$1,250,000,000

Prime Security Services Borrower, LLC
Prime Finance Inc.

$1,250,000,000 % Senior Unsecured Notes due 2027

Prime Security Services Borrower, LLC, a Delaware limited liability company (the "Issuer") and Prime Finance Inc., a Delaware corporation (the "Co-Issuer" and, together with the Issuer, the "Issuers,"), each a wholly owned subsidiary of ADT Inc., a Delaware corporation (the "Company" and, together with its wholly owned subsidiaries, "ADT," "we," "our," and "us"), are offering $1,250,000,000 aggregate principal amount of % Senior Unsecured Notes due 2027 (the "Unsecured Notes").

In a concurrent transaction, the Issuers are also offering $750,000,000 aggregate principal amount of % First-Priority Senior Secured Notes due 2024 (the "2024 Notes") and $750,000,000 aggregate principal amount of % First-Priority Senior Secured Notes due 2026 (the "2026 Notes", and, together with the 2024 Notes, the "First-Priority Notes"). The consummation of this offering is not contingent upon the consummation of the offering of the First-Priority Notes. Additionally, the consummation of the offering of the First-Priority Notes is not contingent upon the consummation of this offering.

The Unsecured Notes will bear interest at a rate of % per annum and will mature on , 2027. Interest on the Unsecured Notes will be payable semi-annually on and of each year, commencing on , 2019.

The proceeds from the offering of the Unsecured Notes will be used to repurchase or redeem $1,246 million aggregate principal amount of outstanding Prime Notes (as defined herein). The proceeds from the offering of the First-Priority Notes will be used to (a) repurchase or redeem $1,000 million aggregate principal amount of outstanding Prime Notes and (b) repay $500.0 million of outstanding term loans under our First Lien Credit Agreement (as defined herein). If the offerings of the Senior Unsecured Notes and the First-Priority Notes are both successfully consummated, the Issuers expect to repurchase or redeem all outstanding Prime Notes.

The Unsecured Notes will be fully and unconditionally guaranteed by each of the Issuer's wholly owned domestic restricted subsidiaries that guarantees our First Lien Credit Agreement (as defined herein). Subject to certain exceptions, to the extent lenders under the First Lien Credit Agreement release the guarantee of any subsidiary guarantor, such subsidiary guarantor will also be released from its obligations under the Unsecured Notes. The Unsecured Notes and guarantees will (i) rank equally in right of payment with all of the Issuers' existing and future senior indebtedness, (ii) rank senior to all of the Issuers' future subordinated indebtedness, (iii) be pari passu with all of the Issuers' future unsecured indebtedness, (iv) be effectively junior to all of the Issuer's existing and future indebtedness that is secured by the collateral, including indebtedness under the First Lien Credit Agreement, the ADT Notes (as defined herein) and the First-Priority Notes, to the extent of the value of the collateral securing such indebtedness, and (v) be structurally subordinated to all obligations of each of the Issuers' subsidiaries that is not a guarantor of the Unsecured Notes.

We may redeem some or all of the Unsecured Notes at any time at the redemption prices set forth in this offering memorandum. We may be required to redeem the Unsecured Notes at a price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, if we experience a change of control. There is no sinking fund for the Unsecured Notes. See "Description of Unsecured Notes."

We are not obligated under any registration rights agreement or other obligation to register the Unsecured Notes for resale or to exchange the Unsecured Notes for notes registered under the Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any other jurisdiction. We do not intend to apply for listing of the Unsecured Notes on any securities exchange or for inclusion of the Unsecured Notes in any automated quotation system.

Investing in the Unsecured Notes involves a high degree of risk. See "Risk Factors" beginning on page 15.

Price of the Unsecured Notes: % plus accrued and unpaid interest, if any, from , 2019

We expect that delivery of the Unsecured Notes to purchasers will be made in New York on or about , 2019 through the book-entry delivery system of The Depository Trust Company ("DTC").

The Unsecured Notes have not been and will not be registered under the federal securities laws or the securities laws of any state. The initial purchasers named below are offering the Unsecured Notes (a) in the United States to persons who they reasonably believe are qualified institutional buyers ("QIBs") in reliance on Rule 144A under the Securities Act ("Rule 144A") and (b) outside the United States to non-U.S. persons in offshore transactions in compliance with Regulation S under the Securities Act ("Regulation S"). See "Notice to Investors" for additional information about eligible offerees and transfer restrictions.

Joint Book-Running Managers

Deutsche Bank Securities **Barclays** **Citigroup** **RBC Capital Markets**

Co-Managers

Mizuho Securities **Citizens Capital Markets** **Credit Suisse** **ING** **Raymond James**

, 2019

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This offering memorandum is highly confidential. You should carefully read the information contained in this document. This document may only be used where the offer and sale of the Unsecured Notes is permitted. The information contained in this offering memorandum is as of the date hereof and subject to change, completion or amendment without notice. The delivery of this offering memorandum at any time shall not, under any circumstances, create any implication that there has been no change in the information contained in this offering memorandum or in our affairs since the date of this offering memorandum. If you do not purchase the Unsecured Notes or the offering is terminated for any reason, you agree to return this offering memorandum to: Deutsche Bank Securities Inc., 60 Wall Street, New York, New York 10005.

This offering memorandum has been prepared by us based on information we have or have obtained from sources we believe to be reliable. Summaries of documents contained in this offering memorandum may not be complete, and we refer you to such documents for a more complete understanding of what we discuss in this offering memorandum. The initial purchasers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this offering memorandum. The information in this offering memorandum is current only as of the date on the cover of this offering memorandum or as of the date of such other document, and our business or financial condition and other information described herein or therein may change after such date. You should consult your own legal, tax and business advisors regarding an investment in the Unsecured Notes. Information in this offering memorandum is not legal, tax or business advice.

You should contact the initial purchasers with any questions concerning this offering or to obtain documents or additional information to verify the information in this offering memorandum.

We are offering the Unsecured Notes in reliance on exemptions from registration under the Securities Act, for an offer and sale of securities that does not involve a public offering. If you purchase the Unsecured Notes, you will be deemed to have made certain acknowledgments, representations and warranties as detailed under "Notice to Investors." You may be required to bear the financial risk of an investment in the Unsecured Notes for an indefinite period. Neither we nor the initial purchasers are making an offer to sell or a solicitation of an offer to buy the Unsecured Notes in any jurisdiction where the offer or sale of the Unsecured Notes is not permitted. We do not make any representation to you that the Unsecured Notes are a legal investment for you.

Each prospective purchaser of the Unsecured Notes must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the Unsecured Notes and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the Unsecured Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and neither we nor the initial purchasers shall have any responsibility therefor.

The initial purchasers may engage in transactions that stabilize, maintain or otherwise affect the price of the Unsecured Notes, including over-allotment, stabilizing and short-covering transactions in the Unsecured Notes and the imposition of a penalty bid during and after this offering of the Unsecured Notes. Such stabilization, if commenced, may be discontinued at any time. For a description of these activities, see "Plan of Distribution."

We have prepared this offering memorandum solely for use in connection with the offer of the Unsecured Notes to qualified institutional buyers in reliance on Rule 144A and to persons

outside the United States in compliance with Regulation S. You agree that you will hold the information contained in this offering memorandum and the transactions contemplated hereby in confidence. You may not distribute this offering memorandum to any person, other than a person retained to advise you in connection with the purchase of the Unsecured Notes. We and the initial purchasers may reject any offer to purchase the Unsecured Notes in whole or in part, sell less than the entire principal amount of the Unsecured Notes offered hereby or allocate to any purchaser less than all of the Unsecured Notes for which it has subscribed.

THE UNSECURED NOTES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. PROSPECTIVE PURCHASERS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

Each person receiving this offering memorandum acknowledges that (1) it has been afforded an opportunity to request and to review, and it has received, all additional information considered by it to be necessary to verify the accuracy of or to supplement the information contained in this offering memorandum, (2) it has not relied upon the initial purchasers or any person affiliated with the initial purchasers in connection with its investigation of the accuracy of such information or its investment decision, (3) this offering memorandum relates to an offering that is exempt from registration under the Securities Act and may not comply in important respects with SEC rules that would apply to an offering document relating to a public offering of securities and (4) no person has been authorized to give information or to make any representation concerning us, this offering or the Unsecured Notes, other than as contained in this offering memorandum, in connection with an investor's examination of us and the terms of this offering.

NO SEC REVIEW

Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the Unsecured Notes or determined if this offering memorandum is truthful or complete. Any representation to the contrary is a criminal offense.

The information included in this offering memorandum does not conform to information that would be required if this offering was made pursuant to a registration statement filed with the SEC. This offering memorandum, as well as any other documents in connection with this offering, will not be reviewed by the SEC. There are no registration rights associated with the Unsecured Notes, and we have no intention to offer notes in a transaction registered under the Securities Act in exchange for the Unsecured Notes or to file a registration statement with respect to the Unsecured Notes. The indenture governing the Unsecured Notes will not be qualified under the Trust Indenture Act of 1939, as amended (the "TIA").

USE OF NON-GAAP FINANCIAL INFORMATION

To provide to holders of the Unsecured Notes additional information in connection with our results as determined by generally accepted accounting principles in the United States of America ("GAAP"), we disclose Adjusted EBITDA and Free Cash Flow as non-GAAP measures. These measures are not financial measures calculated in accordance with GAAP and should not be considered as a substitute for net income, operating income, cash flows, or any other measure calculated in accordance with GAAP, and may not be comparable to similarly titled measures reported by other companies.

Adjusted EBITDA

We believe that the presentation of Adjusted EBITDA is appropriate to provide additional information to investors about certain non-cash items and about unusual items that we do not expect to continue at the same level in the future, as well as other items. Further, we believe Adjusted EBITDA provides a meaningful measure of operating profitability because we use it for evaluating our business performance, making budgeting decisions, and comparing our performance against that of other peer companies using similar measures.

We define Adjusted EBITDA as net income or loss adjusted for (i) interest, (ii) taxes, (iii) depreciation and amortization, including depreciation of subscriber system assets and other fixed assets and amortization of dealer and other intangible assets, (iv) amortization of deferred costs and deferred revenue associated with subscriber acquisitions, (v) share-based compensation expense, (vi) purchase accounting adjustments under GAAP, (vii) merger, restructuring, integration, and other, (viii) goodwill impairment losses, (ix) financing and consent fees, (x) foreign currency gains/losses, (xi) losses on extinguishment of debt, (xii) radio conversion costs, (xiii) management fees and other charges, and (xiv) other non-cash items.

There are material limitations to using Adjusted EBITDA. Adjusted EBITDA does not take into account certain significant items, including depreciation and amortization, interest, taxes, and other adjustments which directly affect our net income or loss. These limitations are best addressed by considering the economic effects of the excluded items independently and by considering Adjusted EBITDA in conjunction with net income as calculated in accordance with GAAP.

Free Cash Flow

We believe that the presentation of Free Cash Flow is appropriate to provide additional information to investors about our ability to repay debt, make other investments, and pay dividends.

We define Free Cash Flow as cash flows from operating activities less cash outlays related to capital expenditures. We define capital expenditures to include purchases of property, plant, and equipment; subscriber system asset additions and deferred subscriber installation costs; and accounts purchased through our network of authorized dealers or third parties outside of our authorized dealer network. These items are subtracted from cash flows from operating activities because they represent long-term investments that are required for normal business activities.

Free Cash Flow adjusts for cash items that are ultimately within management's discretion to direct, and therefore, may imply that there is less or more cash that is available than the most comparable GAAP measure. Free Cash Flow is not intended to represent residual cash flow for discretionary expenditures since debt repayment requirements and other non-discretionary expenditures are not deducted. These limitations are best addressed by using Free Cash Flow in combination with the cash flows as calculated in accordance with GAAP.

CAUTIONARY NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This offering memorandum contains "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, which involve risks and uncertainties. All statements other than statements of historical facts contained in this offering memorandum, including statements regarding our strategy, future operations, future financial position, future revenue, projected costs, prospects, plans, objectives of management, and expected market growth are forward-looking statements. These forward-looking statements are contained principally in the sections entitled "Summary," "Risk Factors" and "Use of Proceeds." Without limiting the generality of the preceding sentence, any time we use the words "expects," "intends," "will," "anticipates," "believes," "confident," "continue," "propose," "seeks," "could," "may," "should," "estimates," "forecasts," "might," "goals," "objectives," "targets," "planned," "projects," and, in each case, their negative or other various or comparable terminology, and similar expressions, we intend to clearly express that the information deals with possible future events and is forward-looking in nature. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. For ADT, particular uncertainties that could cause our actual results to be materially different than those expressed in our forward-looking statements include, without limitation:

- our ability to maintain and grow our existing customer base;
- our ability to integrate the businesses of ADT, Protection 1, Red Hawk (each as defined in the 2018 Annual Report (as defined herein)) and other companies we have acquired in an efficient and cost-effective manner;
- the amount and timing of our cash flows and earnings, which may be impacted by customer, competitive, supplier and other dynamics and conditions;
- our ability to maintain or improve margins through business efficiencies;
- our ability to successfully upgrade obsolete equipment, such as 3G and CDMA (each as defined in the 2018 Annual Report) communications equipment installed at our customers' premises, in an efficient and cost-effective manner;
- our ability to launch new product and service offerings that achieve market acceptance with acceptable margins;
- changes in law, economic and financial conditions, including tax law changes, changes to privacy requirements, changes to telemarketing, email marketing and similar consumer protection laws, interest and exchange rate volatility, and trade tariffs applicable to the products we sell;
- the impact of potential information technology, cybersecurity or data security breaches;
- the other factors that are described in this report under the heading "Risk Factors."

These forward-looking statements reflect our views with respect to future events as of the date of this offering memorandum and are based on assumptions and subject to risks and uncertainties. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included or incorporated by reference in this offering memorandum and in other filings. Given these uncertainties, you should not place undue reliance on these forward-looking statements. These forward-looking statements represent our estimates and assumptions only as of the date of this offering memorandum and, except as required by law, we undertake no obligation to update or review publicly any forward-looking statements, whether as a result of new information, future events, or otherwise after the

date of this prospectus. We anticipate that subsequent events and developments will cause our views to change. You should read this offering memorandum and the documents incorporated by reference herein completely and with the understanding that our actual future results may be materially different from what we expect. Our forward-looking statements do not reflect the potential impact of any future acquisitions, merger, dispositions, joint ventures, or investments we may undertake. We qualify all of our forward-looking statements by these cautionary statements.

WHERE YOU CAN FIND MORE INFORMATION; INCORPORATION OF DOCUMENTS BY REFERENCE

The Company files annual, quarterly and current reports and other information with the SEC. You may read and obtain copies of any materials that the Company has filed with the SEC without charge at the website maintained by the SEC. The address of this website is http://www.sec.gov.

This offering memorandum incorporates by reference the documents listed below that the Company has previously filed with the SEC. They contain important information about the financial condition of the Company and its consolidated subsidiaries. Any information referred to in this way is considered part of this offering memorandum from the date the Company files that document. Any reports filed by the Company with the SEC after the date of this offering memorandum and before the date that the offering of the Unsecured Notes by means of this offering memorandum is completed will automatically update and, where applicable, supersede any information contained in this offering memorandum or incorporated by reference in this offering memorandum.

We incorporate by reference into this offering memorandum the following documents, which have been filed by the Company with the SEC:

- The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, filed with the SEC on March 11, 2019 (the "2018 Annual Report");
- The Company's Current Reports on Form 8-K filed with the SEC on January 2, 2019, February 1, 2019 and March 11, 2019 (in each case, other than information furnished pursuant to Item 2.02 or Item 7.01 of any such Current Report on Form 8-K); and
- All documents filed by the Company under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), after the date of this offering memorandum and before the termination of the offering to which this offering memorandum relates (other than information furnished pursuant to Item 2.02 or Item 7.01 of any Current Report on Form 8-K, unless expressly stated otherwise therein).

In reviewing any agreements included as part of the documents incorporated by reference herein, please remember they are included to provide you with information regarding the terms of such agreements and are not intended to provide any other factual or disclosure information about the Company, its consolidated subsidiaries or the Issuers. The agreements may contain representations and warranties by the Company, its consolidated subsidiaries or the Issuers, which should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate. The representations and warranties were made only as of the date of the relevant agreement or such other date or dates as may be specified in such agreement and are subject to more recent developments. Accordingly, these representations and warranties alone may not describe the actual state of affairs as of the date they were made or at any other time.

We will provide without charge to each person to whom this offering memorandum is delivered, upon his or her written or oral request, a copy of any or all documents referred to above which have been or may be incorporated by reference into this offering memorandum, excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. You may request copies of those documents from the Company, 1501 Yamato Road, Boca Raton, FL 33431. You also may contact us at (561) 988-3600 or through the Company's investor web site at http://investor.adt.com.

Except as described above, no other information is incorporated by reference in this offering memorandum (including, without limitation, information on the Company's website).

No person has been authorized to give any information or to make any representation other than those contained in this offering memorandum, and, if given or made, any information or representations must not be relied upon as having been authorized. This offering memorandum does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities to which it relates or an offer to sell or the solicitation of an offer to buy these securities in any circumstances in which this offer or solicitation is unlawful. Neither the delivery of this offering memorandum nor any sale made under this offering memorandum shall, under any circumstances, create any implication that there has been no change in the affairs of ADT since the date of this offering memorandum.

SUMMARY

The following summary contains selected information about us and about this offering. It does not contain all of the information that is important to you and your investment decision. Before you make an investment decision, you should review this prospectus in its entirety, including matters set forth under "Risk Factors," and the documents incorporated by reference herein, including our consolidated financial statements and the related notes thereto included in our 2018 Annual Report. Some of the statements in the following summary constitute forward-looking statements. See "Cautionary Note Concerning Forward-Looking Statements."

Overview

We are a leading provider of monitored security and interactive home and business automation solutions in the United States and Canada. Our mission is to help our customers protect and connect to what matters most—their families, homes, and businesses. The ADT brand is synonymous with security and, as the most recognized and trusted brand in the industry, is a key driver of our success. We currently serve approximately 7.2 million customers, excluding contracts monitored but not owned, making us one of the largest companies of our kind in the United States and Canada. We are also one of the largest full-service companies with a national footprint providing both residential and commercial monitored security. We deliver an integrated customer experience by maintaining one of the industry's largest sales, installation, and service field forces, as well as a 24/7 professional monitoring network, all supported by approximately 19,000 employees. We handle approximately 15 million alarms annually. We provide support from approximately 240 sales and service locations and through our 12 monitoring centers listed by Underwriters Laboratories in the United States and Canada.

ADT Inc. is a public company incorporated in Delaware. Our shares of common stock trade on the NYSE under the symbol "ADT." Our principal executive offices are located at 1501 Yamato Road, Boca Raton, Florida 33431, and our telephone number is (561) 322-7235. Our website is located at https://investor.adt.com. Our website and the information contained on, or that can be accessed through, our website will not be deemed to be incorporated by reference in, and are not considered part of, this prospectus. You should not rely on our website or any such information in making your decision whether to purchase Unsecured Notes in this offering.

The Transactions

We intend to execute a series of transactions in connection with this offering.

Credit Agreement Amendment

On March 15, 2019, the Issuer, as borrower, Prime Security Services Holdings, LLC, as holdings ("Holdings"), the lenders party thereto and Barclays Bank PLC, as the administrative agent thereunder entered into that certain Amendment Agreement No. 8 (the "Credit Agreement Amendment"), which amended and restated the First Lien Credit Agreement (as defined in "Description of Other Indebtedness.") The Credit Agreement Amendment amended the First Lien Credit Agreement to, among other things, (a) increase the Net First Lien Leverage Ratio (as defined therein) for the incurrence of pari passu indebtedness to 3.20 to 1.00 (from 2.35 to 1.00), (b) provide for $300 million of additional incremental pari passu debt capacity, (c) increase the borrowing capacity under the Revolving Credit Facility by an additional $50 million, which replaced the revolving credit commitments under the Mizuho Agreement (as

defined below) and (d) make several other changes to provide the Issuer with additional flexibility to de-lever its balance sheet and opportunistically refinance existing indebtedness. The effectiveness of the Credit Agreement Amendment is subject to market and other conditions, and the prepayment of $500.0 million term loans outstanding under the First Lien Credit Agreement with the proceeds of this offering and of the offering of the First-Priority Notes.

Concurrently with the effectiveness of the Credit Agreement Amendment, the Issuer will terminate that certain revolving credit agreement, dated February 15, 2019, by and among the Issuer, as borrower, Holdings, the lenders from time to time party thereto and Mizuho Bank, Ltd., as administrative agent (the "Mizuho Agreement").

Offering of First-Priority Notes

Concurrently with this offering, we are offering $750,000,000 aggregate principal amount of % First-Priority Senior Secured Notes due 2024 (the "2024 Notes") and $750,000,000 aggregate principal amount of % First-Priority Senior Secured Notes due 2026 (the "2026 Notes", and, together with the 2024 Notes, the "First-Priority Notes"), which we expect will close concurrently with the closing of this offering. The consummation of this offering is not contingent upon the consummation of the offering of the First-Priority Notes. Additionally, the consummation of the offering of the First-Priority Notes is not contingent upon the consummation of this offering. See "Risk Factors—Risks Related to Our Indebtedness and the Unsecured Notes—The consummation of the offering of the Unsecured Notes and the consummation of the offering of the First-Priority Notes are not contingent on each other."

The 2024 Notes will bear interest at a rate of % per annum and will mature on , 2024. The 2026 Notes will bear interest at a rate of % per annum and will mature on , 2026. Interest on the First-Priority Notes will be payable semi-annually on and of each year, commencing on , 2019. The First-Priority Notes will be fully and unconditionally guaranteed by each of the Issuer's wholly owned domestic restricted subsidiaries that guarantees our First Lien Credit Agreement. Subject to certain exceptions, to the extent lenders under the First Lien Credit Agreement release the guarantee of any subsidiary guarantor, such subsidiary guarantor will also be released from its obligations under the First-Priority Notes. The First-Priority Notes and related guarantees will be secured by first-priority security interests, subject to permitted liens, in substantially all of our existing and future assets, which assets also secure our First Lien Credit Agreement and certain other debt, as further described in this offering memorandum. The First-Priority Notes and guarantees will (i) rank equally in right of payment with all of the Issuers' existing and future senior indebtedness, (ii) rank senior to all of the Issuers' future subordinated indebtedness, (iii) be effectively senior to the Unsecured Notes and all of the Issuers' future unsecured indebtedness, to the extent of the value of the collateral securing the First-Priority Notes, (iv) equal to all of the Issuer's existing and future indebtedness that is secured by the collateral on a first-priority basis, including indebtedness under the First Lien Credit Agreement and the ADT Notes (as defined herein), to the extent of the value of the collateral securing such indebtedness, (v) effectively senior to all of the Issuers' future indebtedness that is secured by the collateral on a junior-priority basis to the extent of the value of the collateral securing the First-Priority Notes and (vi) structurally subordinated to all obligations of each of the Issuers' subsidiaries that is not a guarantor of the Unsecured Notes.

For a more detailed description of the First-Priority Notes, see "Description of First-Priority Notes."

Tender Offer for Prime Notes

On March 18, 2019, the Issuers commenced a tender offer (the "Tender Offer") to purchase for cash up to $2,246 million outstanding principal amount of 9.250% Second-Priority Secured Notes (the "Prime Notes") of the Issuers. As of the date of this offering memorandum, $2,246 million aggregate principal amount of the Prime Notes were outstanding, and accrued and unpaid interest on the Prime Notes was $71.0 million. The purchase for cash of $2,246 million outstanding principal amount of Prime Notes contemplated by the Tender Offer is conditioned upon, among other things, the closing of the offering of the Unsecured Notes and the closing of the offering of the First-Priority Notes. If neither the offering of the Unsecured Notes nor the offering of the First-Priority Notes is consummated, the Issuers will not purchase any Prime Notes tendered in the Tender Offer. If either the offering of the Unsecured Notes or the offering of the First-Priority Notes is not consummated, the Issuers will purchase Prime Notes tendered in the Tender Offer in an aggregate amount not to exceed $1,000 million and $1,246 million, respectively.

Nothing in this offering memorandum should be construed as an offer to purchase any Prime Notes, as the Tender Offer is being made only to the recipients of an Offer to Purchase, dated as of March 18, 2019, upon the terms and subject to the conditions set forth therein.

Redemption of Prime Notes

On March 18, 2019, the Issuers issued a conditional notice of redemption with respect to the Prime Notes in accordance with the indenture governing such notes. We intend to redeem any Prime Notes not tendered in the Tender Offer in an aggregate amount not to exceed the aggregate proceeds received as a result of this offering and the offering of the First-Priority Notes. For example, if the offering of the Unsecured Notes and the offering of the First-Priority Notes are both consummated and assuming no Prime Notes are tendered in the Tender Offer, we intend to redeem all such Prime Notes (the "Full Redemption") and simultaneously to discharge our obligations with respect to such Prime Notes and the indenture governing such Prime Notes in accordance with the terms of that indenture. If the offering of the Unsecured Notes is consummated but the offering of the First-Priority Notes is not consummated and assuming no Prime Notes are tendered in the Tender Offer, we intend to redeem such Prime Notes in an aggregate principal amount equal to $1,000 million (the "Partial Redemption" and, together with the Full Redemption, the "Redemption"). The Redemption is conditioned upon the closing of the offering of the Unsecured Notes.

Throughout this offering memorandum, we collectively refer to this offering, the execution of the Credit Agreement Amendment, the offering of the First-Priority Notes, the Tender Offer and the Redemption as the "Transactions." See "—Sources and Uses of Funds" for additional detail regarding the Transactions.

The proceeds from the offering of the Unsecured Notes will be used to repurchase or redeem $1,246 million aggregate principal amount of outstanding Prime Notes. The proceeds from the offering of the First-Priority Notes will be used to (a) repurchase or redeem $1,000 million aggregate principal amount of outstanding Prime Notes and (b) repay $500.0 million of outstanding term loans under our First Lien Credit Agreement. If the offerings of the Senior Unsecured Notes and the First-Priority Notes are both successfully consummated, the Issuers expect to repurchase or redeem all outstanding Prime Notes.

Recent Developments

On February 1, 2019, the Issuers redeemed $300 million aggregate principal amount of Prime Notes, for a total redemption price of $319 million, using cash on hand. Following the partial redemption, the aggregate outstanding principal amount of the Prime Notes was $2,246 million.

Sources and Uses of Funds

The following table sets forth the estimated sources and uses of funds in connection with the Transactions, assuming they occurred on December 31, 2018 and based on estimated amounts outstanding on that date. The following table and accompanying footnotes also assume that (a) the offering of the Unsecured Notes and the offering of the First-Priority Notes are both consummated on terms set forth herein, (b) no Prime Notes are purchased in the Tender Offer and (c) all outstanding Prime Notes are redeemed in the Full Redemption on April 17, 2019. The actual sources and uses of funds may vary from the estimated sources and uses of funds in the following table and accompanying footnotes set forth below.

