting of stockholders and recommended that our stockholders vote to adopt the merger agreement. Certain factors considered by the ADT Board in reaching its decision to adopt the merger agreement can be found in "The Merger Proposal (Proposal 1) Recommendation of the ADT Board and Reasons for the Merger" beginning on page 45.

The ADT Board unanimously recommends that the ADT stockholders vote:

FOR the merger proposal;

FOR the named executive officer merger-related compensation proposal; and

FOR the adjournment proposal.

Opinion of ADT's Financial Advisor (see page 50)

In connection with the merger, ADT's financial advisor, Goldman, Sachs & Co. (Goldman Sachs), delivered its written opinion, dated February 14, 2016, to the ADT Board that, as of the date of such opinion and

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based upon and subject to the factors and assumptions set forth therein, the \$42.00 in cash per share of ADT common stock to be paid to the holders (other than Parent and its affiliates) of the outstanding shares of ADT common stock pursuant to the merger agreement was fair from a financial point of view to such holders.

The full text of the written opinion of Goldman Sachs, dated February 14, 2016, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as **Annex B** to this proxy statement and is incorporated by reference herein. Goldman Sachs provided its opinion for the information and assistance of the ADT Board in connection with its consideration of the merger. The Goldman Sachs opinion is not a recommendation as to how any holder of ADT common stock should vote with respect to the merger proposal or any other matter. Pursuant to an engagement letter between ADT and Goldman Sachs, ADT has agreed to pay Goldman Sachs a transaction fee of \$32 million, of which \$3.2 million became payable on announcement of the transaction and the remainder of which is payable upon consummation of the merger.

Interests of ADT's Executive Officers and Directors in the Merger (see page 60)

In considering the recommendation of the ADT Board, ADT stockholders should be aware that certain directors and executive officers of ADT will have interests in the proposed merger that are different from, or in addition to, the interests of ADT stockholders generally and which may create potential conflicts of interest. The ADT Board was aware of these interests and considered them when it adopted the merger agreement and approved the merger.

These interests include:

ADT's executive officers are entitled to protections and benefits under the ADT Change in Control Severance Plan in the event of a qualifying termination of employment in the 60-day period prior to or the 24-month period following the completion of the merger;

The ADT stock options and Stock Units held by ADT's executive officers will fully vest and be converted into the right to receive cash payments based on the merger consideration following the completion of the merger;

ADT's PSUs held by ADT's executive officers will not vest solely as a result of the merger, but will be converted into the right to receive the merger consideration when they vest, which in no event will be later than December 31 of the year during which such vesting date occurs (and may become vested on an accelerated basis upon a qualifying termination of employment within two years following the completion of the merger if such qualifying termination occurs prior to such vesting date);

Stock Units held by members of the ADT Board will vest and be converted into the right to receive the merger consideration upon the consummation of the merger; and

ADT's directors and officers are entitled to indemnification and insurance arrangements pursuant to the merger agreement and ADT's organizational documents and under certain indemnification agreements.

These interests are discussed in more detail in the section entitled The Merger Proposal (Proposal 1) Interests of ADT's Executive Officers and Directors in the Merger, beginning on page 60 of this proxy statement.

Financing of the Merger (see page 66)

Parent has obtained equity financing and debt financing commitments and Parent, Parent Inc. and Parent LP have obtained preferred securities financing commitments (pursuant to commitment letters) for the transactions contemplated by the merger agreement, the aggregate proceeds of which, together with cash on hand at Parent, will be used to consummate the merger and the other transactions contemplated by the merger agreement, including the payment of the per share merger consideration and all related fees and expenses, to repay certain