Sources of Funds		Uses of Funds	
	(dollars in thousands)		
Cash from balance sheet[1]	$ 71,648	Full Redemption of the Prime Notes[6]	$2,360,276
Revolving Credit Facility[2]	100,000	Term Loan Prepayment[7]	500,000
2024 Notes[3]	750,000	Fees and expenses[8]	61,372
2026 Notes[4]	750,000		
Notes[5]	1,250,000		
Total sources of funds	$2,921,648	Total uses of funds	$2,921,648

(1) The actual amount of cash available as a source of funds will depend on, among other things, the amount of working capital and cash balances as of the closing date of the Transactions.

(2) The Company expects to draw $100 million under the Revolving Credit Facility to pay fees and expenses associated with the Transactions. For a description of the Revolving Credit Facility see "Description of Other Indebtedness—First Lien Credit Agreement—Revolving Credit Facility."

(3) Represents the $750 million face value of the 2024 Notes (excluding original issue discount) prior to the initial purchasers' discount to the offering price. We intend to use the proceeds from the offering of the 2024 Notes to (a) repurchase or redeem a portion of the outstanding Prime Notes and (b) repay $500.0 million of outstanding term loans under our First Lien Credit Agreement. See "Description of First-Priority Notes."

(4) Represents the $750 million face value of the 2026 Notes (excluding original issue discount) prior to the initial purchasers' discount to the offering price. We intend to use the proceeds from the offering of the 2026 Notes to (a) repurchase or redeem a portion of the outstanding Prime Notes and (b) repay $500.0 million of outstanding term loans under our First Lien Credit Agreement. See "Description of First-Priority Notes."

(5) Represents the $1,250 million face value of the Unsecured Notes (excluding original issue discount) prior to the initial purchasers' discount to the offering price. We intend to use the proceeds from the offering of the Unsecured Notes to repurchase or redeem a portion of the outstanding Prime Notes. See "Description of Unsecured Notes."

(6) As of December 31, 2018, $2,546 million aggregate principal amount of the Prime Notes were outstanding, $300 million of which were redeemed on February 1, 2019. Assumes that the Issuers (a) will purchase no Prime Notes in the Tender Offer and (b) will redeem the entire outstanding $2,246 million aggregate principal amount of the outstanding Prime Notes on April 17, 2019, and pay all accrued and unpaid interest and any applicable redemption premium on such Prime Notes to, but excluding, such date, in accordance with the indenture governing the Prime Notes, which we expect will amount to approximately $114.3 million. The Prime Notes have a maturity date of May 2, 2023 and bear interest at a 9.250%. As of the date hereof, accrued and unpaid interest on the Prime Notes was $71.0 million. Prior to May 15, 2019, the Issuers may redeem the Prime Notes at their option, in whole at any time or in part from time to time, at a redemption price equal to 100% of the principal amount of the Prime Notes redeemed, plus a make-whole premium and accrued and unpaid interest to, but excluding, the redemption date.

(7) Represents the prepayment of $500.0 million term loans outstanding under the First Lien Credit Agreement, which is a condition to the effectiveness of the Credit Agreement Amendment.

(8) Reflects the estimated fees and expenses associated with the Transactions, including entry into the Credit Agreement Amendment, the offering of the Unsecured Notes, the offering of the First-Priority Notes, the Tender Offer, the Redemption, placement and other financing fees, advisory fees and other transaction costs and professional fees, including any initial purchasers' commissions in connection with the offering of the Unsecured Notes. We intend to pay all fees and expenses associated with the Transactions with cash on hand and/or drawings under our Revolving Credit Facility.

The Offering

The summary below describes the principal terms of the Unsecured Notes offered hereby. Certain of the terms and conditions described below are subject to important limitations and exceptions. You should carefully review the "Description of Unsecured Notes" section of this offering memorandum, which contains a more detailed description of the terms and conditions of the Unsecured Notes.

Issuers	Prime Security Services Borrower, LLC and Prime Finance Inc.
Unsecured Notes Offered	$ aggregate principal amount of % Senior Unsecured Notes due 2027.
Unsecured Notes Maturity Date	, 2027.
Unsecured Notes Interest Rates and Payment Dates	The Unsecured Notes will bear interest at a rate of % per annum from , 2019. Interest on the Unsecured Notes will be payable semi-annually in arrears on and of each year, beginning on , 2019.
Denominations	Minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof.
Guarantees	The Unsecured Notes will be fully and unconditionally guaranteed on an unsecured basis, jointly and severally, by each of the Issuer's present and future direct or indirect wholly owned material domestic subsidiaries that guarantees the First Lien Credit Agreement. The guarantees will be automatically released upon release of the corresponding guarantees of the First Lien Credit Agreement (except a release by or as a result of payment under such guarantee following a default by the direct obligor of the First Lien Credit Agreement). However, any such released guarantees will be reinstated if the released guarantors are required to subsequently guarantee the First Lien Credit Agreement. Additionally, no such guarantee will be released if the related guarantor is guaranteeing or acting as a co-obligor of any other material indebtedness of the Issuer or its restricted subsidiaries.
Ranking	The Unsecured Notes and the related guarantees will be the Issuers' senior unsecured obligations and will: • rank equally in right of payment with all of the Issuers' existing and future senior obligations; • rank senior in right of payment to all of the Issuers' future debt and other obligations that are, by their terms, expressly subordinated in right of payment to the Unsecured Notes;

	• be pari passu with all of the Issuers' future unsecured indebtedness; • be effectively junior to all of the Issuers' existing and future indebtedness that is secured by the collateral, including indebtedness under the First Lien Credit Agreement, the ADT Notes and the First-Priority Notes, to the extent of the value of the collateral securing such indebtedness; and • be structurally subordinated to all obligations of each of the Issuers' subsidiaries that is not a guarantor of the Unsecured Notes. As of December 31, 2018, on a pro forma basis after giving effect to the Transactions (assuming the Full Redemption), the Unsecured Notes would have ranked effectively junior to $8,774 million face value of indebtedness drawn under the First Lien Credit Agreement, the Revolving Credit Facility, the ADT Notes and the First-Priority Notes (with a further $300 million available for borrowing under the Revolving Credit Facility, without giving effect to the letters of credit). As of December 31, 2018, on a pro forma basis after giving effect to the Transactions (assuming the Full Redemption), the Unsecured Notes would not be structurally subordinated to any indebtedness of our non-guarantor subsidiaries. See "Description of Unsecured Notes—Ranking." As of December 31, 2018, on a pro forma basis after giving effect to the Transactions (assuming the Full Redemption), non-guarantor subsidiaries held less than 5% of our consolidated assets and had no outstanding indebtedness, excluding intercompany obligations and capital leases. During the year ended December 31, 2018, on a pro forma basis after giving effect to the Transactions (assuming the Full Redemption), including this offering, non-guarantor subsidiaries generated approximately 5% of our total pro forma revenue and less than 5% of our Adjusted EBITDA.
Security	None.
Optional Redemption	The Unsecured Notes are redeemable, at our option, in part or in whole at any time on any date prior to the maturity date at a price equal to the greater of the principal amount of the Unsecured Notes or the principal amount of the Unsecured Notes plus a "make-whole" amount, plus in each case, accrued and unpaid interest to, but excluding, the redemption date. See "Description of Unsecured Notes—Optional Redemption."
Redemption of Unsecured Notes for Tax Reasons	We may redeem all, but not part, of the Unsecured Notes upon the occurrence of specified tax events described in the accompanying prospectus under "Description of

	Unsecured Notes—Redemption Upon Changes in Withholding Taxes."
Change of Control Offer to Repurchase	If a Change of Control as defined under "Description of Unsecured Notes—Change of Control" occurs, the Issuers must offer to repurchase the Unsecured Notes at a repurchase price equal to 101% of the principal amount, plus accrued and unpaid interest, if any, to, but excluding, the repurchase date. See "Description of Unsecured Notes—Change of Control."
Certain Covenants	The indenture will include requirements that will, among other things, restrict the ability of the Issuers and, as applicable, the Guarantors to: • incur or guarantee additional indebtedness; • pay dividends or distributions on, or redeem or repurchase, capital stock and make other restricted payments; • make investments; • consummate certain asset sales; • engage in certain transactions with affiliates; • agree to any restrictions on the ability of our restricted subsidiaries to make payments to us; • grant or assume liens on certain assets; and • consolidate, merge or transfer all or substantially all of our assets. These covenants are subject to important exceptions and qualifications as described under "Description of Unsecured Notes—Certain Covenants." In addition, certain of the covenants will be suspended if both Moody's Investors Service, Inc. and Standard & Poor's Ratings Services, a subsidiary of The McGraw-Hill Companies, Inc., assign the Unsecured Notes an investment grade rating in the future and certain other conditions are met. See "Description of Unsecured Notes—Certain Covenants." In the event that we and our restricted subsidiaries are not subject to such covenants for any period of time as a result of the preceding sentence and, on any subsequent date, one or both of such rating agencies withdraws or downgrades the ratings assigned to the Unsecured Notes or a default or event of default occurs and is continuing under the indenture relating to the Unsecured Notes, then we and our restricted subsidiaries will thereafter again be subject to such covenants.

Transfer Restrictions; No Registration Rights	The Unsecured Notes have not been and will not be registered under the Securities Act or any state securities laws. The Unsecured Notes are subject to certain restrictions on transfer and may not be offered or sold, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. See "Notice to Investors." Holders of the Unsecured Notes will not be entitled to any registration rights, and we will not be required to complete a registered exchange offer or file a shelf registration statement for resales of the Unsecured Notes. We do not intend to issue registered notes in exchange for the Unsecured Notes and the absence of registration rights may adversely impact the transferability of the Unsecured Notes. See "Risk Factors—Risks Related to Our Indebtedness and the Unsecured Notes—There are restrictions on your ability to transfer or resell the Unsecured Notes without registration or the filing of a prospectus under applicable securities laws, and the Unsecured Notes are not subject to any future registration rights or obligations."
Use of Proceeds	We will use the proceeds from the offering of the Unsecured Notes to repurchase or redeem $1,246 million aggregate principal amount of outstanding Prime Notes. We will use the proceeds from the offering of the First-Priority Notes to (a) repurchase or redeem $1,000 million aggregate principal amount of outstanding Prime Notes and (b) repay $500.0 million of outstanding term loans under our First Lien Credit Agreement. If the offerings of the Senior Unsecured Notes and the First-Priority Notes are both successfully consummated, we expect to repurchase or redeem all outstanding Prime Notes. We intend to pay all fees and expenses associated with the Transactions with cash on hand and/or drawings under our Revolving Credit Facility. See "—The Transactions" and "Use of Proceeds."
No Prior Market	The Unsecured Notes will be new securities for which there is currently no public trading market. Although certain of the initial purchasers have informed us that they intend to make a market in the Unsecured Notes, they are not obligated to do so and may discontinue market-making activities at any time without notice. Accordingly, we cannot assure you that a liquid market for the Unsecured Notes will develop or be maintained. We do not intend to list or apply to list the Unsecured Notes on any securities exchange or for quotation through any automated quotation system. See "Risk Factors—Risks Related to Our Indebtedness and the Unsecured Notes—Your ability to transfer the Unsecured Notes may be limited by the absence of an active trading market, and there is no assurance that any active trading market will develop, or if developed be maintained, for the Unsecured Notes."

Book-Entry Form	The Unsecured Notes will be issued in registered book-entry form represented by one or more global notes to be deposited with or on behalf of DTC or its nominee. Transfers of the Unsecured Notes will only be effected through facilities of DTC. Beneficial interests in the global notes may not be exchanged for certificated notes except in limited circumstances. See "Book-Entry; Delivery and Form."
Additional Unsecured Notes	From time to time, without notice to, or the consent of, the holders of the Unsecured Notes, the Issuers may issue other debt securities under the indenture in addition to the Unsecured Notes, increase the principal amount of the Unsecured Notes that may be issued under the indenture and issue additional Unsecured Notes in the future. Any additional Unsecured Notes will have the same terms as the Unsecured Notes being offered by this offering memorandum but may be offered at a different offering price or have a different issue date, interest accrual date or initial interest payment date than the Unsecured Notes being offered by this offering memorandum. If issued, these additional Unsecured Notes will become part of the same series as the Unsecured Notes being offered by this offering memorandum, including for purposes of voting, redemptions and offers to purchase. If any additional Unsecured Notes are issued at a price that causes such additional Unsecured Notes to have more than a de minimis amount of "original issue discount" within the meaning of Section 1273 of the United States Internal Revenue Code of 1986, as amended, and regulations of the United States Department of Treasury thereunder (the "Code"), such additional Unsecured Notes may not have the same CUSIP number as the Unsecured Notes offered by this offering memorandum.
Trustee	Wells Fargo Bank, National Association.
Governing Law	The governing law for the Unsecured Notes and the indenture is New York.
Risk Factors	You should carefully consider the information set forth herein under "Risk Factors" and in the section entitled "Risk Factors" in the 2018 Annual Report and the other information included or incorporated by reference in this offering memorandum in deciding whether to purchase the Unsecured Notes.

Summary Historical And Other Data

The following summary historical consolidated financial and other data of ADT Inc. should be read together with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical consolidated financial statements and related notes included in the 2018 Annual Report, each of which are incorporated by reference herein.

We derived the summary historical consolidated statements of operations data of ADT Inc. for the years ended December 31, 2018, 2017 and 2016 and the summary historical consolidated cash flow data as of December 31, 2018, 2017 and 2016 from ADT Inc.'s consolidated financial statements included in its 2018 Annual Report, which is incorporated by reference herein. The selected key performance indicators noted below have not been presented in the above mentioned historical consolidated financial statements.

	Years Ended December 31,		
(in thousands, except as otherwise indicated)	**2018**	**2017**	**2016**
Results of Operations:			
Monitoring and related services	$ 4,109,939	$ 4,029,279	$ 2,748,222
Installation and other	471,734	286,223	201,544
Total revenue	4,581,673	4,315,502	2,949,766
Cost of revenue (exclusive of depreciation and amortization shown separately below)	1,041,336	895,736	693,430
Selling, general and administrative expenses	1,246,950	1,209,200	858,896
Depreciation and intangible asset amortization	1,930,929	1,863,299	1,232,967
Merger, restructuring, integration, and other	(3,344)	64,828	393,788
Goodwill impairment	87,962	—	—
Operating income (loss)	277,840	282,439	(229,315)
Interest expense, net	(663,204)	(732,841)	(521,491)
Loss on extinguishment of debt	(274,836)	(4,331)	(28,293)
Other income (expense)	27,582	33,047	(23,639)
Loss before income taxes	(632,618)	(421,686)	(802,738)
Income tax benefit	23,463	764,313	266,151
Net (loss) income	$ (609,155)	$ 342,627	$ (536,587)
Summary Cash Flow Data:			
Net cash provided by operating activities	$ 1,787,607	$ 1,591,930	$ 617,523
Net cash used in investing activities	$(1,738,210)	$(1,413,310)	$(9,411,714)
Net cash provided by (used in) financing activities	$ 193,001	$ (143,069)	$ 8,828,775
Key Performance Indicators:[1]			
RMR[2]	$ 346,751	$ 334,810	$ 327,948
Gross customer revenue attrition (percentage)[3]	13.3%	13.7%	14.8%
Adjusted EBITDA[4]	$ 2,453,497	$ 2,352,803	$ 1,532,889
Free Cash Flow[5]	$ 390,993	$ 225,361	$ (336,672)

(1) In evaluating our results, we utilize key performance indicators which, among others, include non-GAAP measures as well as the operating metrics of gross revenue attrition and Recurring Monthly Revenue ("RMR"). Our computations of key performance indicators may not be comparable to other similarly titled measures reported by other companies. Additionally, our operating metric key performance indicators are approximated as there may be variations to reported results in each period due to certain adjustments we might

make in connection with the integration over several periods of acquired companies that calculated these metrics differently, or otherwise, including periodic reassessments and refinements in the ordinary course of business. These refinements, for example, may include changes due to systems conversion or historical methodology differences in legacy systems.

(2) RMR is generated by contractual monthly recurring fees for monitoring and other recurring services provided to our customers, including contracts monitored but not owned. We believe the presentation of RMR is useful because it measures the volume of revenue under contract at a given point in time.

(3) Gross customer revenue attrition is defined as the RMR lost as a result of customer attrition, net of dealer charge-backs and reinstated customers, excluding contracts monitored but not owned. Customer sites are considered canceled when all services are terminated. Dealer charge-backs represent customer cancellations charged back to the dealers because the customer canceled service during the charge-back period, generally twelve to fifteen months.

Gross customer revenue attrition is calculated on a trailing twelve-month basis, the numerator of which is the annualized RMR lost during the period due to attrition, net of dealer charge-backs and reinstated customers, excluding contracts monitored but not owned, and the denominator of which is total annualized RMR based on an average of RMR under contract at the beginning of each month during the period.

Gross customer revenue attrition for 2016 is presented on a pro forma basis for The ADT Corporation business.

(4) Adjusted EBITDA is a non-GAAP measure that we believe is useful to investors to measure the operational strength and performance of our business and to provide additional information to investors about certain non-cash items and about unusual items that we do not expect to continue at the same level in the future, as well as other items. Further, we believe Adjusted EBITDA provides a meaningful measure of operating profitability because we use it for evaluating our business performance, making budgeting decisions, and comparing our performance against that of other peer companies using similar measures.

We define Adjusted EBITDA as net income or loss adjusted for (i) interest, (ii) taxes, (iii) depreciation and amortization, including depreciation of subscriber system assets and other fixed assets and amortization of dealer and other intangible assets, (iv) amortization of deferred costs and deferred revenue associated with subscriber acquisitions, (v) share-based compensation expense, (vi) purchase accounting adjustments under GAAP, (vii) merger, restructuring, integration, and other, (viii) goodwill impairment losses, (ix) financing and consent fees, (x) foreign currency gains/losses, (xi) losses on extinguishment of debt, (xii) radio conversion costs, (xiii) management fees and other charges, and (xiv) other non-cash items.

There are material limitations to using Adjusted EBITDA. Adjusted EBITDA does not take into account certain significant items, including depreciation and amortization, interest, taxes, and other adjustments which directly affect our net income or loss. These limitations are best addressed by considering the economic effects of the excluded items independently and by considering Adjusted EBITDA in conjunction with net income as calculated in accordance with GAAP.

The table below reconciles Adjusted EBITDA to net (loss) income for the periods presented.

(in thousands)	Years Ended December 31, 2018	2017	2016
Net (loss) income	$ (609,155)	$ 342,627	$ (536,587)
Interest expense, net	663,204	732,841	521,491
Income tax benefit	(23,463)	(764,313)	(266,151)
Depreciation and intangible asset amortization	1,930,929	1,863,299	1,232,967
Merger, restructuring, integration and other	(3,344)	64,828	393,788
Goodwill impairment	87,962	—	—
Financing and consent fees[a]	8,857	63,593	5,302
Foreign currency losses / (gains)[b]	3,228	(23,804)	16,042
Loss on extinguishment of debt	274,836	4,331	28,293
Amortization of deferred revenue fair value adjustment[c]	166	—	62,845
Other non-cash items	1,650	12,899	16,276
Radio conversion costs[d]	5,099	12,244	34,405
Amortization of deferred subscriber acquisition costs	59,928	51,491	16,769
Amortization of deferred subscriber acquisition revenue	(79,136)	(46,454)	(10,717)
Share-based compensation expense	135,012	11,276	4,625
Management fees and other charges[e]	(2,276)	27,945	13,541
Adjusted EBITDA	$2,453,497	$2,352,803	$1,532,889

(a) In 2017, relates to fees incurred in connection with dividends of $750 million and amendments and restatements related to the First Lien Credit Agreement.

(b) Relates to the conversion of intercompany loans that are denominated in Canadian dollars to U.S. dollars.

(c) Represents adjustments related to the fair value of deferred revenue under GAAP, primarily related to the acquisition of The ADT Corporation in 2016 and the acquisition of Red Hawk Fire & Security in 2018.

(d) Represents costs associated with upgrading cellular technology used in many of our security systems.

(e) In 2018, primarily includes income of approximately $22 million of one-time licensing fees, as well as a gain of $7.5 million from the sale of equity in a third party that we received as part of a settlement during the second quarter of 2018 partially offset by $14 million in compensation arrangements related to acquisitions. In 2017 and 2016, primarily represents fees under a Management Consulting Agreement, which was terminated in connection with the consummation of the initial public offering.

(5) Free Cash Flow is a non-GAAP measure that our management employs to measure cash that is available to repay debt, make other investments, and pay dividends.

We define Free Cash Flow as cash flows from operating activities less cash outlays related to capital expenditures. We define capital expenditures to include purchases of property, plant, and equipment; subscriber system asset additions and deferred subscriber installation costs; and accounts purchased through our network of authorized dealers or third parties outside of our authorized dealer network. These items are subtracted from cash

flows from operating activities because they represent long-term investments that are required for normal business activities.

Free Cash Flow adjusts for cash items that are ultimately within management's discretion to direct, and therefore, may imply that there is less or more cash that is available than the most comparable GAAP measure. Free Cash Flow is not intended to represent residual cash flow for discretionary expenditures since debt repayment requirements and other non-discretionary expenditures are not deducted. These limitations are best addressed by using Free Cash Flow in combination with the cash flows as calculated in accordance with GAAP.

The table below reconciles Free Cash Flow to cash flows from operating activities for the periods presented.

	Years Ended December 31,		
(in thousands)	**2018**	**2017**	**2016**
Net cash provided by operating activities	$1,787,607	$1,591,930	$ 617,523
Dealer generated customer accounts and bulk account purchases	(693,525)	(653,222)	(407,102)
Subscriber system assets and deferred subscriber installation costs	(576,290)	(582,723)	(468,594)
Capital expenditures	(126,799)	(130,624)	(78,499)
Free Cash Flow	$ 390,993	$ 225,361	$(336,672)

RISK FACTORS

In addition to the other information included or incorporated by reference in this offering memorandum, including the matters addressed under "Cautionary Note Concerning Forward-Looking Statements," you should carefully consider the following risks before investing in the Unsecured Notes.

You should also read the risk factors and other cautionary statements, including those described under the sections entitled "Risk Factors" in the 2018 Annual Report filed by ADT Inc., which are incorporated by reference in this offering memorandum.

We are subject to certain risks and uncertainties due to the nature of the business activities we conduct. The risks discussed below, any of which could materially and adversely affect our business, financial condition, cash flows, and results of operations, are not the only risks we face. We may experience additional risks and uncertainties not currently known to us; or, as a result of developments occurring in the future, conditions that we currently deem to be immaterial may also materially and adversely affect our business, financial condition, cash flows, and results of operations.

Risks Related to Our Indebtedness and the Unsecured Notes

Our substantial indebtedness could materially adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry and prevent us from meeting our obligations under the Unsecured Notes.

We are a highly leveraged company. As of December 31, 2018, on a pro forma basis after giving effect to the Transactions (assuming the Full Redemption), we would have had $10,024 million face value of outstanding indebtedness (excluding capital leases). On a pro forma basis giving effect to the Transactions (assuming the Full Redemption), we will have total debt service payments of $ million (including approximately $ million of debt service relating to fixed rate obligations) for the first year following the consummation of the Transactions.

Our substantial indebtedness could have important consequences for you as a holder of the Unsecured Notes. For example, it could:

- limit our ability to borrow money for our working capital, capital expenditures, debt service requirements, strategic initiatives or other purposes;
- make it more difficult for us to satisfy our obligations with respect to our indebtedness, including the Unsecured Notes, and any failure to comply with the obligations of any of our debt instruments, including restrictive covenants and borrowing conditions, could result in an event of default under the indenture governing the Unsecured Notes and the agreements governing other indebtedness;
- require us to dedicate a substantial portion of our cash flow from operations to the repayment of our indebtedness, thereby reducing funds available to us for other purposes;
- limit our flexibility in planning for, or reacting to, changes in our operations or business;
- make us more highly leveraged than some of our competitors, which may place us at a competitive disadvantage;
- make us more vulnerable to downturns in our business or the economy;

- restrict us from making strategic acquisitions, engaging in development activities, introducing new technologies or exploiting business opportunities;
- cause us to make non-strategic divestitures;
- limit, along with the financial and other restrictive covenants in our indebtedness, among other things, our ability to borrow additional funds or dispose of assets;
- prevent us from raising the funds necessary to repurchase all Unsecured Notes tendered to us upon the occurrence of certain changes of control, which failure to repurchase would constitute a default under the indenture governing the Unsecured Notes; or
- expose us to the risk of increased interest rates, as certain of our borrowings, including borrowings under the First Lien Credit Agreement, are at variable rates of interest.

In addition, the First Lien Credit Agreement and the indentures governing the ADT Notes, the Unsecured Notes, the Prime Notes (if any) and the First-Priority Notes contain, or will contain, restrictive covenants that will limit our ability to engage in activities that may be in our long-term best interest. Our failure to comply with those covenants could result in an event of default which, if not cured or waived, could result in the acceleration of substantially all of our indebtedness.

If we default on our obligations to pay our other indebtedness, we may not be able to make payments on the Unsecured Notes.

Any default under the agreements governing our indebtedness that are not waived by the required holders and the remedies sought by the holders of such indebtedness could leave us unable to pay principal, premium, if any, or interest on the Unsecured Notes and could substantially decrease the market value of the Unsecured Notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, or interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants, in the instruments governing our indebtedness (including the First Lien Credit Agreement, the ADT Notes, the Prime Notes (if any) and the First-Priority Notes), we could be in default under the terms of the agreements governing such indebtedness. In the event of such default, the holders of such indebtedness could elect to (i) declare all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest, (ii) terminate their commitments and cease making further loans and (iii) institute foreclosure proceedings against our assets, and we could be forced into bankruptcy or liquidation.

If our operating performance declines, we may in the future need to seek waivers from the required lenders under the First Lien Credit Agreement and the holders of the ADT Notes, the Prime Notes (if any) and the First-Priority Notes to avoid being in default. If we breach our covenants under the documents governing our indebtedness and seek a waiver, we may not be able to obtain a waiver from the required lenders or holders, as applicable. If this occurs, we would be in default under the documents governing our indebtedness, the lenders or holders, as applicable, could exercise their rights as described above, and we could be forced into bankruptcy or liquidation. See "Description of Other Indebtedness," "Description of Unsecured Notes" and "Description of First-Priority Notes."

Upon any such bankruptcy filing, under Title 11 of the United States Code, as amended (the "Bankruptcy Code"), we would be stayed from making any ongoing payments on the Unsecured Notes, and the holders of the Unsecured Notes would not be entitled to receive post-petition interest or applicable fees, costs or charges to the extent the amount of the obligations

due under the Unsecured Notes exceeded the value of the collateral (after taking into account all other senior debt that was also secured by the collateral), or any "adequate protection" on account of any undersecured portion of the Unsecured Notes.

Despite our substantial indebtedness, we may still be able to incur significantly more debt, which could intensify the risks associated with our substantial indebtedness.

We and our subsidiaries may be able to incur substantial indebtedness in the future. Although the terms of the indenture governing the Unsecured Notes and agreements governing our other indebtedness contain restrictions on our and our subsidiaries' ability to incur additional indebtedness, including secured indebtedness, these restrictions are subject to a number of important qualifications and exceptions, and the indebtedness incurred in compliance with these restrictions could be substantial. These restrictions also will not prevent us from incurring obligations that do not constitute indebtedness. As of December 31, 2018, on a pro forma basis after giving effect to the Transactions (assuming the Full Redemption), we would have had approximately $300 million available for additional borrowing under the Revolving Credit Facility (without giving effect to letters of credit), all of which would be secured on a first-priority basis. In addition to the Unsecured Notes and our indebtedness under the First Lien Credit Agreement, the ADT Notes, the Prime Notes (if any) and the First-Priority Notes, the covenants under any other existing or future debt instruments could allow us to incur a significant amount of additional indebtedness. The more leveraged we become, the more we, and in turn our security holders, will be exposed to certain risks described above under "—Our substantial indebtedness could materially and adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry and prevent us from making debt service payments on the Unsecured Notes."

We may not be able to generate sufficient cash to service all of our indebtedness, including the Unsecured Notes, and to fund our working capital and capital expenditures, and may be forced to take other actions to satisfy our obligations under our indebtedness that may not be successful.

Our ability to pay principal and interest on the Unsecured Notes and to satisfy our other debt obligations will depend upon, among other things:

- our future financial and operating performance (including the realization of any cost savings described herein), which will be affected by prevailing economic, industry and competitive conditions and financial, business, legislative, regulatory and other factors, many of which are beyond our control;
- our future ability to refinance or restructure our existing debt obligations, which depends on, among other things, the condition of the capital markets, our financial condition, and the terms of existing or future debt agreements; and
- our future ability to borrow under the Revolving Credit Facility, the availability of which depends on, among other things, our complying with the covenants in the credit agreement governing such facilities.

We can provide no assurance that our business will generate cash flow from operations, or that we will be able to draw under the Revolving Credit Facility or otherwise, in an amount sufficient to fund our liquidity needs, including the payment of principal and interest on the Unsecured Notes.

If our cash flows and capital resources are insufficient to service our indebtedness, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital or

restructure or refinance our indebtedness, including the Unsecured Notes. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. In addition, the terms of existing or future debt agreements, including the instruments governing the First Lien Credit Agreement, the ADT Notes, the Prime Notes (if any) and the First-Priority Notes, may restrict us from adopting some of these alternatives. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. We may not be able to consummate those dispositions for fair market value or at all. Furthermore, any proceeds that we could realize from any such dispositions may not be adequate to meet our debt service obligations then due. Investment funds directly or indirectly managed by Apollo Global Management, LLC, its subsidiaries, and its affiliates, who collectively are our controlling shareholder, have no continuing obligation to provide us with debt or equity financing. Our inability to generate sufficient cash flow to satisfy our debt obligations, or to refinance our indebtedness on commercially reasonable terms or at all, could result in a material adverse effect on our business, financial condition and results of operations and could negatively impact our ability to satisfy our obligations under the Unsecured Notes.

If we cannot make scheduled payments on our indebtedness, we will be in default and holders of the Unsecured Notes, the ADT Notes, the Prime Notes (if any) and the First-Priority Notes and lenders under the First Lien Credit Agreement could declare all outstanding principal and interest to be due and payable, the lenders under the Revolving Credit Facility could terminate their commitments to loan money, our secured lenders (including the lenders under our First Lien Credit Agreement and the holders of the Unsecured Notes, the ADT Notes, the Prime Notes (if any) and the First-Priority Notes) could foreclose against the assets securing the indebtedness owing to them, and we could be forced into bankruptcy or liquidation. All of these events could cause you to lose all or part of your investment in the Unsecured Notes.

If our indebtedness is accelerated, we may need to repay or refinance all or a portion of our indebtedness, including the Unsecured Notes, before maturity. There can be no assurance that we will be able to obtain sufficient funds to enable us to repay or refinance our debt obligations on commercially reasonable terms, or at all.

Changes in our credit rating could negatively impact the market price or liquidity of the Unsecured Notes.

Credit rating agencies continually revise their ratings for the companies that they follow, including us. Credit rating agencies also evaluate our industry as a whole and may change their credit ratings for us based on their overall view of our industry. Additionally, we cannot be sure that credit rating agencies will maintain their ratings on the Unsecured Notes. A negative change in our ratings could have a negative impact on the future trading prices of the Unsecured Notes and on our ability to secure future debt financing on commercially reasonable terms or at all.

Repayment of our debt, including the Unsecured Notes, is dependent on cash flow generated by our subsidiaries.

The Issuers are holding companies and have no direct operations other than holding the equity interests in our subsidiaries and activities directly related thereto. Accordingly,

repayment of our indebtedness, including the Unsecured Notes, is dependent on the generation of cash flow by our subsidiaries and, if they are not guarantors of the Unsecured Notes, their ability to make such cash available to us, by dividend, debt repayment or otherwise. Unless they are guarantors of the Unsecured Notes, our subsidiaries do not have any obligation to pay amounts due on the Unsecured Notes or to make funds available for that purpose. Our subsidiaries may not be able to, or may not be permitted to, make distributions to enable us to make payments in respect of our indebtedness, including the Unsecured Notes. Each of our subsidiaries is a distinct legal entity, and under certain circumstances legal and contractual restrictions may limit our ability to obtain cash from them and we may be limited in our ability to cause any future joint ventures to distribute their earnings to us. While the First Lien Credit Agreement limits, and the indentures governing the ADT Notes, the Prime Notes (if any) and the First-Priority Notes limit, the ability of our subsidiaries to incur consensual restrictions on their ability to pay dividends or make other intercompany payments to us, these limitations are subject to certain qualifications and exceptions. In the event that we do not receive distributions from our non-guarantor subsidiaries, we may be unable to make required principal and interest payments on our indebtedness, including the Unsecured Notes.

The Unsecured Notes will be structurally subordinated to all liabilities of our current and future non-guarantor subsidiaries.

The Unsecured Notes will be structurally subordinated to indebtedness and other liabilities of our current and future subsidiaries that are not or will not be guaranteeing the Unsecured Notes, and the claims of creditors of these subsidiaries, including trade creditors, will have priority as to the assets of these subsidiaries. In the event of a bankruptcy, liquidation or reorganization of any of our non-guarantor subsidiaries, these non-guarantor subsidiaries will pay the holders of their debts, holders of preferred equity interests and their trade creditors before they will be able to distribute any of their assets to us. During the year ended December 31, 2018, on a pro forma basis after giving effect to the Transactions (assuming the Full Redemption), non-guarantor subsidiaries generated approximately 5% of our total revenue and less than 5% of our Adjusted EBITDA. As of December 31, 2018, on a pro forma basis after giving effect to the Transactions (assuming the Full Redemption), non-guarantor subsidiaries held less than 5% of our consolidated assets and had no outstanding indebtedness, excluding intercompany obligations and capital leases.

In addition, the indenture governing the Unsecured Notes will permit non-guarantor subsidiaries to incur additional indebtedness and will not contain any limitation on the amount of other liabilities, such as trade payables, that may be incurred by these subsidiaries.

The Unsecured Notes will not be guaranteed by any of our non-U.S. subsidiaries or any subsidiaries that are not material or wholly owned. These non-guarantor subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due pursuant to the Unsecured Notes, or to make any funds available therefore, whether by dividends, loans, distributions or other payments. Any right that we or the subsidiary guarantors have to receive any assets of any of the non-guarantor subsidiaries upon the liquidation or reorganization of those subsidiaries, and the consequent rights of holders of Unsecured Notes to realize proceeds from the sale of any of those subsidiaries' assets, will be effectively subordinated to the claims of those subsidiaries' creditors, including trade creditors and holders of preferred equity interests of those subsidiaries.

The lenders under the First Lien Credit Agreement will have the discretion to release any guarantors under the First Lien Credit Agreement in a variety of circumstances, which will cause those guarantors to be released from their guarantees of the Unsecured Notes.

While any obligations under the First Lien Credit Agreement remain outstanding, any guarantee of the Unsecured Notes may be released without action by, or consent of, any holder of the Unsecured Notes or the trustee under the indentures that will govern the Unsecured Notes, if the related guarantor is no longer a guarantor of obligations under the First Lien Credit Agreement or any other indebtedness. See "Description of Unsecured Notes—Subsidiary Guarantees" and "Description of First-Priority Notes—Subsidiary Guarantees." The lenders under the First Lien Credit Agreement will have the discretion to release the guarantees under the First Lien Credit Agreement in a variety of circumstances. You will not have a claim as a creditor against any entity that is no longer a guarantor of the Unsecured Notes, and the indebtedness and other liabilities, including trade payables, whether secured or unsecured, of those subsidiaries will effectively be senior to claims of noteholders.

Our debt agreements contain restrictions that limit our flexibility in operating our business.

The First Lien Credit Agreement and the indentures governing the Prime Notes (if any) and the Unsecured Notes contain, and any other existing or future indebtedness of ours would likely contain, a number of covenants that impose significant operating and financial restrictions on us, including restrictions on our and our subsidiaries' ability to, among other things:

- incur additional debt, guarantee indebtedness, or issue certain preferred equity interests;
- pay dividends on or make distributions in respect of, or repurchase or redeem, our capital stock or make other restricted payments;
- prepay, redeem or repurchase certain debt;
- make loans or certain investments;
- sell certain assets;
- create liens on certain assets;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets;
- enter into certain transactions with our affiliates;
- alter the businesses we conduct;
- enter into agreements restricting our subsidiaries' ability to pay dividends; and
- designate our subsidiaries as unrestricted subsidiaries.

In addition, the Revolving Credit Facility requires us to comply with certain financial covenants. See "Description of Other Indebtedness—First Lien Credit Agreement–Revolving Credit Facility."

As a result of these covenants, we will continue to be limited in the manner in which we conduct our business, and we may be unable to engage in favorable business activities or finance future operations or capital needs.

A failure to comply with the covenants under the agreements governing our indebtedness or any of our other future indebtedness could result in an event of default, which, if not cured or

waived, could have a material adverse effect on our business, financial condition and results of operations. In the event of any such default, the lenders thereunder:

- will not be required to lend any additional amounts to us;
- could elect to declare all borrowings outstanding, together with accrued and unpaid interest and fees, to be immediately due and payable;
- could require us to apply all of our available cash to repay these borrowings; or
- could effectively prevent us from making debt service payments on the Unsecured Notes;

any of which could result in an event of default under the Unsecured Notes.

Such actions by the lenders could cause cross defaults under our other indebtedness. If we were unable to repay those amounts, the lenders under the First Lien Credit Agreement could proceed against the collateral granted to them to secure that indebtedness. We have pledged a significant portion of our assets as collateral under the First Lien Credit Agreement.

If any of our outstanding indebtedness under the First Lien Credit Agreement or our other indebtedness, including the Unsecured Notes, were to be accelerated, there can be no assurance that our assets would be sufficient to repay such indebtedness in full. See "Description of Other Indebtedness" and "Description of Unsecured Notes."

Because each subsidiary guarantor's liability under its guarantee may be reduced to zero, avoided or released under certain circumstances, you may not receive any payments from some or all of the subsidiary guarantors.

The guarantees by the subsidiary guarantors are limited to the maximum amount that such guarantors are permitted to guarantee under applicable law. As a result, any such guarantor's liability under its guarantee could be reduced to zero, depending on the amount of other obligations of such guarantor. Further, under the circumstances discussed more fully below, a court under federal or state fraudulent conveyance and transfer statutes could avoid the obligations under a guarantee or further subordinate it to all other obligations of the guarantor. See "—Federal and state statutes allow courts, under specific circumstances, to avoid the Unsecured Notes and guarantees, and require holders of Unsecured Notes to return payments received."

In addition, the subsidiary guarantors will be automatically released from their guarantees upon the occurrence of certain events, including the following:

- the designation of a subsidiary guarantor as an unrestricted subsidiary;
- the release or discharge of any guarantee or indebtedness that resulted in the creation of the guarantee of the Unsecured Notes by a subsidiary guarantor; or
- the sale or other disposition, including the sale of substantially all the assets, of a subsidiary guarantor.

If the guarantee of any subsidiary guarantor is released, no holder of the Unsecured Notes will have a claim as a creditor against that subsidiary, and the indebtedness and other liabilities, including trade payables and preferred equity interests, if any, whether secured or unsecured, of that subsidiary will be structurally senior to the claim of any holders of the Unsecured Notes. See "Description of Unsecured Notes—Subsidiary Guarantees."

There are limited covenants and protections in the indenture.

While the indenture and the Unsecured Notes contain terms intended to provide protection to holders upon the occurrence of certain events involving significant corporate transactions and our creditworthiness, these terms are limited and may not be sufficient to protect your investment in the Unsecured Notes. For example, there are no financial covenants in the indenture. In addition, as described under "Description of Unsecured Notes—Change of Control," upon the occurrence of a change of control, the Issuers are required to offer to all holders the right to redeem their Unsecured Notes at 101% of their principal amount. However, the definition of the term "Change of Control" is limited and does not cover a variety of transactions (such as acquisitions by us, recapitalizations, reorganizations, ventures, mergers, "going private" or similar transactions by us or our affiliates) that could negatively affect the value of your Unsecured Notes. A change of control transaction under the indenture may only occur if there is either (i) a sale of all or substantially all of our assets or (ii) a change in the majority of the voting interest in our business coupled with the acquisition by a third-party of an entitlement to receive more than 50% of our equity distributions or partner allocations. If we were to enter into a significant corporate transaction that negatively affects the value of the Unsecured Notes, but would not constitute a change of control, you would not have any rights to require the Issuers to repurchase the Unsecured Notes prior to their maturity, which also would adversely affect your investment.

We may not be able to repurchase the Unsecured Notes upon a change of control.

Upon the occurrence of certain specific kinds of change of control events, we will be required to offer to repurchase all of the outstanding Unsecured Notes at 101% of the principal amount thereof plus, without duplication, accrued and unpaid interest to the date of repurchase. Additionally, under the First Lien Credit Agreement, a change of control constitutes an event of default that permits the lenders to accelerate the maturity of borrowings and terminate their commitments to lend under the Revolving Credit Facility. The source of funds for any repurchase of the Unsecured Notes, the ADT Notes, the Prime Notes (if any) and the First-Priority Notes and repayment of borrowings under the First Lien Credit Agreement would be our available cash or cash generated from our subsidiaries' operations or other sources, including borrowings, sales of assets or sales of equity. It is possible that we will not have sufficient funds at the time of a change of control to make the required repurchase of Unsecured Notes or that restrictions in our other debt documents will not allow such repurchases. We may require additional financing from third parties to fund any such repurchases, and we may be unable to obtain financing on satisfactory terms or at all. Further, our ability to repurchase the Unsecured Notes may be limited by law. In addition, certain important corporate events, such as leveraged recapitalizations that would increase the level of our indebtedness, would not constitute a change of control under the indenture governing the Unsecured Notes. See "Description of Unsecured Notes—Change of Control."

Courts interpreting change of control provisions under New York law (which will be the governing law of the indenture governing the Unsecured Notes) have not provided clear and consistent meanings of such change of control provisions, which leads to subjective judicial interpretation. In addition, a court case in Delaware has questioned whether a change of control provision contained in an indenture could be unenforceable on public policy grounds.

We may enter into transactions that would not constitute a change of control that could affect our ability to satisfy our obligations under the Unsecured Notes.

Legal uncertainty regarding what constitutes a change of control and the provisions of the indenture governing the Unsecured Notes may allow us to enter into transactions, such as acquisitions, refinancing or recapitalizations, that would not constitute a change of control but may increase our outstanding indebtedness or otherwise affect our ability to satisfy our obligations under the Unsecured Notes. The definition of change of control for purposes of the Unsecured Notes includes a phrase relating to the transfer of "all or substantially all" of our assets taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, your ability to require us to repurchase Unsecured Notes as a result of a transfer of less than all of our assets to another person may be uncertain.

Federal and state statutes allow courts, under specific circumstances, to avoid the Unsecured Notes and guarantees, and require holders of Unsecured Notes to return payments received.

If we or any guarantor becomes a debtor in a case under the Bankruptcy Code or encounters other financial difficulty, under federal or state fraudulent conveyance and transfer law a court may avoid or otherwise decline to enforce the Unsecured Notes or the guarantees. A court might do so if it found that when we issued the Unsecured Notes or the subsidiary guarantor entered into its guarantee, or in some states when payments became due under the Unsecured Notes or the guarantees, we or the subsidiary guarantor received less than reasonably equivalent value or fair consideration and:

- was insolvent or rendered insolvent by reason of such incurrence;
- was left with inadequate capital to conduct its business;
- believed or reasonably should have believed that it would incur debts beyond its ability to pay; or
- was a defendant in an action for money damages or had a judgment for money damages docketed against us or the subsidiary guarantor if, in either case, the judgment is unsatisfied after final judgment.

The court might also avoid an issuance of Unsecured Notes or a guarantee, without regard to the above factors, if the court found that we issued the Unsecured Notes or the applicable guarantor entered into its guarantee with the actual intent to hinder, delay or defraud its creditors.

A court would likely find that we or a guarantor did not receive reasonably equivalent value or fair consideration for the Unsecured Notes or its guarantee if we or a guarantor did not substantially benefit directly or indirectly from the issuance of the Unsecured Notes. Thus, if the guarantees were legally challenged, any guarantee could be subject to the claim that, since the guarantee was incurred for our benefit, and only indirectly for the benefit of the guarantor, the obligations of the applicable guarantor were incurred for less than reasonably equivalent value or fair consideration. If a court were to avoid the issuance of the Unsecured Notes or any guarantee, you would no longer have any claim against the Issuers or the applicable guarantor. Sufficient funds to repay the Unsecured Notes may not be available from other sources, including the remaining obligors, if any. In addition, the court might direct you to repay any amounts that you already received from us or a guarantor. In the event of a finding that a

fraudulent conveyance or transfer occurred, you may not receive any repayment on the Unsecured Notes. Further, the avoidance of the Unsecured Notes could result in an event of default with respect to our and our subsidiaries' other debt, which could result in acceleration of that debt.

The measures of insolvency for purposes of these fraudulent conveyance and transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent conveyance or transfer has occurred. Generally, however, a guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the fair value of all of its assets;
- if the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

We cannot assure you as to what standard a court would apply in determining whether we or the guarantors were solvent at the relevant time or that a court would agree with our conclusions in this regard, or, regardless of the standard that a court uses, that it would not determine that we or a guarantor were indeed insolvent on that date; that any payments to the holders of the Unsecured Notes (including under the guarantees) did not constitute preferences, fraudulent conveyances or transfers on other grounds; or that the issuance of the Unsecured Notes and the guarantees would not be subordinated to our or any guarantor's other debt.

Although each guarantee entered into by a guarantor will contain a provision intended to limit that guarantor's liability to the maximum amount that it could incur without causing the incurrence of obligations under its guarantee to be a fraudulent conveyance or transfer, this provision may not be effective as a legal matter to protect those guarantees from being avoided under fraudulent conveyance or transfer law, or may reduce that guarantor's obligation to an amount that effectively makes its guarantee worthless.

In addition, any payment by us pursuant to the Unsecured Notes or by a guarantor under a guarantee made at a time we or such guarantor were found to be insolvent could be avoided and required to be returned to us or such guarantor or to a fund for the benefit of our or such guarantor's creditors if such payment is made to an "insider" within a one-year period prior to a bankruptcy filing or within 90 days for any other party, and such payment would give the recipient more than it would have received in a distribution under the Bankruptcy Code in a hypothetical Chapter 7 case.

Finally, as a court of equity, a bankruptcy court may subordinate the claims in respect of the Unsecured Notes or guarantees to other claims against us or the guarantors, respectively, under the principle of "equitable subordination" if the court determines that (a) the holder of Unsecured Notes engaged in some type of inequitable conduct, (b) the inequitable conduct resulted in injury to our other creditors or conferred an unfair advantage upon the holders of Unsecured Notes and (c) equitable subordination is not inconsistent with the provisions of the Bankruptcy Code.

Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly.

Borrowings under the First Lien Credit Agreement are at variable rates of interest and expose us to interest rate risk. If interest rates increase, our debt service obligations on certain

of our variable rate indebtedness will increase even though the amount borrowed remains the same, and our net income and cash flows, including cash available for servicing our indebtedness, will correspondingly decrease. In addition, in July 2017, the U.K. Financial Conduct Authority announced that it intends to stop collecting LIBOR rates from banks after 2021. The announcement indicates that LIBOR will not continue to exist on the current basis. We are unable to predict the effect of any changes to LIBOR, the establishment and success of any alternative reference rates, or any other reforms to LIBOR or any replacement of LIBOR that may be enacted in the United Kingdom or elsewhere. Such changes, reforms or replacements relating to LIBOR could have an adverse impact on the market for or value of any LIBOR-linked securities, loans, derivatives or other financial instruments or extensions of credit held by us. As such, LIBOR-related changes could affect our overall results of operations and financial condition.

We have entered into, and in the future we continue to enter into, interest rate swaps that involve the exchange of floating for fixed-rate interest payments to reduce interest rate volatility. However, we may not maintain interest rate swaps with respect to all of our variable rate indebtedness, and any such swaps may not fully mitigate our interest rate risk, may prove disadvantageous, or may create additional risks. As of December 31, 2018, assuming our Revolving Credit Facility is fully drawn, each 0.125% change in interest rates would result in a $2 million change in annual interest expense, including the impact of our interest rate swaps, on indebtedness under our First Lien Credit Agreement.

There are restrictions on your ability to transfer or resell the Unsecured Notes without registration or the filing of a prospectus under applicable securities laws, and the Unsecured Notes are not subject to any future registration rights or obligations.

The Unsecured Notes are being issued pursuant to exemptions from registration under the Securities Act and applicable state and securities laws. Therefore, you may transfer or resell the Unsecured Notes in the United States only in a transaction registered under or exempt from the registration requirements of the Securities Act and applicable state securities laws, and you may be required to bear the risk of your investment for an indefinite period of time. We will not be obligated to offer to exchange the Unsecured Notes for notes registered under the Securities Act or to register the reoffer and resale of Unsecured Notes under applicable securities laws. As a result, the transferability of the Unsecured Notes may be negatively affected. By receiving the Unsecured Notes, you will be deemed to have made certain acknowledgments, representations and agreements as set forth under "Notice to Investors." In addition, the indenture governing the Unsecured Notes will not be qualified under the TIA and the Issuers will not be required to comply with the provisions of the TIA. Therefore, holders of the Unsecured Notes will not be entitled to the benefit of the provisions and protection of the TIA or similar provisions in the indenture governing the Unsecured Notes.

Your ability to transfer the Unsecured Notes may be limited by the absence of an active trading market, and there is no assurance that any active trading market will develop, or if developed be maintained, for the Unsecured Notes.

The Unsecured Notes are each a new issue of securities for which there is no established public trading market. We do not intend to have the Unsecured Notes listed on a national securities exchange or included in any automated quotation system. Affiliates of the initial purchasers have advised us that they intend to make a market in the Unsecured Notes, if issued, as permitted by applicable laws and regulations, but they are not obligated to make a market in any of the Unsecured Notes, and they may discontinue their market making activities at any

time without notice. Therefore, an active market for any of the Unsecured Notes may not develop or, if developed, it may not continue. The liquidity of any market for the Unsecured Notes will depend upon the number of holders of the Unsecured Notes, our performance, the market for similar securities, the interest of securities dealers in making a market in the Unsecured Notes and other factors. A liquid trading market may not develop for the Unsecured Notes. If an active market does not develop or is not maintained, the price and liquidity of the Unsecured Notes may be materially and adversely affected. The market, if any, for any of the Unsecured Notes may not be free from disruptions that may cause substantial volatility in the price of the Unsecured Notes, and any such disruptions may materially and adversely affect the prices at which you may sell your Unsecured Notes. In addition, the Unsecured Notes may trade at a discount from their value on the date you acquired the Unsecured Notes, depending upon prevailing interest rates, the market for similar notes, our performance and other factors.

We may be unable to repay or repurchase the Unsecured Notes at maturity.

At maturity, the entire outstanding principal amount of the Unsecured Notes, together with accrued and unpaid interest, if any, will become due and payable. We may not have the funds to fulfill these obligations or the ability to renegotiate these obligations. If, upon the maturity date, other arrangements prohibit us from repaying the Unsecured Notes, we could try to obtain waivers of such prohibitions from the lenders and holders under those arrangements, or we could attempt to refinance the borrowings that contain the restrictions. In these circumstances, if we were not able to obtain such waivers or refinance these borrowings, we would be unable to repay the Unsecured Notes.

The market price for the Unsecured Notes may be volatile and may require you to hold the Unsecured Notes for an indefinite period of time.

The market for investment grade debt, such as the Unsecured Notes, may become subject to disruptions that may cause substantial volatility in the prices of securities similar to the Unsecured Notes. Any market that may develop for the Unsecured Notes may be subject to similar disruptions. Any such disruptions may negatively impact the value of your Unsecured Notes. In addition, subsequent to their initial issuance, the Unsecured Notes may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar notes, our performance and other factors.

The Unsecured Notes will initially be held in book-entry form, and therefore holders must rely on the procedures of the relevant clearing systems to exercise their rights and remedies.

Unless and until certificated notes are issued in exchange for book-entry interests in the Unsecured Notes, owners of the book-entry interests will not be considered owners or holders of Unsecured Notes. Instead, DTC, or its nominee, will be the sole holder of the Unsecured Notes. Payments of principal, interest and other amounts owing on or in respect of the Unsecured Notes in global form will be made to the paying agent, which will make payments to DTC. Thereafter, such payments will be credited to DTC participants' accounts that hold book-entry interests in the Unsecured Notes in global form and credited by such participants to indirect participants. Unlike holders of the Unsecured Notes themselves, owners of book-entry interests will not have the direct right to act upon our solicitations for consents or requests for waivers or other actions from holders of the Unsecured Notes. Instead, if a holder owns a book-entry interest, such holder will be permitted to act only to the extent such holder has received appropriate proxies to do so from DTC or, if applicable, a participant. We cannot assure holders that the procedures implemented for the granting of such proxies will be sufficient to enable holders to vote on any requested actions on a timely basis.