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existing indebtedness of ADT and redeem and discharge certain senior unsecured notes of ADT as required by the terms of such financing commitments, and to pay any other amounts required to be paid by Parent or Merger Sub in connection with the consummation of the transactions contemplated by the merger agreement. Apollo Investment Fund VIII, L.P., Apollo Overseas Partners (Delaware 892) VIII, L.P., Apollo Overseas Partners (Delaware) VIII, L.P. and Apollo Overseas Partners VIII, L.P. (the Apollo Funds) have committed to provide capital to Parent with an equity contribution of up to \$3.575 billion, subject to the terms and conditions set forth in an equity commitment letter. Barclays Bank PLC, Citigroup Global Markets Inc., Deutsche Bank AG New York Branch, Deutsche Bank AG Cayman Islands Branch, Royal Bank of Canada, PSP Investments Credit USA LLC and PCDH 5, LLC (an affiliate of the Apollo Funds) have committed to provide, severally but not jointly upon the terms and subject to the conditions set forth in the debt commitment letter, debt financing of \$8.445 billion and a committed \$255 million senior secured revolving facility. Koch SV Investments, LLC, an affiliate of Koch Equity Development LLC, the investment and acquisition subsidiary of Koch Industries, Inc., has committed to purchase, upon the terms and subject to the conditions set forth in the preferred securities commitment letter, \$750 million of preferred securities from Parent Inc. and warrants to purchase limited partnership interests of Parent LP from Parent LP. The consummation of the merger is not subject to any financing conditions.

Limited Guarantee (see page 70)

Subject to the terms and conditions set forth in a limited guarantee, dated February 14, 2016 (the limited guarantee), the Apollo Funds have guaranteed the payment obligations of Parent with respect to (i) the obligation of Parent under the merger agreement to pay a reverse termination fee of \$421 million if the merger agreement is terminated by the Company under specified circumstances (see the section entitled The Merger Agreement Termination Fees and Expenses), (ii) Parent's obligation to pay certain expenses incurred in connection with the successful enforcement of Parent's obligation to pay the reverse termination fee of up to \$2.5 million (referred to herein as enforcement expenses), and (iii) damages (solely to the extent payable pursuant to a final and non-appealable order of a court of competent jurisdiction), if any, payable for fraud by Parent or Merger Sub up to \$421 million.

The Apollo Funds' obligations under the limited guarantee with respect to the reverse termination fee and enforcement expense are subject to an aggregate cap equal to the amount of (i) \$421 million plus, if applicable (ii) enforcement expenses. The Apollo Funds' obligations under the limited guarantee with respect to damages, if any, payable for fraud by Parent or Merger Sub are subject to an aggregate cap equal to the amount of \$421 million.

Antitrust Reviews Required for the Merger (see page 71)

Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the HSR Act), we cannot complete the merger until we have given notification and furnished information to the Federal Trade Commission (FTC) and the Antitrust Division of the Department of Justice (DOJ), and until the applicable waiting period has expired or has been terminated. On February 22, 2016, ADT and Parent each filed a premerger notification and report form under the HSR Act, as a result of which the applicable waiting period under the HSR Act is scheduled to expire on March 23, 2016 at 11:59 p.m., Eastern Time, unless otherwise earlier terminated or extended if the DOJ or FTC requests additional information and documentary material. On March 9, 2016, the FTC granted early termination of the waiting period under the HSR Act.

The merger is subject to notification under the Competition Act (Canada). On February 22, 2016, Parent submitted to the Commissioner of Competition a request for an advance ruling certificate to be issued pursuant to Section 102 of the Competition Act (Canada), or in the alternative a no action letter and a waiver of the obligation to notify pursuant to section 113(c) of the Competition Act (Canada). On March 11, 2016, the Commissioner of Competition issued a no action letter and waiver of the obligation to notify pursuant to Section 113(c) of the Competition Act (Canada).

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While the antitrust reviews have been completed in a timely manner, there is no certainty that a regulatory challenge to the merger will not subsequently be made.

Material U.S. Federal Income Tax Consequences of the Merger (see page 111)

The exchange of ADT common stock for cash in the merger generally will be a taxable transaction for U.S. federal income tax purposes and may also be taxable under state and local and other tax laws. You should read the section entitled **Material U.S. Federal Income Tax Consequences of the Merger** beginning on page 111. Tax matters can be complicated and the tax consequences of the merger to you will depend on your particular circumstances. You should consult your tax advisors regarding the U.S. federal income tax consequences of the merger to you in your particular circumstances, as well as tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

Transaction Litigation (see page 73)