The Unsecured Notes may be issued with original issue discount for U.S. federal income tax purposes.

If the Unsecured Notes' stated redemption price at maturity exceeds their "issue price," as determined under U.S. Treasury regulations, by more than a statutory de minimis amount, the Unsecured Notes will be treated as issued with original issue discount ("OID") for U.S. federal income tax purposes. If the Unsecured Notes are issued with OID, in addition to including stated interest as ordinary interest income in accordance with a U.S. Holder's regular method of tax accounting, each U.S. Holder must include OID in gross income as ordinary income regardless of such U.S. Holder's accounting method. A U.S. Holder must include OID in income as it accrues calculated on a constant yield to maturity method before the receipt of cash attributable to the income, and will generally have to include in income increasingly greater amounts of OID over the life of the Unsecured Notes. The rules governing instruments with OID are complex. Prospective investors should see "Certain U.S. Federal Income Tax Consequences" for additional information and are urged to consult with their own tax advisors regarding the application of such rules to the Unsecured Notes.

If the Unsecured Notes are issued with OID, and a bankruptcy petition were filed by or against us, the allowed claim for the Unsecured Notes may be less than the principal amount of the Unsecured Notes stated in the indenture governing the Unsecured Notes.

If a bankruptcy petition were filed by or against us under the Bankruptcy Code after the issuance of the Unsecured Notes, the claim by any holder of the Unsecured Notes for the principal amount thereof may be allowed in an amount equal to the sum of:

- the original issue price of the Unsecured Notes; and
- that portion of the stated principal amount of the Unsecured Notes that exceeds the issue price thereof, if any, that does not constitute "unmatured interest" for the purposes of the Bankruptcy Code.

Any such discount that was not amortized as of the date of the bankruptcy filing would constitute unmatured interest, which is not allowable as part of a bankruptcy claim under the Bankruptcy Code. Accordingly, holders of the Unsecured Notes under these circumstances may receive an amount that is less than the principal amount thereof stated in the indenture governing the Unsecured Notes.

Delivery of any guarantees after the issue date increases the risk that such guarantees could be avoidable in bankruptcy.

Certain guarantees will be granted after the issue date of the Unsecured Notes. If such guarantor were to become subject to a bankruptcy case after the issue date of the Unsecured Notes, any guarantees delivered after the issue date of the Unsecured Notes would face a greater risk than guarantees in place on the issue date of being avoided by the guarantor (as debtor in possession) or by its trustee in bankruptcy or potentially by other creditors as a preference under bankruptcy law if certain events or circumstances exist or occur.

Specifically, guarantees issued after the issue date of the Unsecured Notes may be treated under bankruptcy law as if they were delivered to guarantee previously existing indebtedness. Any future issuance of a guarantee in favor of the holders of the Unsecured Notes, including pursuant to guarantees delivered in connection therewith after the date the Unsecured Notes are issued, may be avoidable as a preference if, among other circumstances, (i) the guarantor is insolvent at the time of the issuance of the guarantee, (ii) the issuance of the guarantee permits

the holders of the Unsecured Notes to receive a greater recovery in a hypothetical Chapter 7 case than if the guarantee had not been given, and (iii) a bankruptcy case in respect of the guarantor is commenced within 90 days following the issuance of the guarantee, or, in certain circumstances, a longer period. Accordingly, if we or any guarantor were to file for bankruptcy protection after the issue date of the Unsecured Notes and any guarantees not issued on the issue date of the Unsecured Notes (as applicable) had been issued, less than 90 days before commencement of such bankruptcy case, such guarantees are more likely to be avoided as a preference by the bankruptcy court than if delivered and promptly recorded on the issue date of the Unsecured Notes (even if the other guarantees issued on the issue date of the Unsecured Notes would no longer be subject to such risk). To the extent that the grant of any such guarantee is avoided as a preference or otherwise, you would lose the benefit of the guarantee.

The Unsecured Notes will be unsecured and effectively subordinated to our existing and future secured indebtedness.

The Unsecured Notes will be unsecured and effectively subordinated to our existing and future secured debt (including the Unsecured Notes, the ADT Notes, the Prime Notes (if any) and the First-Priority Notes and the obligations under the First Lien Credit Agreement), to the extent of the value of the collateral securing such debt. On a pro forma basis after giving effect to the Transactions (assuming the Full Redemption), we expect to have $8,674 million of secured indebtedness, consisting of the $1,500 million First-Priority Notes, $3,750 million ADT Notes, $3,424 million of borrowings under the First Lien Term Loan Facility and $100 million of borrowings under the Revolving Credit Facility. We also expect to have $300 million of additional secured debt borrowing capacity under the Revolving Credit Facility. The indenture governing the Unsecured Notes will permit us to incur additional secured indebtedness in the future. Upon a default in payment on, or the acceleration of, any of our secured indebtedness, or in the event of our bankruptcy, insolvency, liquidation, dissolution or reorganization, any indebtedness that is secured and therefore effectively senior to the Unsecured Notes will be entitled to be paid in full from our assets securing such indebtedness before any payment may be made with respect to the Unsecured Notes. As a result, the holders of the Unsecured Notes may receive less than the holders of secured debt in the event of our bankruptcy, insolvency, liquidation, dissolution or reorganization. Further, holders of the Unsecured Notes will participate ratably with all holders of our unsecured indebtedness that is deemed to be of the same class as the Unsecured Notes, and potentially with all of our other general creditors, based upon the respective amounts owed to each holder or creditor, in our remaining assets.

The consummation of the offering of the Unsecured Notes and the consummation of the offering of the First-Priority Notes are not contingent on each other.

The consummation of the offering of the Unsecured Notes is not contingent upon the consummation of the offering of the First-Priority Notes. Additionally, the consummation of the offering of the First-Priority Notes is not contingent upon the consummation of the offering of the Unsecured Notes. If the offering of the First-Priority Notes is not consummated at all or in part, the Issuers will not be able to redeem the Prime Notes in full. See "Summary—The Transactions." Assuming this offering is consummated and the offering of the First-Priority Notes is not consummated, Prime Notes in an aggregate principal amount equal to $1,000 million will remain outstanding (assuming the repurchase or redemption of the Prime Notes in an amount equal to $1,246 million of the proceeds of this offering). Each $1,000 decrease in the principal amount of Unsecured Notes would result in an additional $1,000 aggregate principal amount of Prime Notes that remains outstanding. The Prime Notes have a maturity date of May 2, 2023 and bear interest at a 9.250%. For a description of the Prime Notes, see "Description of Other Indebtedness—Prime Notes."

USE OF PROCEEDS

The proceeds from the offering of the Unsecured Notes will be used to repurchase or redeem $1,246 million aggregate principal amount of outstanding Prime Notes. The proceeds from the offering of the First-Priority Notes will be used to (a) repurchase or redeem $1,000 million aggregate principal amount of outstanding Prime Notes and (b) repay $500.0 million of outstanding term loans under our First Lien Credit Agreement. If the offerings of the Senior Unsecured Notes and the First-Priority Notes are both successfully consummated, the Issuers expect to repurchase or redeem all outstanding Prime Notes. We intend to pay all fees and expenses associated with the Transactions with cash on hand and/or drawings under our Revolving Credit Facility. Certain of the initial purchasers and/or their respective affiliates may hold loans under the First Lien Term Facility and/or the Prime Notes, and, therefore, such initial purchasers or their affiliates may receive a portion of the proceeds of this offering. See "Plan of Distribution".

The following table sets forth the estimated sources and uses of funds in connection with the Transactions, assuming they occurred on December 31, 2018 and based on estimated amounts outstanding on that date. The following table and accompanying footnotes also assume that (a) the offering of the Unsecured Notes and the offering of the First-Priority Notes are both consummated on terms set forth herein, (b) no Prime Notes are purchased in the Tender Offer and (c) all Prime Notes are redeemed in the Redemption on April 17, 2019. The actual sources and uses of funds may vary from the estimated sources and uses of funds in the following table and accompanying footnotes set forth below.

Sources of Funds		Uses of Funds	
	(dollars in thousands)		
Cash from balance sheet[1]	$ 71,648	Full Redemption of the Prime Notes[6]	$2,360,276
Revolving Credit Facility[2]	100,000	Term Loan Prepayment[7]	500,000
2024 Notes[3]	750,000	Fees and expenses[8]	61,372
2026 Notes[4]	750,000		
Notes[5]	1,250,000		
Total sources of funds	$2,921,648	Total uses of funds	$2,921,648

(1) The actual amount of cash available as a source of funds will depend on, among other things, the amount of working capital and cash balances as of the closing date of the Transactions.

(2) The Company expects to draw $100 million under the Revolving Credit Facility to pay fees and expenses associated with the Transactions. For a description of the Revolving Credit Facility see "Description of Other Indebtedness—First Lien Credit Agreement – Revolving Credit Facility."

(3) Represents the $750 million face value of the 2024 Notes (excluding original issue discount) prior to the initial purchasers' discount to the offering price. We intend to use the proceeds from the offering of the 2024 Notes to (a) repurchase or redeem a portion of the outstanding Prime Notes and (b) repay $500.0 million of outstanding term loans under our First Lien Credit Agreement. See "Description of First-Priority Notes."

(4) Represents the $750 million face value of the 2026 Notes (excluding original issue discount) prior to the initial purchasers' discount to the offering price. We intend to use the proceeds from the offering of the 2026 Notes to (a) repurchase or redeem a portion of the outstanding Prime Notes and (b) repay $500.0 million of outstanding term loans under our First Lien Credit Agreement. See "Description of First-Priority Notes."

(5) Represents the $1,250 million face value of the Unsecured Notes (excluding original issue discount) prior to the initial purchasers' discount to the offering price. We intend to use the proceeds from the offering of the Unsecured Notes to repurchase or redeem a portion of the outstanding Prime Notes. See "Description of Unsecured Notes."

(6) As of December 31, 2018, $2,546 million aggregate principal amount of the Prime Notes were outstanding, $300 million of which were redeemed on February 1, 2019. Assumes that the Issuers (a) will purchase no Prime Notes in the Tender Offer and (b) will redeem the entire outstanding $2,246 million aggregate principal amount of the outstanding Prime Notes on April 17, 2019, and pay all accrued and unpaid interest and any applicable redemption premium on such Prime Notes to, but excluding, such date, in accordance with the indenture governing the Prime Notes, which we expect will amount to approximately $114.3 million. The Prime Notes have a maturity date of May 2, 2023 and bear interest at a 9.250%. As of the date hereof, accrued and unpaid interest on the Prime Notes was $71.0 million. Prior to May 15, 2019, the Issuers may redeem the Prime Notes at their option, in whole at any time or in part from time to time, at a redemption price equal to 100% of the principal amount of the Prime Notes redeemed, plus a make-whole premium and accrued and unpaid interest to, but excluding, the redemption date.

(7) Represents the prepayment of $500.0 million term loans outstanding under the First Lien Credit Agreement, which is a condition to the effectiveness of the Credit Agreement Amendment.

(8) Reflects the estimated fees and expenses associated with the Transactions, including entry into the Credit Agreement Amendment, the offering of the Unsecured Notes, the offering of the First-Priority Notes, the Tender Offer, the Redemption, placement and other financing fees, advisory fees and other transaction costs and professional fees, including any initial purchasers' commissions in connection with the offering of the Unsecured Notes. We intend to pay all fees and expenses associated with the Transactions with cash on hand and/or drawings under our Revolving Credit Facility.

CAPITALIZATION

The following table sets forth our capitalization as of December 31, 2018 for ADT Inc.:

(i) on an actual basis;

(ii) on an as adjusted basis to give effect to (a) the partial redemption of $300 million aggregate principal amount of Prime Notes on February 1, 2019 and (b) an updated cash balance of $101.5 million as of February 28, 2019; and

(iii) on an as further adjusted basis to give effect to this offering and the use of proceeds therefrom.

You should read this table in conjunction with the sections titled "Summary—The Transactions" and "Use of Proceeds" included in this offering memorandum, and with the financial statements and the related notes and reconciliations incorporated by reference in this offering memorandum.

The following table assumes that (a) the offering of the Unsecured Notes and the offering of the First-Priority Notes are both consummated on the terms set forth herein, (b) no Prime Notes are purchased in the Tender Offer and (c) all Prime Notes are redeemed in the Redemption on April 17, 2019.

	As of December 31, 2018		
	Actual	As Adjusted	As Further Adjusted
	(in thousands, except per share data)		
Cash and cash equivalents	$ 363,177	$ 101,476	$ 29,677
Debt:			
First Lien Term Loan Facility	3,924,438	3,924,438	3,424,438
Revolving Credit Facility	—	—	100,000
ADT Notes due 2020	300,000	300,000	300,000
ADT Notes due 2021	1,000,000	1,000,000	1,000,000
ADT Notes due 2022	1,000,000	1,000,000	1,000,000
ADT Notes due 2023	700,000	700,000	700,000
ADT Notes due 2032	728,016	728,016	728,016
ADT Notes due 2042	21,896	21,896	21,896
First-Priority Senior Secured Notes due 2024	—	—	750,000
First-Priority Senior Secured Notes due 2026	—	—	750,000
Capital leases	49,911	49,911	49,911
Total first lien debt	$ 7,724,261	$ 7,724,261	$ 8,824,261
9.250% Second-Priority Senior Secured Notes[1]	2,546,000	2,246,000	—
Senior Unsecured Notes offered hereby	—	—	1,250,000
Total Debt[2]	**$10,270,261**	**$ 9,970,261**	**$10,074,261**
Total stockholders' equity[3]	**4,224,805**	**4,203,244**	**4,044,876**
Total capitalization	**$14,495,066**	**$14,173,505**	**$14,119,137**
Market capitalization[4]	**$ 4,547,108**	**$ 4,895,139**	**$ 4,895,139**
Total adjusted capitalization[5]	**$14,817,369**	**$14,865,400**	**$14,969,400**

(1) As of December 31, 2018, $2,546 million aggregate principal amount of the Prime Notes were outstanding, $300 million of which were redeemed on February 1, 2019. Assumes that the Issuers (a) will purchase no Prime Notes in the Tender Offer and (b) will redeem the entire outstanding $2,246 million aggregate principal amount of the outstanding Prime Notes on April 17, 2019, and pay all accrued and unpaid interest and any applicable redemption premium on such Prime Notes to, but excluding, such date, in accordance with the indenture governing the Prime Notes, which we expect will amount to approximately $114.3 million. The Prime Notes have a maturity date of May 2, 2023 and bear interest at a 9.250%. As of the date hereof, accrued and unpaid interest on the Prime Notes was $71.0 million. Prior to May 15, 2019, the Issuers may redeem the Prime Notes at their option, in whole at any time or in part from time to time, at a redemption price equal to 100% of the principal amount of the Prime Notes redeemed, plus a make-whole premium and accrued and unpaid interest to, but excluding, the redemption date.

(2) Excludes amounts associated with debt discount, deferred financing costs, and fair value adjustments. As of December 31, 2018, the total amount of debt discount, deferred financing costs, and fair value adjustments approximated $268 million. This amount decreased by approximately $2.6 million associated with the write-off of deferred financing costs as part of the $300 million partial redemption of Prime Notes on February 1, 2019. We expect that this amount will also decrease by (a) approximately $5 million, associated with the write-off of debt discount and deferred financing costs as part of the $500 million prepayment of the First Lien Term Loan Facility with the proceeds of the Notes offering, and (b) approximately $20 million, associated with the write-off of the remaining deferred financing costs upon the redemption of the Prime Notes (assuming the Full Redemption). We also anticipate that this amount will increase by (a) approximately $24 million, due to fees paid in connection with the issuance of the First-Priority Notes and (b) approximately $19 million, due to fees paid in connection with the origination of the Unsecured Notes.

(3) As of December 31, 2018, stockholders' equity was approximately $4,225 million. This amount decreased by approximately $22 million due to the payment of a make whole premium and the write-off of deferred financing costs as part of the $300 million partial redemption of Prime Notes on February 1, 2019. We expect that this amount will decrease by (a) approximately $5 million, associated with the write-off of debt discount and deferred financing costs as part of the $500 million payment of the First Lien Term Loan Facility with the proceeds of the Notes offering, (b) approximately $19 million, due to fees associated with the Credit Agreement Amendment, and (c) approximately $134 million, due to the payment of a make whole premium and the write-off of the remaining deferred financing costs upon the redemption of the Prime Notes (assuming the Full Redemption).

(4) Represents outstanding shares of common stock (excluding unvested shares) of 756,590,285 at a closing price of (a) $6.01 per share as of December 31, 2018 and (b) $6.47 per share as of March 15, 2019.

(5) Represents the aggregate of (a) total debt plus (b) market capitalization.

DESCRIPTION OF OTHER INDEBTEDNESS

The following summary of the material terms of certain financing arrangements does not purport to be complete and is subject to, and qualified in its entirety by reference to, the underlying documents.

First Lien Credit Agreement

General

The Issuer is the borrower under that certain Seventh Amended and Restated First Lien Credit Agreement, dated as of July 1, 2015, as amended and restated on May 2, 2016, June 23, 2016, December 28, 2016, February 13, 2017, June 29, 2017, March 16, 2018 and December 3, 2018 (the "First Lien Credit Agreement"), consisting of (after giving effect to the Transactions):

- a first lien term loan, in an aggregate principal amount of $3,424 million, maturing on May 2, 2022 (the "First Lien Term Loan Facility"); and
- a first lien revolving credit facility, in an aggregate principal amount of up to $400 million, maturing on March 16, 2023 (the "Revolving Credit Facility").

As of December 31, 2018, the Issuer had borrowings of $3,924 million outstanding under the First Lien Term Loan Facility and no borrowings outstanding under the Revolving Credit Facility. After giving effect to the Transactions, the Issuer will have borrowings of $3,424 million outstanding under the First Lien Term Loan Facility and borrowings of $100 million outstanding under the Revolving Credit Facility.

In addition: (i) under the First Lien Credit Agreement, the Issuer may request one or more incremental term loan facilities or incremental revolving credit facilities and/or increase commitments under the First Lien Term Loan Facility or the Revolving Credit Facility in an aggregate amount of up to the sum of a specified dollar amount plus any additional amounts so long as on a pro forma basis (a) in the case of loans under such incremental facilities secured by liens that rank pari passu with the liens securing the First Lien Credit Agreement, the Issuer's consolidated net first lien senior secured leverage ratio would be no greater than 2.35 to 1.00 and (b) in the case of loans under such incremental facilities that rank junior to the liens securing the First Lien Credit Agreement, the Issuer's consolidated total net secured leverage ratio would be no greater than 3.60 to 1.00. The incurrence of incremental facilities under the credit agreements governing the First Lien Credit Agreement is subject, in each case, to certain conditions, the receipt of commitments from existing or additional lenders and the limitations on incurring additional indebtedness applicable to the Issuer and its subsidiaries, including under the indentures governing the Unsecured Notes, the ADT Notes, the Prime Notes (if any) and the First-Priority Notes and each other agreement governing the Issuer's indebtedness.

All borrowings under the Revolving Credit Facility are subject to the satisfaction of customary conditions, including the absence of a default and the material accuracy of representations and warranties, and are available to fund any ordinary course working capital requirements or for general corporate purposes.

Interest Rates and Fees

Borrowings under the First Lien Credit Agreement bear interest at a rate per annum equal to, at our option, either (a) adjusted LIBOR determined by reference to the cost of funds for

dollar deposits for the interest period relevant to such borrowing, subject to a 1.00% floor, or (b) a base rate determined by reference to the highest of (i) the federal funds effective rate plus 0.50%, (ii) the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted or any similar release by the Federal Reserve Board and (iii) one-month adjusted LIBOR plus 1.00%, in each case plus an applicable margin of 2.75% for Adjusted LIBOR loans and 1.75% for Base Rate loans.

In addition to paying interest on outstanding principal under the First Lien Credit Agreement, the Issuer is required to pay a commitment fee between 0.375% and 0.50% (determined based on a net first lien leverage ratio) with respect to the unused commitments under the Revolving Credit Facility.

Amortization and Prepayments

The First Lien Term Loan Facility requires scheduled quarterly payments in annual amounts equal to 1.0% of the original principal amount of the term loans, with the balance payable at maturity.

In addition, the First Lien Term Loan Facility requires us to prepay outstanding term loan borrowings, subject to certain exceptions, with:

- 50% (which percentage will be reduced if the consolidated net first lien senior secured leverage ratio is less than or equal to certain thresholds) of the Issuer's excess cash flow, as defined under the First Lien Credit Agreement;
- 100% of the net cash proceeds of all non-ordinary course asset sales, other dispositions of property or certain casualty events, in each case subject to certain exceptions and provided that the Issuer may (a) reinvest within twelve months or (b) commit to reinvest those proceeds and so reinvest such proceeds within 18 months in assets to be used in its business, or certain other permitted investments; and
- 100% of the net cash proceeds of any issuance of debt, other than proceeds from debt permitted under the First Lien Credit Agreement.

Collateral and Guarantors

All obligations under the First Lien Credit Agreement are unconditionally guaranteed by Holdings on a limited-recourse basis and by each of the Issuer's existing and future direct and indirect material, wholly owned domestic subsidiaries, subject to certain exceptions. The obligations are secured by a pledge of the Issuer's capital stock and substantially all of the Issuer's assets and those of each subsidiary guarantor, including capital stock of the subsidiary guarantors and 65% of the capital stock of the first-tier foreign subsidiaries that are not subsidiary guarantors, in each case subject to certain exceptions. Such security interests consist of a first-priority lien with respect to the collateral.

Restrictive Covenants and Other Matters

The Revolving Credit Facility requires that the Issuer, subject to a testing threshold, comply as of the last day of each fiscal quarter with a specified maximum consolidated net first lien senior secured leverage ratio. The testing threshold will be satisfied at any time at which the

sum of outstanding loans under the Revolving Credit Facility, subject to certain exceptions, exceeds 30% of the outstanding commitments under the Revolving Credit Facility at such fiscal quarter end.

The First Lien Credit Agreement contains certain customary affirmative covenants and events of default. The negative covenants in the First Lien Credit Agreement include, among other things, limitations (none of which are absolute) on our ability to incur additional debt or issue certain preferred equity interests; create liens on certain assets; make certain loans or investments (including acquisitions); pay dividends on or make distributions in respect of our capital stock or make other restricted payments; consolidate, merge, sell or otherwise dispose of all or substantially all of our assets; sell assets; enter into certain transactions with our affiliates; enter into sale-leaseback transactions; restrict dividends from our subsidiaries or restrict liens; change our fiscal year; and modify the terms of certain debt or organizational agreements in a manner materially adverse to lenders under the First Lien Credit Agreement.

Credit Agreement Amendment

On March 15, 2019, the Issuer, as borrower, Prime Security Services Holdings, LLC, as holdings ("Holdings"), the lenders party thereto and Barclays Bank PLC, as the administrative agent thereunder entered into that certain Amendment Agreement No. 8 (the "Credit Agreement Amendment"), which amended and restated the First Lien Credit Agreement. The Credit Agreement Amendment amended the First Lien Credit Agreement to, among other things, (a) increase the Net First Lien Leverage Ratio (as defined therein) for the incurrence of pari passu indebtedness to 3.20 to 1.00 (from 2.35 to 1.00), (b) provide for $300 million of additional incremental pari passu debt capacity, (c) increase the borrowing capacity under the Revolving Credit Facility by an additional $50 million, which replaced the revolving credit commitments under the Mizuho Agreement (as defined below) and (d) make several other changes to provide the Issuer with additional flexibility to de-lever its balance sheet and opportunistically refinance existing indebtedness. The effectiveness of the Credit Agreement Amendment is subject to market and other conditions, and the prepayment of $500.0 million term loans outstanding under the First Lien Credit Agreement with the proceeds of this offering and of the offering of the First-Priority Notes.

Concurrently with the effectiveness of the Credit Agreement Amendment, the Issuer will terminate that certain revolving credit agreement, dated February 15, 2019, by and among the Issuer, as borrower, Holdings, the lenders from time to time party thereto and Mizuho Bank, Ltd., as administrative agent (the "Mizuho Agreement").

Prime Notes

On May 2, 2016, the Issuers issued $3,140 million in principal amount of 9.250% Second-Priority Senior Secured Notes due 2023 (the "Prime Notes"). The Prime Notes mature on May 15, 2023 and bear interest at a rate of 9.250% per annum, payable semi-annually in arrears on May 15 and November 15 of each year, commencing on November 15, 2016.

The Issuers may redeem the Prime Notes at their option, in whole or in part, at any time on or after May 15, 2019, at certain redemption prices. In addition, prior to May 15, 2019, the Issuers may redeem the Prime Notes at their option, in whole at any time or in part from time to time, at a redemption price equal to 100% of the principal amount of the Prime Notes redeemed, plus a "make-whole" premium and accrued and unpaid interest and additional interest, if any. Notwithstanding the foregoing, at any time and from time to time on or prior to May 15, 2019, the Issuers may redeem in the aggregate up to 40% of the original aggregate principal amount

of the Prime Notes (calculated after giving effect to any issuance of additional Unsecured Notes) in an aggregate amount equal to the net cash proceeds of one or more equity offerings at a redemption price equal to 109.250% of the principal amount being redeemed, plus accrued and unpaid interest and additional interest, if any, so long as at least 50% of the original aggregate principal amount of the Prime Notes (calculated after giving effect to any issuance of additional Unsecured Notes) must remain outstanding after each such redemption. In addition, the issuers of the Prime Notes are required to make an offer to repurchase such notes in the event of certain change in control transactions.

The Issuers partially redeemed (i) on February 21, 2018, $594 million of aggregate principal amount of Prime Notes, at a price of $649 million, using proceeds from the initial public offering and (ii) on February 1, 2019, $300 million aggregate principal amount of Prime Notes, at a price of $319 million, using cash on hand. As of the date hereof, the Prime Notes have an outstanding balance of $2,246 million.

The Prime Notes are fully and unconditionally guaranteed by each of the Issuer's domestic restricted subsidiaries that guarantees the First Lien Credit Agreement. The Prime Notes are also secured by substantially all of the Issuer's assets and those of each subsidiary guarantor, in each case by the same assets that secure the First Lien Credit Agreement including the capital stock of the subsidiary guarantors and 65% of the capital stock of the first-tier foreign subsidiaries that are not subsidiary guarantors, in each case subject to certain exceptions. Such security interests consist of a second-priority lien with respect to the collateral.

The Prime Notes contain certain customary negative covenants and events of default. The negative covenants limit the Issuer and its restricted subsidiaries' ability to, among other things, incur additional indebtedness or issue certain preferred shares, create liens on certain assets, pay dividends or prepay junior debt or make other restricted payments, make certain loans, acquisitions or investments, engage in transactions with affiliates, conduct asset sales, restrict dividends from subsidiaries or restrict liens, or merge, consolidate, sell or otherwise dispose of all or substantially all of the Issuer's assets.

ADT Notes

The ADT Security Corporation, a wholly owned subsidiary of the Company, is the issuer of each of the following series of notes, which we refer to collectively as the "ADT Notes":

- $300 million aggregate principal amount of 5.250% Senior Notes due 2020, which mature on March 15, 2020;
- $1,000 million aggregate principal amount of 6.250% Senior Notes due 2021, which mature on October 15, 2021;
- $1,000 million aggregate principal amount of 3.500% Notes due 2022, which mature on July 15, 2022;
- $700 million aggregate principal amount of 4.125% Senior Notes due 2023, which mature on June 15, 2023;
- $22 million aggregate principal amount of 4.875% Notes due 2042, which mature on July 15, 2042; and
- $728 million aggregate principal amount of 4.875% First-Priority Senior Secured Notes due 2032, which mature on July 15, 2032.

Each series of ADT Notes is governed by an indenture between ADT and Wells Fargo Bank, National Association, as trustee, and we refer to these indentures (as they may have been

supplemented from time to time prior to the date hereof) collectively as the "ADT Notes Indentures." Under the ADT Notes Indentures, The ADT Security Corporation may redeem ADT Notes, in whole or in part, at any time at a redemption price equal to the principal amount of the notes to be redeemed, plus an applicable make-whole premium for each series of the ADT Notes, plus accrued and unpaid interest to, but excluding, the redemption date.

The ADT Notes Indentures contain covenants that, among other things and subject to a number of qualifications and exceptions, limit The ADT Security Corporation's ability, and the ability of its restricted subsidiaries, to (i) create liens on certain assets; (ii) enter into sale and lease-back transactions; and (iii) consolidate, merge, sell or otherwise dispose of all or substantially all of its assets. In the event of a change in control triggering event (as defined in the applicable indenture), The ADT Security Corporation is required to make an offer to repurchase such notes. The ADT Notes Indentures also provide for customary events of default which, if triggered, would permit the acceleration of the debt thereunder.

In addition, the ADT Notes benefit from (i) guarantees by the Issuer and each of its domestic restricted subsidiaries that guarantees the First Lien Credit Agreement (other than The ADT Security Corporation, as the issuer of the ADT Notes), (ii) first-priority security interests, subject to permitted liens, in substantially all of the Issuer's existing and future assets and those of each guarantor, which assets also secure the First Lien Credit Agreement on a first-priority basis and the Prime Notes on a second-priority basis, and (iii) the same reporting covenant as the Prime Notes.

DESCRIPTION OF UNSECURED NOTES

General

Prime Security Services Borrower, LLC, a Delaware limited liability company (the "Company"), and Prime Finance Inc., a Delaware corporation (the "Co-Issuer," together with the Company, the "Issuers" and each, an "Issuer"), will issue % Senior Notes due 2027 (the "unsecured notes") under an indenture (the "indenture"), to be entered into by and among the Issuers, the Subsidiary Guarantors (as defined below) and Wells Fargo Bank, National Association, as Trustee. In this description, (i) "we," "us" and "our" mean the Company and its Subsidiaries, including the Co-Issuer, and (ii) the term "Issuers" refers only to the Company and the Co-Issuer, but not to any of their Subsidiaries. Copies of the indenture may be obtained from the Issuers upon request.

The following summary of certain provisions of the indenture and the unsecured notes does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of the agreements, including the definitions of certain terms therein. Capitalized terms used in this "Description of Unsecured Notes" section and not otherwise defined have the meanings set forth in the section "—Certain Definitions."

The Issuers will issue unsecured notes with an initial aggregate principal amount of $1,250.0 million. Following the Issue Date, the Issuers may issue additional unsecured notes from time to time. Any offering of additional unsecured notes is subject to the covenants described below under the caption "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" and "—Certain Covenants—Liens." The unsecured notes and any additional unsecured notes subsequently issued under the indenture may, at our election, be treated as a single class for all purposes under the indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase; provided that if the additional unsecured notes are not fungible with the unsecured notes for U.S. federal income tax purposes, the additional unsecured notes will have a separate CUSIP number, if applicable. Unless the context otherwise requires, for all purposes of the indenture and this "Description of Unsecured Notes," references to the unsecured notes include any additional unsecured notes actually issued.

Principal of, premium, if any, and interest on the unsecured notes will be payable, and the unsecured notes may be exchanged or transferred, at the office or agency designated by the Issuers (which initially shall be the designated office or agency of the Trustee).

The unsecured notes will be issued only in fully registered form, without coupons, in minimum denominations of $2,000 and any integral multiple of $1,000 in excess thereof; *provided* that unsecured notes may be issued in denominations of less than $2,000 solely to accommodate book-entry positions that have been created by a DTC participant in denominations of less than $2,000. No service charge will be made for any registration of transfer or exchange of unsecured notes, but the Issuers may require payment of a sum sufficient to cover any transfer tax or other similar governmental charge payable in connection therewith.

Terms of the Unsecured Notes

The unsecured notes will be senior obligations of the Issuers and will mature on , 2027. Each note will bear interest at a rate of % per annum from the Issue Date or from the most recent date to which interest has been paid or provided for, payable semiannually to holders of record at the close of business on or immediately preceding the interest payment date on and of each year, commencing , 2019.

Optional Redemption

On or after , 2022, the Issuers may redeem the unsecured notes at their option, in whole at any time or in part from time to time, upon not less than 30 nor more than 60 days' prior notice mailed by the Issuers by first-class mail to each holder's registered address, or delivered electronically if held by DTC, at the following redemption prices (expressed as a percentage of principal amount), plus accrued and unpaid interest, if any, to, but excluding, the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the 12-month period commencing on of the years set forth below:

Period	Redemption Price
2022	%
2023	%
2024 and thereafter	100.000%

In addition, prior to , 2022, the Issuers may redeem the unsecured notes at their option, in whole at any time or in part from time to time, upon not less than 30 nor more than 60 days' prior notice mailed by the Issuers by first-class mail to each holder's registered address, or delivered electronically if held by DTC, at a redemption price equal to 100% of the principal amount of the unsecured notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest to, but excluding, the applicable redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Notwithstanding the foregoing, at any time and from time to time prior to , 2022, the Issuers may redeem in the aggregate up to 40% of the original aggregate principal amount of the unsecured notes (calculated after giving effect to any issuance of additional unsecured notes) in an amount not to exceed the amount of net cash proceeds of one or more Equity Offerings (1) by the Company or (2) by any direct or indirect parent of the Company to the extent the net cash proceeds thereof are contributed to the common equity capital of the Company or used to purchase Capital Stock (other than Disqualified Stock) of the Company, at a redemption price (expressed as a percentage of principal amount thereof) of %, plus accrued and unpaid interest, if any, to, but excluding, the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date); provided, however, that at least 50% of the original aggregate principal amount of the unsecured notes (calculated after giving effect to any issuance of additional unsecured notes) must remain outstanding after each such redemption; provided, further, that such redemption shall occur within 90 days after the date on which any such Equity Offering is consummated upon not less than 30 nor more than 60 days' notice mailed by the Issuers to each holder of unsecured notes being redeemed, or delivered electronically if held by DTC, and otherwise in accordance with the procedures set forth in the indenture.

Notice of any redemption upon any corporate transaction or other event (including any Equity Offering, Incurrence of Indebtedness, Change of Control or other transaction) may be given prior to the completion thereof. In addition, any redemption described above or notice thereof may, at the Issuers' discretion, be subject to one or more conditions precedent, including, but not limited to, completion of a corporate transaction or other event. If any redemption is so subject to satisfaction of one or more conditions precedent, such notice shall describe each such condition and, if applicable, shall state that, in the Issuers' discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied (or waived by the Issuers in the Issuers' discretion), and/or such redemption may not occur and

such notice may be rescinded in the event that any or all such conditions shall not have been satisfied (or waived by the Issuers in the Issuers' discretion) by the redemption date, or by the redemption date as so delayed, and/or that such notice may be rescinded at any time by the Issuers if the Issuers determine in their discretion that any or all of such conditions will not be satisfied (or waived). In addition, the Issuers may provide in such notice that payment of the redemption price and performance of the Issuers' obligations with respect to such redemption may be performed by another Person.

Selection

In the case of any partial redemption, selection of unsecured notes for redemption will be made by the Trustee in compliance with the requirements of the principal national securities exchange, if any, on which the unsecured notes are listed (and the Issuers shall notify the Trustee of any such listing), or if the unsecured notes are not so listed, on a pro rata basis to the extent practicable or by lot or by such other method as the Trustee shall deem fair and appropriate (and, in such manner that complies with the requirements of DTC, if applicable); provided that no unsecured notes of $2,000 or less shall be redeemed in part. Notices of redemption will be mailed by first class mail (or with respect to global notes, to the extent permitted or required by applicable DTC procedures or regulations, sent electronically) at least 30 but not more than 60 days before the redemption date to each holder of unsecured notes to be redeemed at its registered address, except that redemption notices may be mailed or sent more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the unsecured notes or a satisfaction and discharge of the indenture. If any note is to be redeemed in part only, the notice of redemption relating to such note shall state the portion of the principal amount thereof to be redeemed. A new note in principal amount equal to the unredeemed portion thereof will be issued in the name of the holder thereof upon cancellation of the original note. On and after the redemption date, interest will cease to accrue on unsecured notes or portions thereof called for redemption so long as the Issuers have deposited with the paying agent funds sufficient to pay the principal of, plus accrued and unpaid interest (if any) on, the unsecured notes to be redeemed.

Mandatory Redemption; Offers to Purchase; Open Market Purchases

The Issuers will not be required to make any mandatory redemption or sinking fund payments with respect to the unsecured notes. However, under certain circumstances, the Issuers may be required to offer to purchase unsecured notes as described under the captions "—Change of Control" and "—Certain Covenants—Asset Sales." We may at any time, and from time to time, purchase unsecured notes in the open market, in private transactions or otherwise.

Ranking

The indebtedness evidenced by the unsecured notes and the Subsidiary Guarantees, respectively, will be senior Indebtedness of the Issuers and the Subsidiary Guarantors, respectively, will rank pari passu in right of payment with all existing and future senior Indebtedness of the Issuers and the Subsidiary Guarantors and will be senior in right of payment to all existing and future Subordinated Indebtedness of the Issuers and the Subsidiary Guarantors.

As of December 31, 2018, on a pro forma basis after giving effect to the Transactions, the Issuers and their Subsidiaries would have had:

(1) $8,774 million of outstanding Indebtedness constituting Secured Indebtedness, consisting of (i) $3,524 million outstanding under the First Lien Credit Agreement

(including $100 million drawn under the revolving facility of the First Lien Credit Agreement), (ii) $3,750 million outstanding under the ADT Notes and (iii) $1,500.0 million outstanding under the First-Priority Notes;

(2) $1,250 million of senior unsecured Indebtedness under the unsecured notes; and

(3) no Indebtedness of Subsidiaries of the Issuers that are not Subsidiary Guarantors.

In addition, as of December 31, 2018, on a pro forma basis after giving effect to the Transactions, the Issuers would have had $300 million of unutilized capacity (without giving effect to letters of credit) under the revolving facility of the First Lien Credit Agreement, which would constitute First Priority Lien Obligations.

Although the indenture will limit the Incurrence of Indebtedness and the issuance of Disqualified Stock by the Issuers and their Restricted Subsidiaries, and the issuance of Preferred Stock by the Restricted Subsidiaries of the Issuers that are not Subsidiary Guarantors, such limitation is subject to a number of significant qualifications and exceptions. The Issuers and their Restricted Subsidiaries are able to Incur additional amounts of Indebtedness. Under certain circumstances the amount of such Indebtedness could be substantial and, subject to certain limitations, such Indebtedness may be Secured Indebtedness. See "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" and "—Certain Covenants —Liens."

Unless a Subsidiary is a Subsidiary Guarantor, claims of creditors of such Subsidiary, including trade creditors, and claims of preferred stockholders (if any) of such Subsidiary, generally will have priority with respect to the assets and earnings of such Subsidiary over the claims of creditors of the Issuers, including holders of the unsecured notes. The holders of the unsecured notes, therefore, will be effectively subordinated to holders of indebtedness and other creditors (including trade creditors) and preferred stockholders (if any) of any Subsidiary of the Issuers that is not a Subsidiary Guarantor. As of the Issue Date, our only Subsidiaries that are not Subsidiary Guarantors will be (i) non-Wholly Owned Subsidiaries (ii) immaterial subsidiaries, (iii) Foreign Subsidiaries or (iv) Subsidiaries of the foregoing, all of which, as of December 31, 2018, had no outstanding indebtedness, excluding intercompany obligations. See "Risk Factors—Risks Related to Our Indebtedness and the Unsecured Notes—The Unsecured Notes will be structurally subordinated to all liabilities of our current and future non-guarantor subsidiaries."

Subsidiary Guarantees

Each of the Issuers' direct and indirect Wholly Owned Restricted Subsidiaries that are Domestic Subsidiaries (other than an Excluded Subsidiary) and that are borrowers or guarantors under the First Priority Lien Obligations will jointly and severally irrevocably and unconditionally guarantee on a senior unsecured basis the performance and punctual payment when due, whether at Stated Maturity, by acceleration or otherwise, of all obligations of the Issuers under the indenture and the unsecured notes, whether for payment of principal of, premium, if any, or interest on the unsecured notes, expenses, indemnification or otherwise (all such obligations guaranteed by such Subsidiary Guarantors being herein called the "Guaranteed Obligations"). Such Subsidiary Guarantors will agree to pay, in addition to the amount stated above, any and all expenses (including reasonable counsel fees and expenses) incurred by the Trustee in enforcing any rights under the Subsidiary Guarantees.

Each Subsidiary Guarantee will be limited to an amount not to exceed the maximum amount that can be guaranteed by the applicable Subsidiary Guarantor without rendering the

Subsidiary Guarantee, as it relates to such Subsidiary Guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally. See "Risk Factors—Risks Related to Our Indebtedness and the Unsecured Notes—Federal and state statutes allow courts, under specific circumstances, to void the Unsecured Notes and guarantees and require holders of Unsecured Notes to return payments received." After the Issue Date, the Issuers will cause each Wholly Owned Restricted Subsidiary that is a Domestic Subsidiary (other than an Excluded Subsidiary) that Incurs or guarantees certain Indebtedness of an Issuer or any of the Subsidiary Guarantors to execute and deliver to the Trustee a supplemental indenture pursuant to which such Restricted Subsidiary will guarantee payment of the unsecured notes on the same senior unsecured basis. See "—Certain Covenants—Future Subsidiary Guarantors."

Each Subsidiary Guarantee will be a continuing guarantee and shall:

(1) subject to the next succeeding paragraph, remain in full force and effect until payment in full of all the Guaranteed Obligations of such Subsidiary Guarantor;

(2) subject to the next succeeding paragraph, be binding upon each such Subsidiary Guarantor and its successors; and

(3) inure to the benefit of and be enforceable by the Trustee, the holders and their successors, transferees and assigns.

Each Subsidiary's Subsidiary Guarantee will be automatically released upon any of the following:

(1) the sale, disposition, exchange or other transfer (including through merger, consolidation, amalgamation, dividend, distribution or otherwise) of the Capital Stock (including any sale, disposition, exchange or other transfer following which the applicable Subsidiary Guarantor is no longer a Restricted Subsidiary), of the applicable Subsidiary Guarantor if such sale, disposition, exchange or other transfer is made in a manner not in violation of the indenture;

(2) (i) the designation of such Subsidiary Guarantor as an Unrestricted Subsidiary in accordance with the covenant described under "—Certain Covenants—Limitation on Restricted Payments" and the definition of "Unrestricted Subsidiary" or (ii) the occurrence of any other event following which such Subsidiary Guarantor is no longer a Restricted Subsidiary in a manner not in violation of the indenture;

(3) the release or discharge of the guarantee by such Subsidiary Guarantor of the First Lien Credit Agreement or any other Indebtedness which resulted in the obligation to guarantee the unsecured notes;

(4) the release or discharge by such Subsidiary Guarantor of the Indebtedness which resulted in the obligation to guarantee the unsecured notes;

(5) the Issuers' exercise of their legal defeasance option or covenant defeasance option as described under "—Defeasance" or if the Issuers' obligations under the indenture are discharged in accordance with the terms of the indenture;

(6) such Subsidiary ceasing to be a Subsidiary as a result of any foreclosure of any pledge or security interest securing Secured Indebtedness or other exercise of remedies in respect thereof;

(7) the occurrence of a Covenant Suspension Event;

(8) upon the merger, amalgamation or consolidation of such Subsidiary Guarantor with and into an Issuer or another Subsidiary Guarantor or upon the liquidation or

dissolution of such Subsidiary Guarantor, in each case, in a manner not in violation of the indenture; and

(9) as described under "—Amendments and Waivers."

Change of Control

Upon the occurrence of a Change of Control, each holder will have the right to require the Issuers to repurchase all or any part of such holder's unsecured notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the date of repurchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), except to the extent the Issuers have previously or concurrently elected to redeem unsecured notes as described under "—Optional Redemption."

In the event that at the time of such Change of Control, the terms of any Bank Indebtedness restrict or prohibit the repurchase of unsecured notes pursuant to this covenant, then within 30 days following any Change of Control, the Issuers shall:

(1) repay in full all Bank Indebtedness or, if doing so will allow the purchase of unsecured notes, offer to repay in full all Bank Indebtedness and repay the Bank Indebtedness of each lender and/or noteholder who has accepted such offer; or

(2) obtain the requisite consent under the agreements governing the Bank Indebtedness to permit the repurchase of the unsecured notes as provided for in the immediately following paragraphs.

See "Risk Factors—Risks Related to Our Indebtedness and the Unsecured Notes—We may not be able to repurchase the Unsecured Notes upon a change of control."

Within 30 days following any Change of Control, except to the extent that the Issuers have exercised their right to redeem the unsecured notes by delivery of a notice of redemption as described under "—Optional Redemption," the Issuers shall mail to each holder's registered address, or deliver electronically if held by DTC, with a copy to the Trustee, a notice (a "Change of Control Offer") stating:

(1) that a Change of Control has occurred and that such holder has the right to require the Issuers to repurchase such holder's unsecured notes at a repurchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the date of repurchase (subject to the right of holders of record on a record date to receive interest on the relevant interest payment date);

(2) the circumstances and relevant facts and financial information regarding such Change of Control;

(3) the repurchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed or delivered electronically), except in the case of a conditional Change of Control Offer made in advance of a Change of Control as described below (in which case the expected repurchase date will be stated and may be based on a date relative to the closing of the transaction that is expected to result in the Change of Control and which may be tolled until the closing of such transaction); and

(4) the instructions determined by the Issuers, consistent with this covenant, that a holder must follow in order to have its unsecured notes purchased.

A Change of Control Offer may be made in advance of a Change of Control, and conditioned upon such Change of Control, if a definitive agreement is in place for the Change of Control at the time of making of the Change of Control Offer.

In addition, the Issuers will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the indenture applicable to a Change of Control Offer made by the Issuers and purchases all unsecured notes properly tendered and not withdrawn under such Change of Control Offer.

If holders of not less than 90% in aggregate principal amount of the outstanding unsecured notes validly tender and do not withdraw such unsecured notes in a Change of Control Offer and the Issuers, or any third party making a Change of Control Offer in lieu of the Issuers as described above, purchase all of the unsecured notes validly tendered and not withdrawn by such holders, the Issuers or such third party will have the right, upon not less than 30 nor more than 60 days' prior notice, given not more than 30 days following such purchase pursuant to the Change of Control Offer described above, to redeem all unsecured notes that remain outstanding following such purchase at a price in cash equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

Unsecured notes repurchased by the Issuers pursuant to a Change of Control Offer will have the status of notes issued but not outstanding or will be retired and canceled at the option of the Issuers. Unsecured notes purchased by a third party pursuant to the preceding paragraphs will have the status of unsecured notes issued and outstanding.

The Issuers will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of unsecured notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuers will comply with the applicable securities laws and regulations and will not be deemed to have breached their obligations under this covenant by virtue thereof.

This Change of Control repurchase provision is a result of negotiations among the Issuers and the initial purchasers. The Issuers have no present intention to engage in a transaction involving a Change of Control, although it is possible that the Issuers could decide to do so in the future. Subject to the limitations discussed below, the Issuers could, in the future, enter into certain transactions, including acquisitions, refinancings, securitizations or other recapitalizations, that would not constitute a Change of Control under the indenture, but that could increase the amount of indebtedness outstanding at such time or otherwise affect the Issuers' capital structure or credit rating.

The occurrence of events which would constitute a Change of Control would constitute a default under the Credit Agreement. Future Bank Indebtedness of the Issuers may contain prohibitions on certain events which would constitute a Change of Control or require such Bank Indebtedness to be repurchased upon a Change of Control. Moreover, the exercise by the holders of their right to require the Issuers to repurchase the unsecured notes upon a Change of Control could cause a default under such Bank Indebtedness, even if the Change of Control itself does not cause a default under such Bank Indebtedness, due to the financial effect of such repurchase on the Issuers. Finally, the Issuers' ability to pay cash to the holders upon a repurchase may be limited by the Issuers' then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases. See "Risk Factors—Risks Related to Our Indebtedness and the Unsecured Notes—We may not be able to repurchase the Unsecured Notes upon a change of control."

The definition of Change of Control includes a phrase relating to the sale, lease or transfer of "all or substantially all" the assets of the Issuers and their Subsidiaries taken as a whole. Although there is a developing body of case law interpreting the phrase "substantially all," under New York law, which governs the indenture, there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of unsecured notes to require the Issuers to repurchase such unsecured notes as a result of a sale, lease or transfer of less than all of the assets of the Issuers and their Subsidiaries taken as a whole to another Person or group may be uncertain.

The provisions in the indenture relating to the Issuers' obligation to make a Change of Control Offer may be waived or modified with the written consent of the holders of a majority in principal amount of the unsecured notes.

Certain Covenants

Set forth below are summaries of certain covenants that will be contained in the indenture. If on any date following the Issue Date, (i) the unsecured notes have Investment Grade Ratings from both Rating Agencies, and (ii) no Default has occurred and is continuing under the indenture then, beginning on such date (the occurrence of the events described in the foregoing clauses (i) and (ii) being collectively referred to as a "Covenant Suspension Event"), the covenants specifically listed under the following captions in this "Description of Unsecured Notes" section of this offering memorandum will not be applicable to the unsecured notes (collectively, the "Suspended Covenants"):

(1) "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock";

(2) "—Limitation on Restricted Payments";

(3) "—Dividend and Other Payment Restrictions Affecting Subsidiaries";

(4) "—Asset Sales";

(5) "—Transactions with Affiliates";

(6) clause (4) of the first paragraph of "—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets"; and

(7) "—Future Subsidiary Guarantors."

If and while the Issuers and their Restricted Subsidiaries are not subject to the Suspended Covenants, the unsecured notes will be entitled to substantially less covenant protection. In the event that the Issuers and their Restricted Subsidiaries are not subject to the Suspended Covenants under the indenture for any period of time as a result of the foregoing, and on any subsequent date (the "Reversion Date") one or both of the Rating Agencies withdraw their Investment Grade Rating or downgrade the rating assigned to the unsecured notes below an Investment Grade Rating, then the Issuers and their Restricted Subsidiaries will thereafter again be subject to the Suspended Covenants under the indenture with respect to future events. The period of time between the Covenant Suspension Event and the Reversion Date is referred to in this description as the "Suspension Period." The Issuers will provide the Trustee with written notice of each Covenant Suspension Event or Reversion Date within five Business Days of the occurrence thereof. The Trustee shall have no duty to monitor or provide notice to the holders of the unsecured notes of any such Covenant Suspension Event or Reversion Date.

On each Reversion Date, all Indebtedness Incurred, or Disqualified Stock or Preferred Stock issued, during the Suspension Period will be classified as having been Incurred or issued

pursuant to the first paragraph of "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" below or one of the clauses set forth in the second paragraph of "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" below (to the extent such Indebtedness or Disqualified Stock or Preferred Stock would be permitted to be Incurred or issued thereunder as of the Reversion Date and after giving effect to Indebtedness Incurred or issued prior to the Suspension Period and outstanding on the Reversion Date). To the extent such Indebtedness or Disqualified Stock or Preferred Stock would not be so permitted to be Incurred or issued pursuant to the first or second paragraph of "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock," such Indebtedness or Disqualified Stock or Preferred Stock will be deemed to have been outstanding on the Issue Date, so that it is classified as permitted under clause (c) of the second paragraph under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock." Calculations made after the Reversion Date of the amount available to be made as Restricted Payments under "—Limitation on Restricted Payments" will be made as though the covenant described under "—Limitation on Restricted Payments" had been in effect since the Issue Date and prior to, but not during, the Suspension Period. Accordingly, Restricted Payments made during the Suspension Period will not reduce the amount available to be made as Restricted Payments under the first paragraph of "—Limitation on Restricted Payments." As described above, however, no Default or Event of Default will be deemed to have occurred on the Reversion Date as a result of any actions taken by the Issuers or its Restricted Subsidiaries during the Suspension Period. Within 30 days of such Reversion Date, the Issuers must comply with the terms of the covenant described under "—Certain Covenants—Future Subsidiary Guarantors."

For purposes of the "—Asset Sales" covenant, on the Reversion Date, the unutilized Excess Proceeds amount will be reset to zero.

There can be no assurance that the unsecured notes will ever achieve or maintain Investment Grade Ratings.

Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock

The indenture will provide that:

(1) the Issuers will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, Incur any Indebtedness (including Acquired Indebtedness) or issue any shares of Disqualified Stock; and

(2) the Issuers will not permit any of the Restricted Subsidiaries (other than a Subsidiary Guarantor) to issue any shares of Preferred Stock;

provided, however, that the Issuers and any Subsidiary Guarantor may Incur Indebtedness (including Acquired Indebtedness) or issue shares of Disqualified Stock, and any Restricted Subsidiary of the Issuers that is not a Subsidiary Guarantor may Incur Indebtedness (including Acquired Indebtedness), issue shares of Disqualified Stock or issue shares of Preferred Stock, in each case if the Fixed Charge Coverage Ratio of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding the date on which such additional Indebtedness is Incurred or such Disqualified Stock or Preferred Stock is issued would have been at least 2.00 to 1.00 determined on a pro forma basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been Incurred, or the Disqualified Stock or Preferred Stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of

such four-quarter period; provided, further, that any Restricted Subsidiary that is not a Subsidiary Guarantor may not incur Indebtedness or issue shares of Disqualified Stock or Preferred Stock in excess of a principal amount or liquidation preference at the time of incurrence, together with any Refinancing Indebtedness thereof pursuant to clause (o) below, equal to, after giving pro forma effect to such incurrence or issuance (including pro forma effect to the application of the net proceeds therefrom), the greater of $600.0 million and 21.5% of the Pro Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such date on which such additional Indebtedness is Incurred, or Disqualified Stock or Preferred Stock is issued, and after giving pro forma effect thereto as if such event occurred at the beginning of such four fiscal quarters (plus, in the case of any Refinancing Indebtedness, the Additional Refinancing Amount).