Following the February 16, 2016 announcement of the execution of the merger agreement, four purported stockholders of ADT initiated legal actions challenging the merger. On February 24, 2016, two purported stockholders filed putative class action complaints, styled *Shannon Seidl v. The ADT Corporation, et al.*, C.A. No. 50-2016-CA-1984-XXXX-MBN and *Yun Li v. The ADT Corporation, et al.*, C.A. No. 50-2016-CA-1995-XXXX-MB, in the Circuit Court of the Fifteenth Judicial Circuit in and for Palm Beach County, Florida against ADT, the members of the ADT Board, Apollo, Parent, Merger Sub, Parent Inc. and Parent LP. On March 9, 2016 and March 10, 2016, respectively, two purported stockholders filed putative class action complaints, styled *Rosenfeld Family Foundation v. The ADT Corporation, et al.*, C.A. No. 50-2016-CA-002566-XXXX-MB and *Federico Castro v. The ADT Corporation, et al.*, C.A. No. 50-2016-CA-002661-XXXX-MB, also in the Circuit Court of the Fifteenth Judicial Circuit in and for Palm Beach County, Florida against the same defendants. The complaints in all four actions include claims for breach of fiduciary duty against the individual directors, alleging that the directors violated the duties of loyalty, good faith, due care, and/or disclosure owed to ADT stockholders. The complaints also include claims for aiding and abetting breaches of fiduciary duty against Apollo, Parent, Merger Sub, Parent Inc. and Parent LP. Plaintiffs Seidl, Rosenfeld, and Castro seek an order, *inter alia*, permanently enjoining the defendants from consummating the merger and enjoining the director defendants from initiating any defensive measures that would inhibit their ability to maximize value for ADT stockholders. Plaintiff Li seeks an order, *inter alia*, requiring the director defendants to fulfill their fiduciary duties. All plaintiffs also seek certification of the actions as class actions, an accounting of all damages suffered or to be suffered as a result of the transaction, and attorneys' fees and costs.

On March 24, 2016, a purported stockholder filed a putative class action complaint, styled *MSS 12-09 Trust v. Thomas Colligan, et al.*, Case No. 12133, in the Court of Chancery of the State of Delaware asserting a claim for breach of fiduciary duty against the individual ADT directors. Plaintiff seeks an order finding the directors liable for breaching their fiduciary duties. Plaintiff also seeks certification of the action as a class action and attorney's fees and costs.

Although it is not possible to predict the outcome of the litigations with certainty, ADT and the ADT Board believe that the claims raised in the complaints are without merit and intend to defend their position in these matters vigorously. The lawsuits are in the early stages.

Appraisal Rights (see page 73)

Stockholders are entitled to appraisal rights under the General Corporation Law of the State of Delaware (the "DGCL"), in connection with the merger, provided that stockholders comply with the requirements of Section 262 of the DGCL. Any stockholder who does not vote in favor of the merger proposal and who otherwise complies with the

requirements of Section 262 has the right to seek appraisal of his, her or its shares of ADT common stock and to receive payment in cash for the fair value of his, her or its shares of ADT common stock, exclusive of any element of value arising from the accomplishment or expectation of the merger, as determined

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by the Delaware Court of Chancery, together with interest, if any, to be paid upon the amount determined to be fair value. The ultimate amount stockholders receive in an appraisal proceeding may be less than, equal to or more than the amount a stockholder would have received under the merger agreement.

To exercise appraisal rights, a stockholder must deliver a written demand for appraisal to ADT before the vote is taken on the adoption of the merger agreement, must not vote, in person or by proxy, in favor of the proposal to adopt the merger agreement and must continue to hold the shares of ADT common stock of record from the date of making the demand for appraisal through the effective time. As such, merely voting against the proposal to adopt the merger agreement will not preserve your right to appraisal under the DGCL. Further, because a properly submitted proxy not marked against or abstain will be voted for the proposal to adopt the merger agreement, the submission of a proxy not marked against or abstain will result in the waiver of appraisal rights. A stockholder's failure to strictly comply with the procedures specified under the DGCL will result in the loss of such stockholder's appraisal rights. See the section entitled "The Merger Proposal (Proposal 1) Appraisal Rights" beginning on page 73 and the text of the Delaware appraisal right statute reproduced in its entirety as **Annex C** to this proxy statement. Only a stockholder of record may submit a demand for appraisal. If you hold your shares of ADT common stock through a bank, brokerage firm or other nominee and you wish to exercise appraisal rights, you should consult with your bank, brokerage firm or other nominee to determine the appropriate procedures for the making of a demand for appraisal by such bank, brokerage firm or nominee. In view of the complexity of the DGCL, stockholders who may wish to pursue appraisal rights should consult their legal and financial advisors promptly.