The foregoing limitations will not apply to:

(a) the Incurrence by either Issuer or any Restricted Subsidiary of Indebtedness (including under any Credit Agreement and the issuance and creation of letters of credit and bankers' acceptances thereunder) up to an aggregate principal amount outstanding at the time of Incurrence that does not exceed an amount equal to the sum of (x) $3,825 million plus (y) the greater of $300 million and 12.0% of the Pro Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such date on which such additional Indebtedness is Incurred and after giving pro forma effect thereto as if such event occurred at the beginning of such four fiscal quarters, plus (z) an additional aggregate principal amount of Consolidated Total Indebtedness that at the time of Incurrence does not cause either (I) the Senior Secured Leverage Ratio for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee, determined on a pro forma basis, to exceed 3.25 to 1.00 or (II) if such Indebtedness is Incurred in connection with an acquisition or investment, the Senior Secured Leverage Ratio for the most recently ended four fiscal quarters for which financial statements have been delivered to the Trustee, determined on a pro forma basis giving effect to such acquisition or Investment, to exceed the Senior Secured Leverage Ratio in effect immediately prior to such acquisition, Investment or New Project (plus, in the case of any Refinancing Indebtedness, the Additional Refinancing Amount); provided that for purposes of determining the amount of Indebtedness that may be Incurred under this clause (a)(z), all Indebtedness Incurred under this clause (a)(z) (or any Refinancing Indebtedness thereof pursuant to clause (o) below) shall be treated as Secured Indebtedness constituting First Priority Lien Obligations;

(b) the Incurrence by the Issuers and the Subsidiary Guarantors of Indebtedness represented by the unsecured notes (not including any additional unsecured notes) and the Subsidiary Guarantees;

(c) Indebtedness existing on the Issue Date (other than Indebtedness described in clauses (a), (b), and (aa));

(d) (1) Indebtedness (including Capitalized Lease Obligations) Incurred by either Issuer or any Restricted Subsidiary, Disqualified Stock issued by either Issuer or any Restricted Subsidiary and Preferred Stock issued by any Restricted Subsidiary to finance (whether prior to or within 270 days after) the acquisition, lease, construction, installation, repair, replacement or improvement of property (real or personal) or equipment or other asset (whether through the direct purchase of assets or the Capital Stock of any Person owning such assets) in an aggregate

principal amount that, when aggregated with the principal amount or liquidation preference of all other Indebtedness, Disqualified Stock or Preferred Stock then outstanding and Incurred pursuant to this clause (d)(1), together with any Refinancing Indebtedness in respect thereof Incurred pursuant to clause (o) below, does not exceed the greater of $315 million and 9.5% of the Pro Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such date on which such additional Indebtedness is Incurred, or Disqualified Stock or Preferred Stock is issued, and after giving pro forma effect thereto as if such event occurred at the beginning of such four fiscal quarters (plus, in the case of any Refinancing Indebtedness, the Additional Refinancing Amount); and

(2) Indebtedness (including Capitalized Lease Obligations) Incurred by the Issuers or any Restricted Subsidiary to finance (whether prior to or within 270 days after) the acquisition, lease, construction, installation, repair, replacement or improvement of assets, equipment and facilities related to the business of ADT Inc. and its Subsidiaries.

(e) Indebtedness Incurred by either Issuer or any Restricted Subsidiary constituting reimbursement obligations with respect to letters of credit and bank guarantees issued in the ordinary course of business, including without limitation letters of credit in respect of workers' compensation claims, health, disability or other benefits to employees or former employees or their families or property, casualty or liability insurance or self-insurance, and letters of credit in connection with the maintenance of, or pursuant to the requirements of, environmental or other permits or licenses from governmental authorities, or other Indebtedness with respect to reimbursement type obligations regarding workers' compensation claims;

(f) Indebtedness arising from agreements of either Issuer or any Restricted Subsidiary providing for indemnification, adjustment of acquisition or purchase price or similar obligations (including earn-outs), in each case, Incurred or assumed in connection with the Transactions, any Investments or any acquisition or disposition of any business, assets or a Subsidiary not prohibited by the indenture, other than guarantees of Indebtedness Incurred by any Person acquiring all or any portion of such business, assets or Subsidiary for the purpose of financing such acquisition;

(g) Indebtedness of either Issuer to a Restricted Subsidiary; provided that (except in respect of intercompany current liabilities incurred in the ordinary course of business in connection with the cash management, tax and accounting operations of the Issuers and their Subsidiaries) any such Indebtedness owed by either Issuer to a Restricted Subsidiary that is not a Subsidiary Guarantor is subordinated in right of payment to the obligations of either Issuer under the unsecured notes; provided, further, that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Restricted Subsidiary holding such Indebtedness ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such Indebtedness (except to an Issuer or another Restricted Subsidiary or any pledge of such Indebtedness constituting a Permitted Lien but not the transfer thereof upon foreclosure) shall be deemed, in each case, to be an Incurrence of such Indebtedness not permitted by this clause (g);

(h) shares of Preferred Stock of a Restricted Subsidiary issued to an Issuer or another Restricted Subsidiary; provided that any subsequent issuance or transfer of any Capital Stock or any other event which results in any Restricted Subsidiary that holds such shares of Preferred Stock of another Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such shares of Preferred Stock (except to an Issuer or another Restricted Subsidiary) shall be deemed, in each case, to be an issuance of shares of Preferred Stock not permitted by this clause (h);

(i) Indebtedness of a Restricted Subsidiary to an Issuer or another Restricted Subsidiary; provided that if a Subsidiary Guarantor owes such Indebtedness to a Restricted Subsidiary that is not a Subsidiary Guarantor (except in respect of intercompany current liabilities incurred in the ordinary course of business in connection with the cash management, tax and accounting operations of the Issuers and their Subsidiaries), such Indebtedness is subordinated in right of payment to the Subsidiary Guarantee of such Subsidiary Guarantor; provided, further, that any subsequent issuance or transfer of any Capital Stock or any other event which results in any Restricted Subsidiary holding such Indebtedness ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such Indebtedness (except to an Issuer or another Restricted Subsidiary or any pledge of such Indebtedness constituting a Permitted Lien but not the transfer thereof upon foreclosure) shall be deemed, in each case, to be an Incurrence of such Indebtedness not permitted by this clause (i);

(j) Hedging Obligations that are not incurred for speculative purposes;

(k) obligations in respect of self-insurance and obligations (including reimbursement obligations with respect to letters of credit, bank guarantees, warehouse receipts and similar instruments) in respect of performance, bid, appeal and surety bonds, performance and completion guarantees and similar obligations provided by either Issuer or any Restricted Subsidiary in the ordinary course of business or consistent with past practice or industry norm;

(l) Indebtedness or Disqualified Stock of either Issuer or Indebtedness, Disqualified Stock or Preferred Stock of any Restricted Subsidiary in an aggregate principal amount or liquidation preference, which when aggregated with the principal amount or liquidation preference of all other Indebtedness, Disqualified Stock and Preferred Stock then outstanding and Incurred pursuant to this clause (l), together with any Refinancing Indebtedness in respect thereof incurred pursuant to clause (o) below, does not exceed the greater of $530.0 million and 19.0% the Pro Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such date on which such additional Indebtedness is Incurred, or Disqualified Stock or Preferred Stock is issued and after giving pro forma effect thereto as if such event occurred at the beginning of such four fiscal quarters (plus, in the case of any Refinancing Indebtedness, the Additional Refinancing Amount);

(m) Indebtedness or Disqualified Stock of either Issuer or any Restricted Subsidiary and Preferred Stock of any Restricted Subsidiary in an aggregate principal amount or liquidation preference outstanding at the time of incurrence, together with Refinancing Indebtedness in respect thereof incurred pursuant to clause (o) hereof, not greater than an amount equal to 100.0% of the amount of net cash proceeds received by the Issuers and their Restricted Subsidiaries since May 2, 2016 from the issue or sale of Equity Interests of the Company or any direct or indirect parent entity of the Company (which proceeds are contributed to an Issuer or a Restricted Subsidiary) or cash contributed to the capital of the Company (in each case other than proceeds of Disqualified Stock or sales of Equity Interests to, or contributions received from, any Issuer or Subsidiary) to the extent such net cash proceeds or cash have not been applied to increase the calculation of the Cumulative Credit pursuant to clauses (2) or (3) of the definition thereof or applied to make Restricted Payments specified in clause (9) of the third paragraph of "—Limitation on Restricted Payments" or to make Permitted Investments specified in clause (12) of the definition thereof (plus, in the case of any Refinancing Indebtedness, the Additional Refinancing Amount);

(n) any guarantee by an Issuer or any Restricted Subsidiary of Indebtedness or other obligations of an Issuer or any Restricted Subsidiary so long as the Incurrence of such Indebtedness or other obligations by such Issuer or Restricted Subsidiary is permitted under the terms of the indenture; provided that (i) if such Indebtedness is by its express terms subordinated in right of payment to the unsecured notes or the Subsidiary Guarantee of any such Restricted Subsidiary, as applicable, any such guarantee with respect to such Indebtedness shall be subordinated in right of payment to the unsecured notes or such Subsidiary Guarantee, as applicable, substantially to the same extent as such Indebtedness is subordinated to the unsecured notes or the Subsidiary Guarantee, as applicable, and (ii) if such guarantee is of Indebtedness of an Issuer, such guarantee is Incurred in accordance with, or not in contravention of, the covenant described under "—Future Subsidiary Guarantors" solely to the extent such covenant is applicable;

(o) Indebtedness or Disqualified Stock of an Issuer or any Restricted Subsidiary or Preferred Stock of a Restricted Subsidiary that serves to replace, refund, refinance or defease any Indebtedness (or unutilized commitments in respect of Indebtedness (only to the extent the committed amount (i) could have been Incurred on the date of initial Incurrence and was deemed Incurred at such time for the purposes of this covenant or (ii) could have been Incurred other than as Refinancing Indebtedness on the date of such replacement, refunding or refinancing)) Incurred or Disqualified Stock or Preferred Stock issued as permitted under the first paragraph of this covenant and clauses (a)(z), (b), (c), (d), (l), (m), (o), (p), (t) and (w) of this paragraph up to the outstanding principal amount (or, if applicable, the liquidation preference face amount, or the like) or, if greater, committed amount (only to the extent the committed amount (i) could have been Incurred on the date of initial Incurrence and was deemed Incurred at such time for the purposes of this covenant or (ii) could have been Incurred other than as Refinancing Indebtedness on the date of such replacement, refunding or refinancing) of such Indebtedness or Disqualified Stock or Preferred Stock, in each case at the time such Indebtedness was Incurred or Disqualified Stock or Preferred Stock was issued or committed pursuant to the first paragraph of this covenant or clauses (a)(z), (b), (c), (d), (l), (m), (o), (p), (t) and (w) of this paragraph, or any Indebtedness, Disqualified Stock or Preferred Stock Incurred to so replace, refund, refinance or defease such Indebtedness (or such unutilized commitments in respect of Indebtedness), Disqualified Stock or Preferred Stock, plus any additional Indebtedness, Disqualified Stock or Preferred Stock Incurred to pay premiums (including tender premiums), accrued and unpaid interest, expenses, defeasance costs and fees in connection therewith (subject to the following proviso, "Refinancing Indebtedness") prior to its respective maturity; provided, however, that such Refinancing Indebtedness:

(1) has a Weighted Average Life to Maturity at the time such Refinancing Indebtedness is Incurred which is not less than the shorter of (x) the remaining Weighted Average Life to Maturity of the Indebtedness, Disqualified Stock or Preferred Stock being replaced, refunded, refinanced or defeased and (y) the Weighted Average Life to Maturity that would result if all payments of principal on the Indebtedness, Disqualified Stock and Preferred Stock being replaced, refunded, refinanced or defeased that were due on or after the date that is one year following the last maturity date of any unsecured notes then outstanding were instead due on such date (provided that this subclause (1) will not apply to any replacement, refunding, refinancing or defeasance of any Secured Indebtedness);

(2) to the extent such Refinancing Indebtedness refinances (a) Indebtedness subordinated in right of payment to the unsecured notes or a Subsidiary

Guarantee, as applicable, such Refinancing Indebtedness is subordinated in right of payment to the unsecured notes or the Subsidiary Guarantee, as applicable, or (b) Disqualified Stock or Preferred Stock, such Refinancing Indebtedness is Disqualified Stock or Preferred Stock; and

(3) shall not include (x) Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor that refinances Indebtedness of an Issuer or a Subsidiary Guarantor, or (y) Indebtedness of an Issuer or a Restricted Subsidiary that refinances Indebtedness of an Unrestricted Subsidiary;

(p) Indebtedness, Disqualified Stock or Preferred Stock of (x) the Issuers or any Restricted Subsidiary incurred to finance an acquisition or investment or (y) Persons that are acquired by any Issuer or Restricted Subsidiary or merged, consolidated or amalgamated with or into any Issuer or Restricted Subsidiary in accordance with the terms of the indenture; provided that after giving effect to such acquisition or investment or merger, consolidation or amalgamation, either:

(1) the Issuers would be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of this covenant; or

(2) the Fixed Charge Coverage Ratio of the Issuers would be no less than immediately prior to such acquisition or merger, consolidation or amalgamation;

provided, further, that the aggregate principal amount of Indebtedness of Restricted Subsidiaries that are not Subsidiary Guarantors Incurred under this clause (p) (solely if Incurred in contemplation of such acquisition or merger, consolidation or amalgamation) and outstanding at the time of Incurrence, together with any Refinancing Indebtedness in respect thereof Incurred under clause (o), shall not exceed the greater of $600.0 million and 21.5% of the Pro Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such date on which such additional Indebtedness is Incurred and after giving pro forma effect thereto as if such event occurred at the beginning of such four fiscal quarters (plus, in the case of any Refinancing Indebtedness, the Additional Refinancing Amount).

(q) Indebtedness in connection with Permitted Securitization Financings;

(r) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; provided that such Indebtedness is extinguished within five Business Days of its Incurrence;

(s) Indebtedness of the Issuers or any Restricted Subsidiary (i) supported by a letter of credit or bank guarantee issued pursuant to Bank Indebtedness, in a principal amount not in excess of the stated amount of such letter of credit or (ii) in respect of cash management services in the ordinary course of business or consistent with past practice or industry norm;

(t) Indebtedness of Restricted Subsidiaries that are not Subsidiary Guarantors; provided, however, that the aggregate principal amount of Indebtedness Incurred under this clause (t), when aggregated with the principal amount of all other Indebtedness then outstanding and Incurred pursuant to this clause (t), together with Refinancing Indebtedness in respect thereof Incurred pursuant to clause (o) hereof, does not exceed the greater of $440.0 million and 15.0% of the Pro Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such date on which such additional

Indebtedness is Incurred and after giving pro forma effect thereto as if such event occurred at the beginning of such four fiscal quarters (plus, in the case of any Refinancing Indebtedness, the Additional Refinancing Amount);

(u) Indebtedness of either Issuer or any Restricted Subsidiary consisting of (1) the financing of insurance premiums or (2) take-or-pay obligations contained in supply arrangements, in each case, in the ordinary course of business or consistent with past practice or industry norm;

(v) Indebtedness consisting of Indebtedness issued by an Issuer or a Restricted Subsidiary to current or former officers, directors and employees thereof or any direct or indirect parent thereof, their respective estates, spouses or former spouses, in each case to finance the purchase or redemption of Equity Interests of the Company or any direct or indirect parent of the Company to the extent permitted by the covenant described under "—Limitation on Restricted Payments";

(w) Indebtedness Incurred on behalf of, or representing guarantees of Indebtedness of, joint ventures of any Issuer or Restricted Subsidiary; provided, however, that the aggregate principal amount of Indebtedness Incurred under this clause (w), when aggregated with the principal amount of all other Indebtedness then outstanding and Incurred pursuant to this clause (w) at the time of Incurrence, together with any Refinancing Indebtedness in respect thereof Incurred pursuant to clause (o) hereof, does not exceed the greater of $190.0 million and 6.25% of the Pro Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such event and giving pro forma effect thereto as if such event occurred at the beginning of such four fiscal quarters (plus, in the case of any Refinancing Indebtedness, the Additional Refinancing Amount);

(x) guarantees by the Issuers and Restricted Subsidiaries of Indebtedness under customer financing lines of credit entered into in the ordinary course of business or consistent with past practice or industry norm;

(y) Indebtedness in respect of Obligations of an Issuer or any Restricted Subsidiary to pay the deferred purchase price of goods or services or progress payments in connection with such goods and services; provided that such obligations are Incurred in connection with open accounts extended by suppliers on customary trade terms in the ordinary course of business or consistent with past practice or industry norm and not in connection with the borrowing of money or any Hedging Obligations;

(z) Indebtedness of an Issuer or any Restricted Subsidiary to or on behalf of any joint venture (regardless of the form of legal entity) that is not a Restricted Subsidiary arising in the ordinary course of business in connection with the cash management operations (including with respect to intercompany self-insurance arrangements) of the Issuers and the Restricted Subsidiaries; and

(aa) Indebtedness of up to (i) $1,500.0 million of Indebtedness at any time outstanding (including under the First-Priority Notes) and (ii) $3,750.0 million of Indebtedness at any time outstanding (including under the ADT Notes).

For purposes of determining compliance with this covenant:

(1) in the event that an item of Indebtedness, Disqualified Stock or Preferred Stock (or any portion thereof) meets the criteria of more than one of the categories of permitted Indebtedness described in clauses (a) through (aa) above (or any portion thereof) or is entitled to be Incurred or issued pursuant to the first paragraph of this covenant, then the Issuers may, in their sole discretion, divide, classify or reclassify, or later divide,

classify or reclassify (as if Incurred at such later time), such item of Indebtedness, Disqualified Stock or Preferred Stock (or any portion thereof) in any manner that complies with this covenant, provided that Indebtedness outstanding under (i) the First Lien Credit Agreement on the Issue Date shall be incurred under clause (a)(x) above and may not be reclassified, (ii) the First-Priority Notes on the Issue Date shall be incurred under clause (aa)(i) above and may not be reclassified, and (iii) the ADT Notes outstanding on the Issue Date shall be incurred under clause (aa)(ii) above and may not be reclassified;

(2) at the time of Incurrence, division, classification or reclassification, the Issuers will be entitled to divide and classify an item of Indebtedness in more than one of the categories of Indebtedness described in the first paragraph of this covenant or clauses (a) through (aa) above (or any portion thereof) without giving pro forma effect to the Indebtedness Incurred, divided, classified or reclassified pursuant to any other clause or paragraph above (or any portion thereof) when calculating the amount of Indebtedness that may be Incurred, divided, classified or reclassified pursuant to any such clause or paragraph (or any portion thereof) at such time; and

(3) in connection with the Incurrence or issuance, as applicable, of (x) revolving loan Indebtedness under this covenant or (y) any commitment relating to the Incurrence or issuance of Indebtedness, Disqualified Stock or Preferred Stock under this covenant and the granting of any Lien to secure such Indebtedness, the Issuers or applicable Restricted Subsidiary may designate such Incurrence or issuance and the granting of any Lien therefor as having occurred on the date of first Incurrence of such revolving loan Indebtedness or commitment (such date, the "Deemed Date"), and any related subsequent actual Incurrence or issuance and granting of such Lien therefor will be deemed for all purposes under the indenture to have been Incurred or issued and granted on such Deemed Date, including without limitation for purposes of calculating the Fixed Charge Coverage Ratio, usage of any baskets hereunder (if applicable), the Total Indebtedness Leverage Ratio, the Secured Leverage Ratio, the Senior Secured Leverage Ratio and EBITDA (and all such calculations on and after the Deemed Date until the termination or funding of such commitment shall be made on a pro forma basis giving effect to the deemed Incurrence or issuance, the granting of any Lien therefor and related transactions in connection therewith).

Accrual of interest, the accretion of accreted value, the payment of interest or dividends in the form of additional Indebtedness, Disqualified Stock or Preferred Stock, as applicable, amortization of original issue discount or deferred financing costs, the accretion of original issue discount or deferred financing costs or liquidation preference and increases in the amount of Indebtedness outstanding solely as a result of fluctuations in the exchange rate of currencies or increases in the value of property securing Indebtedness described in clause (3) of the definition of "Indebtedness" will not be deemed to be an Incurrence of Indebtedness, Disqualified Stock or Preferred Stock for purposes of this covenant. Guarantees of, or obligations in respect of letters of credit relating to, Indebtedness which is otherwise included in the determination of a particular amount of Indebtedness shall not be included in the determination of such amount of Indebtedness; provided that the Incurrence of the Indebtedness represented by such guarantee or letter of credit, as the case may be, was in compliance with this covenant.

For purposes of determining compliance with any U.S. dollar-denominated restriction on the Incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was Incurred, in the case of term debt, or first

committed or first Incurred (whichever yields the lower U.S. dollar equivalent), in the case of revolving credit debt. However, if the Indebtedness is Incurred to refinance other Indebtedness denominated in a foreign currency, and the refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of the refinancing, the U.S. dollar-denominated restriction will be deemed not to have been exceeded so long as the principal amount of the refinancing Indebtedness does not exceed the principal amount of the Indebtedness being refinanced.

Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Issuers and the Restricted Subsidiaries may Incur pursuant to this covenant shall not be deemed to be exceeded, with respect to any outstanding Indebtedness, solely as a result of fluctuations in the exchange rate of currencies. The principal amount of any Indebtedness Incurred to refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being refinanced, will be calculated based on the currency exchange rate applicable to the currencies in which the respective Indebtedness is denominated that is in effect on the date of the refinancing.

Limitation on Restricted Payments

The indenture will provide that the Issuers will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any distribution on account of any of the Issuers' or any of the Restricted Subsidiaries' Equity Interests, including any payment made in connection with any merger, amalgamation or consolidation involving the Company (other than (A) dividends or distributions by the Company payable solely in Equity Interests (other than Disqualified Stock) of the Company; or (B) dividends or distributions by a Restricted Subsidiary so long as, in the case of any dividend or distribution payable on or in respect of any class or series of Equity Interests issued by a Restricted Subsidiary that is not a Wholly Owned Restricted Subsidiary, an Issuer or a Restricted Subsidiary receives at least its pro rata share of such dividend or distribution in accordance with its Equity Interests in such class or series of Equity Interests);

(2) purchase or otherwise acquire or retire for value any Equity Interests of the Company or any direct or indirect parent of the Company;

(3) make any principal payment on, or redeem, repurchase, defease or otherwise acquire or retire for value, in each case prior to any scheduled repayment or scheduled maturity, any Subordinated Indebtedness of any Issuer or Subsidiary Guarantor (other than the payment, redemption, repurchase, defeasance, acquisition or retirement of (A) Subordinated Indebtedness in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of such payment, redemption, repurchase, defeasance, acquisition or retirement and (B) Indebtedness permitted under clauses (g) and (i) of the second paragraph of the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock"); or

(4) make any Restricted Investment

(all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as "Restricted Payments"), unless, at the time of such Restricted Payment:

(a) no Default shall have occurred and be continuing or would occur as a consequence thereof;

(b) immediately after giving effect to such transaction on a pro forma basis, the Issuers could Incur $1.00 of additional Indebtedness under the provisions of the first paragraph of the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock"; and

(c) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Issuers and the Restricted Subsidiaries after May 2, 2016 (including Restricted Payments permitted by clauses (6)(c), (8) and (13)(b) of the next succeeding paragraph, but excluding all other Restricted Payments permitted by the next succeeding paragraph), is less than the amount equal to the Cumulative Credit outstanding at such time.

"Cumulative Credit" means the sum of (without duplication):

(1) an amount, not less than zero in the aggregate, equal to 50% of Consolidated Net Income of the Issuers for the period (taken as one accounting period) from April 1, 2016 to the end of the Issuer's most recently ended fiscal quarter for which financial statements have been delivered to the Trustee at the time of such Restricted Payment (or, in the case such Consolidated Net Income for such period is a deficit, minus 100% of such deficit), plus

(2) 100% of the aggregate net proceeds, including cash and the Fair Market Value (as determined in good faith by the Issuers) of property other than cash, received by the Company after May 2, 2016 (other than net proceeds to the extent such net proceeds have been used to incur Indebtedness, Disqualified Stock, or Preferred Stock pursuant to clause (m) of the second paragraph of the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock") from the issue or sale of Equity Interests of the Company or any direct or indirect parent entity of the Company (excluding Refunding Capital Stock (as defined below), Designated Preferred Stock, Excluded Contributions, and Disqualified Stock), including Equity Interests issued upon exercise of warrants or options (other than an issuance or sale to an Issuer or a Restricted Subsidiary), plus

(3) 100% of the aggregate amount of contributions to the capital of the Company received in cash and the Fair Market Value (as determined in good faith by the Issuers) of property other than cash after May 2, 2016 (other than Excluded Contributions, Refunding Capital Stock, Designated Preferred Stock, and Disqualified Stock and other than contributions to the extent such contributions have been used to incur Indebtedness, Disqualified Stock, or Preferred Stock pursuant to clause (m) of the second paragraph of the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock"), plus

(4) 100% of the principal amount of any Indebtedness, or the liquidation preference or maximum fixed repurchase price, as the case may be, of any Disqualified Stock of any Issuer or any Restricted Subsidiary issued after May 2, 2016 (other than Indebtedness or Disqualified Stock issued to a Restricted Subsidiary) which has been converted into or exchanged for Equity Interests in the Company (other than Disqualified Stock) or any direct or indirect parent of the Company (provided, in the case of any such parent, such Indebtedness or Disqualified Stock is retired or extinguished), plus

(5) 100% of the aggregate amount received by any Issuer or any Restricted Subsidiary in cash and the Fair Market Value (as determined in good faith by the Issuers) of property other than cash received by any Issuer or any Restricted Subsidiary from:

(A) the sale or other disposition (other than to an Issuer or a Restricted Subsidiary) of, or other returns on Investments from, Restricted Investments made by the Issuers

and the Restricted Subsidiaries and from repurchases and redemptions of such Restricted Investments from the Issuers and the Restricted Subsidiaries by any Person (other than the Issuers or any Restricted Subsidiary) and from repayments of loans or advances, and releases of guarantees, which constituted Restricted Investments (other than in each case to the extent that the Restricted Investment was made pursuant to clause (7) of the succeeding paragraph),

(B) the sale (other than to an Issuer or a Restricted Subsidiary) of the Capital Stock of an Unrestricted Subsidiary, or

(C) a distribution or dividend from an Unrestricted Subsidiary, plus

(6) in the event any Unrestricted Subsidiary has been redesignated as a Restricted Subsidiary or has been merged, consolidated or amalgamated with or into, or transfers or conveys its assets to, or is liquidated into, an Issuer or a Restricted Subsidiary, the Fair Market Value (as determined in good faith by the Issuers) of the Investment of the Issuers or the Restricted Subsidiaries in such Unrestricted Subsidiary (which, if the Fair Market Value of such Investment shall exceed $100.0 million, shall be determined by the Board of Directors of the Company) at the time of such redesignation, combination or transfer (or of the assets transferred or conveyed, as applicable) (other than in each case to the extent that the designation of such Subsidiary as an Unrestricted Subsidiary was made pursuant to clause (7) of the succeeding paragraph or constituted a Permitted Investment).

On the Issue Date, Cumulative Credit available under the foregoing clauses (1) through (6) shall be $1,102,610,810.

The foregoing provisions will not prohibit:

(1) the payment of any dividend or distribution or the consummation of any redemption within 60 days after the date of declaration thereof or the giving notice thereof, as applicable, if at the date of declaration or the giving notice of such redemption, as applicable, such payment would have complied with the provisions of the indenture;

(2) (a) the redemption, repurchase, retirement or other acquisition of any Equity Interests ("Retired Capital Stock") or Subordinated Indebtedness of any Issuer, any direct or indirect parent of the Company or any Subsidiary Guarantor in exchange for, or out of the proceeds of, the substantially concurrent sale of, Equity Interests of the Company or any direct or indirect parent of the Company or contributions to the equity capital of the Company (other than any Disqualified Stock or any Equity Interests sold to a Subsidiary of an Issuer or to another Issuer) (collectively, including any such contributions, "Refunding Capital Stock"),

(b) the declaration and payment of dividends on the Retired Capital Stock out of the proceeds of the substantially concurrent sale (other than to a Subsidiary of an Issuer or to another Issuer) of Refunding Capital Stock, and

(c) if immediately prior to the retirement of Retired Capital Stock, the declaration and payment of dividends thereon was permitted under clause (6) of this paragraph and not made pursuant to clause (2)(b), the declaration and payment of dividends on the Refunding Capital Stock (other than Refunding Capital Stock the proceeds of which were used to redeem, repurchase, retire or otherwise acquire any Equity Interests of any direct or indirect parent of the Company) in an aggregate amount per year no greater than the aggregate amount of dividends per annum that were declarable and payable on such Retired Capital Stock immediately prior to such retirement;

(3) the redemption, repurchase, defeasance, or other acquisition or retirement of Subordinated Indebtedness of an Issuer or any Subsidiary Guarantor made by exchange for, or out of the proceeds of the substantially concurrent sale of, new Indebtedness of an Issuer or a Subsidiary Guarantor, which is Incurred in accordance with the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" so long as:

(a) the principal amount (or accreted value, if applicable) of such new Indebtedness does not exceed the principal amount (or accreted value, if applicable), plus any accrued and unpaid interest, of the Subordinated Indebtedness being so redeemed, repurchased, defeased, acquired or retired for value (plus the amount of any premium required to be paid under the terms of the instrument governing the Subordinated Indebtedness being so redeemed, repurchased, acquired or retired, any tender premiums, plus any defeasance costs, fees and expenses incurred in connection therewith),

(b) such Indebtedness is subordinated to the unsecured notes or the related Subsidiary Guarantee of such Subsidiary Guarantor, as the case may be, at least to the same extent as such Subordinated Indebtedness so purchased, exchanged, redeemed, repurchased, defeased, acquired or retired for value,

(c) such Indebtedness has a final scheduled maturity date equal to or later than the earlier of (x) the final scheduled maturity date of the Subordinated Indebtedness being so redeemed, repurchased, acquired or retired and (y) 91 days following the last maturity date of any unsecured notes then outstanding, and

(d) such Indebtedness has a Weighted Average Life to Maturity at the time Incurred which is not less than the shorter of (x) the remaining Weighted Average Life to Maturity of the Subordinated Indebtedness being so redeemed, repurchased, defeased, acquired or retired and (y) the Weighted Average Life to Maturity that would result if all payments of principal on the Subordinated Indebtedness being redeemed, repurchased, defeased, acquired or retired that were due on or after the date that is one year following the last maturity date of any unsecured notes then outstanding were instead due on such date;

(4) a Restricted Payment to pay for the repurchase, retirement or other acquisition for value of Equity Interests of the Company or any direct or indirect parent of the Company held by any future, present or former employee, director, officer or consultant of the Company or any direct or indirect parent of the Company or any Subsidiary of the Issuers pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or other agreement or arrangement; provided, however, that the aggregate Restricted Payments made under this clause (4) do not exceed $125.0 million in any calendar year), with unused amounts in any calendar year being permitted to be carried over to succeeding calendar years subject to a maximum of $250.0 million in any calendar year; provided, further, however, that such amount in any calendar year may be increased by an amount not to exceed:

(a) the cash proceeds received by either Issuer or any of the Restricted Subsidiaries from the sale of Equity Interests (other than Disqualified Stock) of the Company or any direct or indirect parent of the Company (to the extent contributed to the Company) to employees, directors, officers or consultants of the Issuers and the Restricted Subsidiaries or any direct or indirect parent of the Company that occurs after May 2, 2016 (provided that the amount of such cash proceeds utilized for any such repurchase, retirement, other acquisition or dividend will not increase the

amount available for Restricted Payments under clause (3) of the definition of Cumulative Credit contained in "—Limitation on Restricted Payments"), plus

(b) the cash proceeds of key man life insurance policies received by the Company or any direct or indirect parent of the Company (to the extent contributed to the Company) or the Restricted Subsidiaries after May 2, 2016;

provided that the Issuers may elect to apply all or any portion of the aggregate increase contemplated by clauses (a) and (b) above in any calendar year; and provided, further, that cancellation of Indebtedness owing to an Issuer or any Restricted Subsidiary from any present or former employees, directors, officers or consultants of any Issuer, any Restricted Subsidiary or the direct or indirect parents of the Company in connection with a repurchase of Equity Interests of the Company or any of its direct or indirect parents will not be deemed to constitute a Restricted Payment for purposes of this covenant or any other provision of the indenture;

(5) the declaration and payment of dividends or distributions to holders of any class or series of Disqualified Stock of any Issuer or any Restricted Subsidiary issued or incurred in accordance with the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock";

(6) (a) the declaration and payment of dividends or distributions to holders of any class or series of Designated Preferred Stock (other than Disqualified Stock) issued after the Issue Date;

(b) a Restricted Payment to any direct or indirect parent of the Company, the proceeds of which will be used to fund the payment of dividends to holders of any class or series of Designated Preferred Stock (other than Disqualified Stock) of any direct or indirect parent of the Company issued after the Issue Date; provided that the aggregate amount of dividends declared and paid pursuant to this clause (b) does not exceed the net cash proceeds actually received by the Company from any such sale of Designated Preferred Stock (other than Disqualified Stock) issued after the Issue Date; and

(c) the declaration and payment of dividends on Refunding Capital Stock that is Preferred Stock in excess of the dividends declarable and payable thereon pursuant to clause (2) of this paragraph;

provided, however, in the case of each of (a) and (c) above of this clause (6), that for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding the date of issuance of such Designated Preferred Stock, after giving effect to such issuance (and the payment of dividends or distributions and treating such Designated Preferred Stock as Indebtedness for borrowed money for such purpose) on a pro forma basis (including a pro forma application of the net proceeds therefrom), the Issuers would have had a Fixed Charge Coverage Ratio of at least 2.00 to 1.00;

(7) Investments in Unrestricted Subsidiaries having an aggregate Fair Market Value (as determined in good faith by the Issuers), taken together with all other Investments made pursuant to this clause (7) that are at that time outstanding, not to exceed the sum of (a) the greater of $95.0 million and 3.25% of the Pro Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such event and giving pro forma effect thereto as if such event occurred at the beginning of such four fiscal quarters and (b) an amount equal to any returns (including dividends, interest, distributions, returns of principal, profits on sale, repayments, income and similar amounts) actually received in respect of any such Investment (with the Fair Market

Value of each Investment being measured at the time made and without giving effect to any write-downs or write-offs thereof or subsequent changes in value); provided, however, that if any Investment pursuant to this clause (7) is made in any Person that is not an Issuer or a Restricted Subsidiary at the date of the making of such Investment and such Person becomes an Issuer or a Restricted Subsidiary after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (1) of the definition of Permitted Investments and shall cease to have been made pursuant to this clause (7) for so long as such Person continues to be an Issuer or a Restricted Subsidiary;

(8) (a) Restricted Payments (or a Restricted Payment to any direct or indirect parent of the Issuers to fund the payment by such direct or indirect parent of the Issuers of Restricted Payments) of up to 6% per annum of the Market Capitalization or (b) in lieu of all or a portion of the Restricted Payments permitted by sub-clause (a), repurchases of the Issuer's Capital Stock (or a Restricted Payment to any direct or indirect parent of the Issuers to fund the repurchase by such direct or indirect parent of the Issuers of such entity's Capital Stock) for aggregate consideration that, when taken together with Restricted Payments permitted by sub-clause (a) in such year, does not exceed the amount otherwise permitted by sub-clause (a);

(9) Restricted Payments that are made with (or in an aggregate amount that does not exceed the aggregate amount of) Excluded Contributions;

(10) Restricted Payments in an aggregate amount, when taken together with all other Restricted Payments made pursuant to this clause (10) that are at that time outstanding, not to exceed the greater of $200.0 million and 7.5% of the Pro Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such event and giving pro forma effect thereto as if such event occurred at the beginning of such four fiscal quarters;

(11) the distribution, as a dividend or otherwise, of shares of Capital Stock of, or Indebtedness owed to an Issuer or a Restricted Subsidiary by, Unrestricted Subsidiaries;

(12) (a) with respect to any taxable period for which the Issuers and/or any of their Subsidiaries are members of a consolidated, combined, affiliated, unitary or similar income tax group for U.S. federal and/or applicable state or local income tax purposes of which a direct or indirect parent of the Company is the common parent, or for which the Company is a partnership or disregarded entity for U.S. federal income tax purposes that is wholly-owned (directly or indirectly) by a C corporation for U.S. federal and/or applicable state or local income tax purposes, distributions to any direct or indirect parent of the Company in an amount not to exceed the amount of any U.S. federal, state and/or local income taxes that the Issuers and/or their Subsidiaries, as applicable, would have paid for such taxable period had the Issuers and/or their Subsidiaries, as applicable, been a stand-alone corporate taxpayer or a stand-alone corporate group, and

(b) with respect to any taxable period ending after the Issue Date for which the Company is a partnership or disregarded entity for U.S. federal income tax purposes (other than a partnership or disregarded entity described in clause (a)), distributions to any direct or indirect parent of the Company in an amount necessary to permit such direct or indirect parent of the Company to pay or to make a pro rata distribution to its owners such that each direct or indirect owner of the Company receives an amount from such pro rata distribution sufficient to enable such owner to pay its U.S. federal, state and/or local income taxes (as applicable) attributable to its direct or indirect ownership of the Issuers and their

Subsidiaries with respect to such taxable period (assuming that each owner is subject to tax at the highest combined marginal federal, state, and/or local income tax rate applicable to any owner for such taxable period and taking into account the deductibility of state and local income taxes for U.S. federal income tax purposes (and any limitations thereon), the alternative minimum tax, any cumulative net taxable loss of the Company for prior taxable periods ending after the Issue Date to the extent such loss is of a character that would allow such loss to be available to reduce taxes in the current taxable period (taking into account any limitations on the utilization of such loss to reduce such taxes and assuming such loss had not already been utilized) and the character (e.g., long-term or short-term capital gain or ordinary or exempt) of the applicable income);

(13) any Restricted Payment, if applicable:

(a) in amounts required for any direct or indirect parent of the Company to pay fees and expenses (including franchise or similar taxes) in connection with the maintenance of its corporate existence, customary salary, bonus, severance and other benefits payable to, and indemnities provided on behalf of, directors, officers, employees and consultants of any direct or indirect parent of the Company and general corporate operating and overhead, legal, accounting and other professional fees and expenses of any direct or indirect parent of the Company in each case to the extent such fees and expenses are attributable to the ownership or operation of the Company, if applicable, and its Subsidiaries (which (x) with respect to Holdings shall be 100% at any time that Holdings owns no material assets other than the Equity Interests of the Company and assets incidental to such equity ownership, (y) with respect to any parent entity shall be 100% at any time that such parent entity owns directly or indirectly no material assets other than Equity Interests of Holdings (with Holdings owning no material assets other than the Equity Interests of the Company and assets incidental to such equity ownership) and any other parent entity and assets incidental to such equity ownership and (z) in all other cases shall be as determined in good faith by the Company);

(b) in amounts required for any direct or indirect parent of the Company, if applicable, to pay interest and/or principal on Indebtedness the proceeds of which have been contributed to an Issuer or any Restricted Subsidiary and that has been guaranteed by, or is otherwise considered Indebtedness of, an Issuer Incurred in accordance with the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock"; and

(c) in amounts required for any direct or indirect parent of the Company to pay fees and expenses related to any equity or debt offering or Incurrence of such parent (whether or not successful);

(14) repurchases of Equity Interests deemed to occur upon exercise of stock options or warrants if such Equity Interests represent a portion of the exercise price of such options or warrants;

(15) any consideration, payment, dividend, distribution or other transfer in connection with a Permitted Securitization Financing;

(16) Restricted Payments by any Issuer or any Restricted Subsidiary to allow the payment of cash in lieu of the issuance of fractional shares upon the exercise of options or warrants or upon the conversion or exchange of Equity Interests of any such Person;

(17) the repurchase, redemption or other acquisition or retirement for value of any Preferred Stock or Subordinated Indebtedness pursuant to provisions similar to those described under the captions "—Change of Control" and "—Asset Sales"; provided that all

unsecured notes tendered by holders of the unsecured notes in connection with a Change of Control Offer or Asset Sale Offer, as applicable, have been repurchased, redeemed or acquired for value;

(18) payments or distributions to dissenting stockholders or stockholders exercising appraisal rights pursuant to applicable law or as a result of the settlement of any stockholder claims or action (whether actual, contingent or potential), pursuant to or in connection with a consolidation, amalgamation, merger or transfer of all or substantially all of the assets of the Issuers and the Restricted Subsidiaries, taken as a whole, that complies with the covenant described under "Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets"; provided that as a result of such consolidation, amalgamation, merger or transfer of assets, the Issuers shall have made a Change of Control Offer (if required by the indenture) and that all unsecured notes tendered by holders in connection with such Change of Control Offer have been repurchased, redeemed or acquired for value;

(19) any Restricted Payment made in connection with the Transactions and the payment of fees and expenses Incurred in connection with the Transactions or owed by either Issuer, any direct or indirect parent of the Company or any Restricted Subsidiaries to Affiliates, and any other payments made, including any such payments made to any direct or indirect parent of the Company to enable it to make payments in connection with the consummation of the Transactions, whether payable on the Issue Date or thereafter, in each case to the extent permitted by the covenant described under "—Transactions with Affiliates"; and

(20) any Restricted Payment so long as, immediately after giving effect to such Restricted Payment, the Total Indebtedness Leverage Ratio for the most recently ended four fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such Restricted Payment is not greater than 2.95 to 1.00 on a pro forma basis.

provided, however, that at the time of, and after giving effect to, any Restricted Payment permitted under clauses (6)(b), (7), (10), (11), (13)(b) and (20), no Event of Default shall have occurred and be continuing or would occur as a consequence thereof; provided, further, that any Restricted Payments made with property other than cash shall be calculated using the Fair Market Value (as determined in good faith by the Issuers) of such property.

For purposes of determining compliance with this covenant, (A) a Restricted Payment or Permitted Investment need not be permitted solely by reference to one category of permitted Restricted Payments (or any portion thereof) or Permitted Investments (or any portion thereof) described in the above clauses or the definitions thereof but may be permitted in part under any combination thereof and (B) in the event that a Restricted Payment (or any portion thereof) or Permitted Investment (or any portion thereof) meets the criteria of one or more of the categories of permitted Restricted Payments (or any portion thereof) or Permitted Investments (or any portion thereof) described in the above clauses or the definitions thereof, the Issuers may, in their sole discretion, divide, classify or reclassify, or later divide, classify or reclassify, such permitted Restricted Payment (or any portion thereof) or Permitted Investment (or any portion thereof) in any manner that complies with this covenant and at the time of division, classification or reclassification will be entitled to only include the amount and type of such Restricted Payment (or any portion thereof) or Permitted Investment (or any portion thereof) in one of the categories of permitted Restricted Payments (or any portion thereof) or Permitted Investments (or any portion thereof) described in the above clauses or the definitions thereof. In the event that a Restricted Payment (or any portion thereof) or Permitted Investment (or any

portion thereof) is divided, classified or reclassified under clause (20) above, the first proviso of clause (19) of the definition of "Permitted Investments" or clause (27) of the definition of "Permitted Investments" (such clauses, the "Incurrence Clauses"), the determination of the amount of such Restricted Payment or Permitted Investment that may be made pursuant to the Incurrence Clauses shall be made without giving pro forma effect to any substantially concurrent Incurrence of Indebtedness to finance any other Restricted Payment (or any portion thereof) or Permitted Investment (or any portion thereof) divided, classified or reclassified under any of the above clauses or the definitions thereof other than an Incurrence Clause.

In connection with any commitment, definitive agreement or similar event relating to a Restricted Payment or Investment, the Issuers or applicable Restricted Subsidiary may designate such Restricted Payment or Investment as having occurred on the date of the commitment, definitive agreement or similar event relating thereto (such date, the "Election Date") if, after giving pro forma effect to such Restricted Payment or Investment and all related transactions in connection therewith and any related pro forma adjustments, the Issuers or any of their Restricted Subsidiaries would have been permitted to make such Investment on the relevant Election Date in compliance with the indenture, and any related subsequent actual making of such Investment will be deemed for all purposes under the indenture to have been made on such Election Date, including, without limitation, for purposes of calculating any ratio, compliance with any test, usage of any baskets hereunder (if applicable) and EBITDA and for purposes of determining whether there exists any Default or Event of Default (and all such calculations on and after the Election Date until the termination, expiration, passing, rescission, retraction or rescindment of such commitment, definitive agreement or similar event shall be made on a pro forma basis giving effect thereto and all related transactions in connection therewith).

As of the Issue Date, all of the Subsidiaries of the Issuers will be Restricted Subsidiaries. The Issuers will not permit any Restricted Subsidiary to become an Unrestricted Subsidiary except pursuant to the definition of "Unrestricted Subsidiary." For purposes of designating any Restricted Subsidiary as an Unrestricted Subsidiary, all outstanding Investments by the Issuers and the Restricted Subsidiaries (except to the extent repaid) in the Subsidiary so designated on such date of designation will be deemed to be Restricted Payments in an amount determined as set forth in the last sentence of the definition of "Investments." Such designation will only be permitted if a Restricted Payment or Permitted Investment in such amount would be permitted at such time and if such Subsidiary otherwise meets the definition of an Unrestricted Subsidiary.

Dividend and Other Payment Restrictions Affecting Subsidiaries

The indenture will provide that the Issuers will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any Restricted Subsidiary to:

(a) (i) pay dividends or make any other distributions to either Issuer or any Restricted Subsidiary (1) on its Capital Stock; or (2) with respect to any other interest or participation in, or measured by, its profits; or (ii) pay any Indebtedness owed to either Issuer or any Restricted Subsidiary;

(b) make loans or advances to either Issuer or any Restricted Subsidiary; or

(c) sell, lease or transfer any of its properties or assets to either Issuer or any Restricted Subsidiary;

except in each case for such encumbrances or restrictions existing under or by reason of:

(1) (i) contractual encumbrances or restrictions in effect on the Issue Date, (ii) contractual encumbrances or restrictions pursuant to the Credit Agreement and the other Credit Agreement Documents, (iii) contractual encumbrances or restrictions pursuant to the indentures governing the ADT Notes and the First-Priority Notes, and (iv) in each case, any similar contractual encumbrances or restrictions or any amendments, modifications, restatements, renewals, supplements, refundings, replacements or refinancings of such agreements or instruments;

(2) the indenture, the unsecured notes or the Subsidiary Guarantees;

(3) applicable law or any applicable rule, regulation or order;

(4) any agreement or other instrument of a Person acquired by an Issuer or any Restricted Subsidiary which was in existence at the time of such acquisition (but not created in contemplation thereof or to provide all or any portion of the funds or credit support utilized to consummate such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired;

(5) contracts or agreements for the sale of assets, including any restriction with respect to a Restricted Subsidiary imposed pursuant to an agreement entered into for the sale or disposition of the Capital Stock or assets of such Restricted Subsidiary;

(6) Secured Indebtedness otherwise permitted to be Incurred pursuant to the covenants described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" and "—Liens" that limit the right of the debtor to dispose of the assets securing such Indebtedness;

(7) restrictions on cash or other deposits or net worth imposed by suppliers, customers or landlords under contracts entered into in the ordinary course of business or consistent with past practice or industry norm or arising in connection with any Permitted Liens;

(8) customary provisions in joint venture agreements and other similar agreements entered into in the ordinary course of business or consistent with past practice or industry norm;

(9) purchase money obligations for property acquired and Capitalized Lease Obligations in the ordinary course of business that impose restrictions of the nature discussed in clause (c) above on the property so acquired;

(10) customary provisions contained in leases, licenses and other similar agreements entered into in the ordinary course of business or consistent with past practice or industry norm;

(11) in the case of clause (c) of the first paragraph of this covenant, any encumbrance or restriction that restricts in a customary manner the subletting, assignment or transfer of any property or asset that is subject to a lease, license or similar contract, or the assignment or transfer of any such lease, license (including without limitation, licenses of intellectual property) or other contracts;

(12) any encumbrances or restrictions contained in any Permitted Securitization Document with respect to any Special Purpose Securitization Subsidiary;

(13) other Indebtedness, Disqualified Stock or Preferred Stock (a) of either Issuer or any Restricted Subsidiary that is a Subsidiary Guarantor or a Foreign Subsidiary or (b) of any Restricted Subsidiary that is not a Subsidiary Guarantor or a Foreign Subsidiary so long as such encumbrances and restrictions contained in any agreement or instrument will not materially adversely affect the Issuers' ability to make anticipated principal or interest payments on the unsecured notes (as determined in good faith by the Issuers), provided that in the case of each of clauses (a) and (b), such Indebtedness, Disqualified Stock or Preferred Stock is permitted to be Incurred subsequent to the Issue Date by the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock";

(14) any Restricted Investment not prohibited by the covenant described under "—Limitation on Restricted Payments" and any Permitted Investment; or

(15) any encumbrances or restrictions of the type referred to in clauses (a), (b) or (c) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (1) through (14) above; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Issuers, not materially more restrictive with respect to such dividend and other payment restrictions than those contained in the dividend or other payment restrictions prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing.

For purposes of determining compliance with this covenant, (1) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock shall not be deemed a restriction on the ability to make distributions on Capital Stock and (2) the subordination of loans or advances made to an Issuer or a Restricted Subsidiary to other Indebtedness Incurred by an Issuer or any such Restricted Subsidiary shall not be deemed a restriction on the ability to make loans or advances.

Asset Sales

(a) The indenture will provide that the Issuers will not, and will not permit any of the Restricted Subsidiaries to, cause or make an Asset Sale, unless (x) an Issuer or any Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value (as determined in good faith by the Issuers) of the assets sold or otherwise disposed of, and (y) at least 75% of the consideration for such Asset Sale received by such Issuer or such Restricted Subsidiary, as the case may be, is in the form of Cash Equivalents; provided that the amount of:

(1) any liabilities (as shown on an Issuer's or a Restricted Subsidiary's most recent balance sheet or in the unsecured notes thereto) of an Issuer or a Restricted Subsidiary (other than liabilities that are by their terms subordinated to the unsecured notes or any Subsidiary Guarantee) that are assumed by the transferee of any such assets or that are otherwise cancelled or terminated in connection with the transaction with such transferee,

(2) any unsecured notes or other obligations or other securities or assets received by such Issuer or such Restricted Subsidiary from such transferee that are converted by such Issuer or such Restricted Subsidiary into cash within 180 days of the receipt thereof (to the extent of the cash received),

(3) Indebtedness of any Issuer or Restricted Subsidiary that is no longer an Issuer or a Restricted Subsidiary as a result of such Asset Sale, to the extent that the other Issuer and each other Restricted Subsidiary are released from any guarantee of payment of such Indebtedness in connection with the Asset Sale,

(4) consideration consisting of Indebtedness of an Issuer or a Restricted Subsidiary (other than Subordinated Indebtedness) received after the Issue Date from Persons who are not an Issuer or any Restricted Subsidiary, and

(5) any Designated Non-cash Consideration received by any Issuer or any Restricted Subsidiary in such Asset Sale having an aggregate Fair Market Value (as determined in good faith by the Issuers), taken together with all other Designated Non-cash Consideration received pursuant to this clause (e) that is at that time outstanding, not to exceed the greater of $190.0 million and 6.25% of the Pro Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding the receipt of such Designated Non-cash Consideration and after giving pro forma effect thereto as if such event occurred at the beginning of such four fiscal quarters (with the Fair Market Value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to any write-downs or write-offs thereof or subsequent changes in value),

shall in each case be deemed to be Cash Equivalents for the purposes of this provision.

(b) Within 365 days after any Issuer's or any Restricted Subsidiary's receipt of the Net Proceeds of any Asset Sale, such Issuer or such Restricted Subsidiary may apply the Net Proceeds from such Asset Sale, at its option:

(1) to repay (i) Indebtedness constituting Bank Indebtedness and other Pari Passu Indebtedness that is secured by a Lien permitted under the indenture (and, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto), (ii) Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor, (iii) Notes Obligations or (iv) other Pari Passu Indebtedness (provided that if an Issuer or any Subsidiary Guarantor shall so reduce Obligations under other Pari Passu Indebtedness under this clause (iv) (which, for the avoidance of doubt, does not include Indebtedness described in clauses (i), (ii) and (iii), even if such Indebtedness may also constitute Pari Passu Indebtedness), the Issuers will equally and ratably reduce Notes Obligations either, as the Issuers shall elect in their sole discretion, as provided under "Optional Redemption," through open-market purchases (provided that such purchases are at or above 100% of the principal amount thereof or, in the event that the unsecured notes were issued with significant original issue discount, 100% of the accreted value thereof) or by making an offer (in accordance with the procedures set forth below for an Asset Sale Offer) to all holders to purchase a pro rata principal amount of unsecured notes at a purchase price equal to 100% of the principal amount thereof (or, in the event that the unsecured notes were issued with significant original issue discount, 100% of the accreted value thereof), plus accrued and unpaid interest, if any); or

(2) to make an investment in any one or more businesses (provided that if such investment is in the form of the acquisition of Capital Stock of a Person, such acquisition results in such Person becoming a Restricted Subsidiary of the Issuers or in an increase in the percentage ownership by the Issuers (or a Restricted Subsidiary) in such Restricted Subsidiary), assets, or property or capital

expenditures, in each case (a) used or useful in a Similar Business or (b) that replace the properties and assets that are the subject of such Asset Sale or in each case to reimburse the cost of any of the foregoing incurred on or after the date on which the Asset Sale giving rise to such Net Proceeds was contractually committed.