Expected Timing of the Merger

We expect to complete the merger by June 2016. However, the merger is subject to various conditions, and it is possible that factors outside of the control of ADT or Parent could result in the merger being completed at a later time, or not at all. There may be a substantial amount of time between the special meeting and the completion of the merger. We expect to complete the merger promptly following the receipt of all required clearances and approvals and the satisfaction or, to the extent permitted, waiver of the other conditions to the consummation of the merger.

Go-Shop Period; Restrictions on Solicitation of Acquisition Proposals (see page 88)

From the date of the merger agreement until 12:01 a.m. (New York time) on March 26, 2016 (the "go-shop period"), ADT and its subsidiaries and their respective directors, officers, employees, investment bankers, attorneys, accountants and other advisors or representatives shall have the right to:

initiate, solicit and encourage any inquiry or the making of any proposal or offer that could constitute an acquisition proposal, including by providing information regarding, and affording access to the business, properties, assets, books, records and personnel of, ADT and its subsidiaries to any person pursuant to a confidentiality agreement on terms no less favorable to ADT than its confidentiality agreement with Apollo, subject to certain exceptions (an "acceptable confidentiality agreement"); provided that ADT must provide to Parent and Merger Sub any material non-public information or data that is provided to any person given such access that was not previously made available to Parent or Merger Sub prior to or substantially concurrently with the time it is provided to such person; and

engage in, enter into, continue or otherwise participate in any discussions or negotiations with any persons with respect to any acquisition proposals and cooperate with or assist or participate in or facilitate any such

inquiries, proposals, offers, discussions or negotiations or any effort or attempt to make any acquisition proposals pursuant to an acceptable confidentiality agreement including the limited waiver of pre-existing standstill provisions, as described in the section entitled The Merger Agreement Go-Shop Period; Restriction on Solicitation of Acquisition Proposals beginning on page 88.

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No later than two business days after the end of the go-shop period, ADT shall (A) notify Parent in writing of the identity of each person from whom ADT received a written acquisition proposal during the go-shop period, which acquisition proposal has not been withdrawn and as to which the ADT Board has determined in good faith that such acquisition proposal constitutes or would reasonably be expected to lead to a superior proposal and (B) provide to Parent (x) a copy of any acquisition proposal made in writing and any other written terms or proposals provided to ADT or any of its subsidiaries in connection with any acquisition proposal and any material modifications thereto and (y) a written summary of the material terms of any acquisition proposal not made in writing.

From and after 12:01 a.m. (New York time) on March 26, 2016 (the no-shop period start date) until the earlier of the effective time and the valid termination of the merger agreement, ADT is subject to restrictions on its ability to solicit third party proposals relating to alternative transactions or to provide information to and engage in discussions or negotiations with a third party in relation to an alternative transaction (subject to certain exceptions prior to the approval of the merger proposal by ADT stockholders at the special meeting). Specifically, ADT shall not, and shall cause its subsidiaries not to (and shall use its reasonable best efforts to cause its directors, officers, employees, investment bankers, attorneys, accountants and other advisors and representatives not to):

initiate, solicit or knowingly encourage or facilitate any inquiries, proposals or offers with respect to an acquisition proposal or the consummation thereof, or any offer or proposal that could reasonably be expected to lead to an acquisition proposal or the consummation thereof;

enter into, continue or otherwise participate or engage in, facilitate or encourage, any negotiations or discussions concerning, or that could reasonably be expected to lead to, an acquisition proposal, or provide access to its properties, books, records or information or data to any person relating to an acquisition proposal;