(c) In the case of clause (b)(2) above, a binding commitment shall be treated as a permitted application of the Net Proceeds from the date of such commitment until the 18-month anniversary of the date of the receipt of such Net Proceeds; provided that in the event such binding commitment is later canceled or terminated for any reason after the 365th day after the receipt of such Net Proceeds but before such Net Proceeds are so applied, then such Net Proceeds shall constitute Excess Proceeds unless such Issuer or such Restricted Subsidiary enters into another binding commitment (a "Second Commitment") within six months of such cancellation or termination of the prior binding commitment; provided, further, that such Issuer or such Restricted Subsidiary may only enter into a Second Commitment under the foregoing provision one time with respect to each Asset Sale and to the extent such Second Commitment is later cancelled or terminated for any reason before such Net Proceeds are applied or are not applied within 180 days of such Second Commitment, then such Net Proceeds shall constitute Excess Proceeds.

Pending the final application of any such Net Proceeds, such Issuer or such Restricted Subsidiary may temporarily reduce Indebtedness under a revolving credit facility, if any, or otherwise use such Net Proceeds in any manner not prohibited by the indenture. Any Net Proceeds from any Asset Sale that are not applied as provided and within the time period set forth in paragraph (b) of this covenant (it being understood that any portion of such Net Proceeds used to make an offer to purchase unsecured notes, as described in clause (b)(1) above, shall be deemed to have been so applied whether or not such offer is accepted) will be deemed to constitute "Excess Proceeds." If the aggregate amount of Excess Proceeds exceeds $190.0 million, the Issuers shall make an offer to all holders of unsecured notes (and, at the option of the Issuers, to holders of any other Pari Passu Indebtedness) (an "Asset Sale Offer") to purchase the maximum principal amount of unsecured notes (and such other Pari Passu Indebtedness), that is at least $2,000 and an integral multiple of $1,000 in excess thereof that may be purchased out of the Excess Proceeds at an offer price in cash in an amount equal to 100% of the principal amount thereof (or, in the event the unsecured notes or such other Pari Passu Indebtedness were issued with significant original issue discount, 100% of the accreted value thereof), plus accrued and unpaid interest, if any (or, in respect of such other Pari Passu Indebtedness, such lesser price, if any, as may be provided for by the terms of such other Pari Passu Indebtedness) to, but excluding, the date fixed for the closing of such offer, in accordance with the procedures set forth in the indenture. The Issuers will commence an Asset Sale Offer with respect to Excess Proceeds within ten (10) Business Days after the date that the aggregate amount of Excess Proceeds exceeds $190.0 million by mailing, or delivering electronically if held by DTC, the notice required pursuant to the terms of the indenture, with a copy to the Trustee. The Issuers may, at their option, satisfy the foregoing obligations with respect to any Net Proceeds from an Asset Sale by making an Asset Sale Offer with respect to such Net Proceeds prior to the expiration of the relevant 365 days (or such longer period provided above) or with respect to Excess Proceeds of $190.0 million or less (it being understood that such Net Proceeds used to make an Asset Sale Offer shall satisfy the foregoing obligations with respect to Net Proceeds whether or not such offer is accepted). To the extent that the aggregate amount of unsecured notes (and such other Pari Passu Indebtedness) tendered pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Issuers may use any remaining Excess Proceeds for any purpose that is not prohibited by the indenture and shall not be required to use them for any other purpose. If the aggregate principal amount of unsecured notes (and such other Pari

Passu Indebtedness) surrendered by holders thereof exceeds the amount of Excess Proceeds, the Trustee, upon receipt of notice from the Issuers of the aggregate principal amount to be selected, shall select the unsecured notes to be purchased in the manner described below. Upon completion of any such Asset Sale Offer, the amount of Excess Proceeds shall be reset at zero (regardless of whether there are any remaining Excess Proceeds upon such completion).

The Issuers will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations to the extent such laws or regulations are applicable in connection with the repurchase of the unsecured notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the indenture, the Issuers will comply with the applicable securities laws and regulations and shall not be deemed to have breached their obligations described in the indenture by virtue thereof.

If more unsecured notes (and such other Pari Passu Indebtedness) are tendered pursuant to an Asset Sale Offer than the Issuers are required to purchase, selection of such unsecured notes for purchase will be made by the Trustee in compliance with the requirements of the principal national securities exchange, if any, on which such unsecured notes are listed (and the Issuers shall notify the Trustee of any such listing), or if such unsecured notes are not so listed, on a pro rata basis to the extent practicable, by lot or by such other method as the Issuers deem appropriate (and in such manner as complies with the requirements of DTC, if applicable); provided that no unsecured notes of $2,000 or less shall be purchased in part. Selection of such other Pari Passu Indebtedness will be made pursuant to the terms of such other Pari Passu Indebtedness.

Notices of an Asset Sale Offer shall be mailed by the Issuers by first class mail, postage prepaid, or delivered electronically if held at DTC, at least 30 but not more than 60 days before the purchase date to each holder of unsecured notes at such holder's registered address, with a copy to the Trustee. If any note is to be purchased in part only, any notice of purchase that relates to such note shall state the portion of the principal amount thereof that has been or is to be purchased.

Transactions with Affiliates

The indenture will provide that the Issuers will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction or series of transactions, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Issuers (each of the foregoing, an "Affiliate Transaction") involving aggregate consideration in excess of $42.0 million, unless:

(a) such Affiliate Transaction is on terms that are not materially less favorable, when taken as a whole, to the relevant Issuer or Restricted Subsidiary than those that could have been obtained in a comparable transaction by such Issuer or Restricted Subsidiary with an unrelated Person; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $90.0 million, the Issuers deliver to the Trustee a resolution adopted in good faith by the majority of the Board of Directors of the Company, approving such Affiliate Transaction and set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with clause (a) above.

The foregoing provisions will not apply to the following:

(1) transactions between or among either Issuer and/or any of the Restricted Subsidiaries (or an entity that becomes a Restricted Subsidiary as a result of such transaction) and any merger, consolidation or amalgamation of the Company and any direct parent of the Company; provided that such parent shall have no material liabilities and no material assets other than cash, Cash Equivalents and the Capital Stock of the Company and such merger, consolidation or amalgamation is otherwise in compliance with the terms of the indenture and effected for a bona fide business purpose;

(2) Restricted Payments permitted by the provisions of the indenture described above under the covenant "—Limitation on Restricted Payments" and Permitted Investments;

(3) the payment of reasonable and customary fees and compensation and reimbursement of expenses paid to, and indemnity and employment and severance arrangements provided on behalf of or for the benefit of, officers, directors, employees or consultants of any Issuer, any Restricted Subsidiary, or any direct or indirect parent of the Company;

(4) transactions in which an Issuer or any Restricted Subsidiary, as the case may be, delivers to the Trustee a letter from an Independent Financial Advisor stating that such transaction is fair, when taken as a whole, to such Issuer or such Restricted Subsidiary from a financial point of view or meets the requirements of clause (a) of the preceding paragraph;

(5) payments or loans (or cancellation of loans) to officers, directors, employees or consultants which are approved by a majority of the Board of Directors of the Company in good faith;

(6) any agreement as in effect as of the Issue Date or any amendment thereto (so long as any such agreement together with all amendments thereto, taken as a whole, is not more disadvantageous to the holders of the unsecured notes in any material respect than the original agreement as in effect on the Issue Date), as determined in good faith by the Issuers, or any transaction contemplated thereby;

(7) the existence of, or the performance by an Issuer or any Restricted Subsidiary of its obligations under the terms of, any stockholders, limited liability company, limited partnership or other agreement (including any registration rights agreement or purchase agreement related thereto) to which it is a party as of the Issue Date, and any transaction, agreement or arrangement described in this offering memorandum and, in each case, any amendment thereto or similar transactions, agreements or arrangements which it may enter into thereafter; provided, however, that the existence of, or the performance by an Issuer or any Restricted Subsidiary of its obligations under, any future amendment to any such existing transaction, agreement or arrangement or under any similar transaction, agreement or arrangement entered into after the Issue Date shall only be permitted by this clause (7) to the extent that the terms of any such existing transaction, agreement or arrangement together with all amendments thereto, taken as a whole, or new transaction, agreement or arrangement are not otherwise materially more disadvantageous to the holders of the unsecured notes than the original transaction, agreement or arrangement as in effect on the Issue Date or described in the offering memorandum, as determined in good faith by the Issuers;

(8) the execution of the Transactions, and the payment of all fees, expenses, bonuses and awards related to the Transactions, including fees to the Sponsors and their designees;

(9) (a) transactions with customers, clients, suppliers or purchasers or sellers of goods or services, or transactions otherwise relating to the purchase or sale of goods or services, in each case in the ordinary course of business or consistent with past practice or industry norm and otherwise in compliance with the terms of the indenture, which are fair to the Issuers and the Restricted Subsidiaries in the reasonable determination of the Board of Directors or the senior management of the Company, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated party or (b) transactions with joint ventures or Unrestricted Subsidiaries entered into in the ordinary course of business or consistent with past practice or industry norm;

(10) any transaction pursuant to any Permitted Securitization Financing;

(11) the issuance or transfer of Equity Interests (other than Disqualified Stock) of the Company to any Person;

(12) the issuances of securities or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, employment arrangements, stock option and stock ownership plans or similar employee benefit plans approved by the Board of Directors of an Issuer or any direct or indirect parent of the Company or of a Restricted Subsidiary, as appropriate, in good faith;

(13) the entering into of any tax sharing agreement or arrangement that complies with clause (12) of the second paragraph of the covenant described under "—Limitation on Restricted Payments" and the performance under any such agreement or arrangement;

(14) any contribution to the capital of the Company;

(15) transactions permitted by, and complying with, the provisions of the covenant described under "—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets";

(16) transactions between any Issuer or any Restricted Subsidiary and any Person, a director of which is also a director of the Company or any direct or indirect parent of the Company; provided, however, that such director abstains from voting as a director of the Company or such direct or indirect parent, as the case may be, on any matter involving such other Person;

(17) pledges of Equity Interests of Unrestricted Subsidiaries;

(18) the formation and maintenance of any consolidated group or subgroup for tax, accounting or cash pooling or management purposes in the ordinary course of business;

(19) any employment agreements entered into by any Issuer or any Restricted Subsidiary in the ordinary course of business;

(20) (x) the entering into of any agreement (and any amendment or modification of any such agreement so long as, in the good faith judgment of the Board of Directors of the Company, any such amendment or modification is not materially more disadvantageous, taken as a whole, to holders as compared to the agreement as in effect on the Issue Date) to pay, and the payment of, monitoring, consulting, management, transaction, advisory or similar fees payable to the Sponsors (A) in an aggregate amount in any fiscal year not to exceed the sum of (1) the greater of $32.0 million and 1.25% of the Pro Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee, plus reasonable out-of-pocket costs and expenses in connection therewith and unpaid amounts accrued for prior periods; plus (2) any deferred fees (to the extent such fees were within such amount in clause (1) above originally), plus (B) in an aggregate amount not to exceed 1.0% of the value of

transactions with respect to any transactions in which any Sponsor provides any transaction, advisory or other services, including any fee payable in connection with the Transactions; and (y) the payment of the present value of all amounts payable pursuant to any agreement described in clause (20)(x) in connection with the termination of such agreement;

(21) payments by the Issuers or any of their Restricted Subsidiaries to any of the Sponsors made for any financial advisory, financing, underwriting or placement services or in respect of other investment banking activities, including in connection with acquisitions or divestitures, which payments are approved by a majority of the Board of Directors of the Company in good faith;

(22) transactions undertaken in good faith (as certified by a responsible financial or accounting officer of the Issuers in an Officer's Certificate) for the purpose of improving the consolidated tax efficiency of the Issuers and their Subsidiaries and not for the purpose of circumventing any covenant set forth in the indenture; and

(23) investments by the Sponsors in securities of any Issuer or any Restricted Subsidiary (and payment of reasonable out-of-pocket expenses incurred by the Sponsors in connection therewith) so long as (i) the investment is being generally offered to other investors on the same or more favorable terms and (ii) the investment constitutes less than 5% of the proposed or outstanding issue amount of such class of securities.

Notwithstanding the foregoing covenant, the Sponsors and any portfolio company that is an Affiliate of the Sponsors shall not be considered an Affiliate of an Issuer or its Subsidiaries with respect to any transaction, so long as such transaction is in the ordinary course of business.

Liens

The indenture will provide that the Issuers will not, and will not permit any of their Restricted Subsidiaries to, directly or indirectly, create, Incur or suffer to exist any Lien (except Permitted Liens) on any asset or property of any Issuer or any Restricted Subsidiary securing Indebtedness of the Issuers or a Restricted Subsidiary unless the unsecured notes are equally and ratably secured with (or on a senior basis to, in the case of obligations subordinated in right of payment to the unsecured notes) the obligations so secured until such time as such obligations are no longer secured by a Lien.

Any Lien that is granted to secure the unsecured notes or any Subsidiary Guarantee under the preceding paragraph shall be automatically and unconditionally released and discharged at the same time as the release of the Lien that gave rise to the obligation to secure the unsecured notes or such Subsidiary Guarantee.

For purposes of determining compliance with this covenant, (A) a Lien securing an item of Indebtedness (or any portion thereof) need not be permitted solely by reference to one category of permitted Liens (or any portion thereof) described in the definition of "Permitted Liens" or pursuant to the first paragraph of this covenant but may be permitted in part under any combination thereof and (B) in the event that a Lien securing an item of Indebtedness (or any portion thereof) meets the criteria of one or more of the categories of permitted Liens (or any portion thereof) described in the definition of "Permitted Liens" or pursuant to the first paragraph of this covenant, the Issuers may, in their sole discretion, divide, classify or reclassify, or later divide, classify or reclassify (as if Incurred at such later time), such Lien securing such item of Indebtedness (or any portion thereof) in any manner that complies with

this covenant and at the time of Incurrence, division, classification or reclassification will be entitled to only include the amount and type of such Lien or such item of Indebtedness secured by such Lien (or any portion thereof) in one of the categories of permitted Liens (or any portion thereof) described in the definition of "Permitted Liens" or pursuant to the first paragraph of this covenant and, in such event, such Lien securing such item of Indebtedness (or any portion thereof) will be treated as being Incurred or existing pursuant to only such clause or clauses (or any portion thereof) or pursuant to the first paragraph hereof without giving pro forma effect to such item (or any portion thereof) when calculating the amount of Liens or Indebtedness (or any portion thereof) that may be Incurred pursuant to any other clause or paragraph (or any portion thereof) at such time. In addition, with respect to any revolving loan Indebtedness or commitment relating to the Incurrence of Indebtedness that is designated to be Incurred on any date pursuant to clause (3) of the third paragraph of the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock," any Lien that does or that shall secure such Indebtedness may also be designated by the Issuers or any Restricted Subsidiary to be Incurred on such date and, in such event, any related subsequent actual Incurrence of such Lien shall be deemed for all purposes under the indenture to be Incurred on such prior date, including for purposes of calculating usage of any "Permitted Lien" until such time as the related Indebtedness is no longer deemed outstanding pursuant to clause (3) of the third paragraph of the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock."

With respect to any Lien securing Indebtedness that was permitted to secure such Indebtedness at the time of the Incurrence of such Indebtedness, such Lien shall also be permitted to secure any Increased Amount of such Indebtedness. The "Increased Amount" of any Indebtedness shall mean any increase in the amount of such Indebtedness in connection with any accrual of interest, the accretion of accreted value, the amortization of original issue discount or deferred financing costs, the payment of interest in the form of additional Indebtedness with the same terms or in the form of common stock of an Issuer, the payment of dividends on Preferred Stock in the form of additional shares of Preferred Stock of the same class, accretion of original issue discount or deferred financing costs or liquidation preference and increases in the amount of Indebtedness outstanding solely as a result of fluctuations in the exchange rate of currencies or increases in the value of property securing Indebtedness described in clause (3) of the definition of "Indebtedness."

Reports and Other Information

The indenture will provide that so long as any unsecured notes are outstanding, the Issuers will deliver to the Trustee and, upon request, to beneficial owners a copy of all of the information and reports referred to below:

(1) within 15 days after the time period specified in the SEC's rules and regulations for non-accelerated filers, annual reports of the Reporting Entity (as defined below) for such fiscal year containing the information that would have been required to be contained in an annual report on Form 10-K (or any successor or comparable form) if the Reporting Entity had been a reporting company under the Exchange Act, except to the extent permitted to be excluded by the SEC;

(2) within 15 days after the time period specified in the SEC's rules and regulations for non-accelerated filers, quarterly reports of the Reporting Entity for such fiscal quarter containing the information that would have been required to be contained in a quarterly report on Form 10-Q (or any successor or comparable form) if the Reporting Entity had been a reporting company under the Exchange Act, except to the extent permitted to be excluded by the SEC; and

(3) within 15 days after the time period specified in the SEC's rules and regulations for filing current reports on Form 8-K, current reports of the Reporting Entity containing substantially all of the information that would be required to be filed in a Current Report on Form 8-K under the Exchange Act on the Issue Date pursuant to Sections 1, 2 and 4, Items 5.01, 5.02 (a), (b) and (c) and Item 9.01(a) and (b) (only to the extent relating to any of the foregoing) of Form 8-K if the Reporting Entity had been a reporting company under the Exchange Act; provided, however, that no such current reports (or Items thereof or all or a portion of the financial statements that would have otherwise been required thereby) will be required to be delivered (or included) if the Issuers determine in its good faith judgment that such event (or information) is not material to holders or the business, assets, operations, financial position or prospects of the Issuers and their Restricted Subsidiaries, taken as a whole.

If at any time the Company or any direct or indirect parent of the Company has made a good faith determination to file a registration statement with the SEC with respect to an initial public offering of such Person's Capital Stock, the Issuers will not be required to disclose any information or take any actions that, in the good faith view of the Issuers, would violate the securities laws or the SEC's "gun jumping" rules or otherwise have an adverse effect on such initial public offering.

Notwithstanding the foregoing, (a) none of the Issuers nor any Reporting Entity will be required to deliver any information, certificates or reports that would otherwise be required by (i) Section 302 or Section 404 of the Sarbanes-Oxley Act of 2002, or related Items 307 or 308 of Regulation S-K, or (ii) Item 10(e) of Regulation S-K promulgated by the SEC with respect to any non-generally accepted accounting principles financial measures contained therein, (b) such reports will not be required to contain financial information required by Rule 3-09, Rule 3-10, Rule 3-16 or Article 11 of Regulation S-X or include any exhibits or certifications required by Form 10-K, Form 10-Q or Form 8-K (or any such successor or comparable forms) or related rules under Regulation S-K, (c) such reports shall be subject to exceptions, exclusions and other differences consistent with the presentation of financial and other information in this offering memorandum and shall not be required to present compensation or beneficial ownership information and (d) trade secrets and other proprietary information may be excluded from any disclosures.

The financial statements, information and other documents required to be provided as described above, may be those of (i) the Company or (ii) any direct or indirect parent of the Company (any such entity described in clause (i) or (ii), a "Reporting Entity"), so long as in the case of (ii) such direct or indirect parent of the Company will not conduct, transact or otherwise engage, or commit to conduct, transact or otherwise engage, in any business or operations other than its direct or indirect ownership of all of the Equity Interests in, and its management of the Company; provided that, if the financial information so furnished relates to such direct or indirect parent of the Company, the same is accompanied by a reasonably detailed description of the quantitative differences between the information relating to such parent, on the one hand, and the information relating to the Issuers and their Restricted Subsidiaries on a standalone basis, on the other hand.

In addition to providing such information to the Trustee, the Issuers will make available to the holders, prospective investors, market makers affiliated with any initial purchaser of the unsecured notes and securities analysts the information required to be provided pursuant to clauses (1), (2) or (3) of the first paragraph of this covenant, by posting such information to the website of the Company (or the website of any direct or indirect parent of the Company) or on IntraLinks or any comparable online data system or website.

The Issuers have agreed that, for so long as any unsecured notes remain outstanding during any period when they are not or any Reporting Entity is not subject to Section 13 or 15(d) of the Exchange Act, or otherwise permitted to furnish the SEC with certain information pursuant to Rule 12g3-2(b) of the Exchange Act, they will deliver to the holders of the unsecured notes and to prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act. The Issuers will also hold quarterly conference calls, beginning with the first full fiscal quarter ending after the Issue Date, for all holders of the unsecured notes, prospective investors, market makers affiliated with any initial purchaser of the unsecured notes and securities analysts to discuss such financial information no later than ten business days after the distribution of such information required by clauses (1) or (2) of the first paragraph of this covenant, and prior to the date of each such conference call, the Issuers will announce the time and date of such conference call and either include all information necessary to access the call in such announcement or inform holders of unsecured notes, prospective investors, market makers affiliated with any initial purchaser of the unsecured notes and securities analysts how they can obtain such information, including, without limitation, the applicable password or other login information (if applicable).

Notwithstanding the foregoing, the Issuers will be deemed to have delivered such reports and information referred to above to the holders, prospective investors, market makers, securities analysts and the Trustee for all purposes of the indenture if an Issuer or a Reporting Entity has filed such reports with the SEC via the EDGAR filing system (or any successor system) and such reports are publicly available. In addition, the requirements of this covenant shall be deemed satisfied by the posting of reports that would be required to be provided to the holders on the Company's website (or the website of any direct or indirect parent of the Company).

Future Subsidiary Guarantors

The indenture will provide that the Issuers will cause each Wholly Owned Restricted Subsidiary that is not an Excluded Subsidiary and that guarantees or becomes a borrower under the Credit Agreement or that guarantees any other Indebtedness of either Issuer or any of the Subsidiary Guarantors to execute and deliver to the Trustee a supplemental indenture pursuant to which such Restricted Subsidiary will guarantee payment of the unsecured notes.

Each Subsidiary Guarantee will be limited to an amount not to exceed the maximum amount that can be guaranteed by that Restricted Subsidiary without rendering the Subsidiary Guarantee, as it relates to such Restricted Subsidiary, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally. Each Subsidiary Guarantee will be released in accordance with the provisions of the indenture described under "—Subsidiary Guarantees."

Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets

The indenture will provide that the Company may not, directly or indirectly, consolidate, amalgamate or merge with or into or wind up or convert into, consummate a Delaware LLC Division (whether or not the Company is the surviving Person or successor, as applicable) or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions, to any Person unless:

(1) the Company is the surviving Person or the Person formed by or surviving any such consolidation, amalgamation, Delaware LLC Division, merger, winding up or conversion (if other than the Company) or to which such sale, assignment, transfer,

lease, conveyance or other disposition will have been made is a corporation, partnership or limited liability company or similar entity organized or existing under the laws of the United States, any state thereof, the District of Columbia, or any territory thereof (the Company or such Person, as the case may be, being herein called the "Successor Company"); provided that in the event that the Successor Company is not a corporation, a co-obligor of the unsecured notes is a corporation;

(2) the Successor Company (if other than the Company) expressly assumes all the obligations of the Company under the indenture pursuant to supplemental indentures or other applicable documents or instruments;

(3) immediately after giving effect to such transaction (and treating any Indebtedness which becomes an obligation of the Successor Company or any Restricted Subsidiary as a result of such transaction as having been Incurred by the Successor Company or such Restricted Subsidiary at the time of such transaction) no Default shall have occurred and be continuing;

(4) immediately after giving pro forma effect to such transaction, as if such transaction had occurred at the beginning of the applicable four-quarter period (and treating any Indebtedness which becomes an obligation of the Successor Company or any Restricted Subsidiary as a result of such transaction as having been Incurred by the Successor Company or such Restricted Subsidiary at the time of such transaction), either

   (a) the Successor Company would be permitted to Incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first sentence of the covenant described under "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock"; or

   (b) the Fixed Charge Coverage Ratio would be no less than such ratio immediately prior to such transaction;

(5) if the Company is not the Successor Company, each Subsidiary Guarantor, unless it is the other party to the transactions described above, shall have by supplemental indenture confirmed that its Subsidiary Guarantee shall apply to such Person's obligations under the indenture and the unsecured notes; and

(6) the Successor Company shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger, amalgamation or transfer and such supplemental indentures (if any) comply with the indenture.

The Successor Company (if other than the Company) will succeed to, and be substituted for, the Company under the indenture and the unsecured notes, and in such event the Company will automatically be released and discharged from its obligations under the indenture and the unsecured notes. Notwithstanding the foregoing clauses (3) and (4), (a) the Company or any Restricted Subsidiary may merge, consolidate or amalgamate with or transfer all or part of its properties and assets to a Restricted Subsidiary, and (b) the Company may merge, consolidate or amalgamate with an Affiliate incorporated solely for the purpose of reincorporating or reorganizing the Company in another state of the United States, the District of Columbia or any territory of the United States (collectively, a "Permitted Jurisdiction") or may convert into a corporation, partnership or limited liability company, so long as the amount of Indebtedness of the Company and the Restricted Subsidiaries is not increased thereby. This "—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets" will not apply to a sale, assignment, transfer, conveyance or other disposition of assets between or among the Company and the Restricted Subsidiaries including, for the avoidance of doubt, pursuant to Permitted Securitization Financings.

The indenture will further provide that, subject to certain provisions in the indenture governing release of the Co-Issuer or a Subsidiary Guarantee and other release provisions upon the sale or disposition of a Restricted Subsidiary that is the Co-Issuer or a Subsidiary Guarantor, none of the Co-Issuer or any Subsidiary Guarantor will, and the Company will not permit the Co-Issuer or any Subsidiary Guarantor to, consolidate, amalgamate or merge with or into or wind up into, consummate a Delaware LLC Division (whether or not the Co-Issuer or such Subsidiary Guarantor is the surviving Person or successor, as applicable), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions to, any Person unless:

(1) either (a) the Co-Issuer or such Subsidiary Guarantor, as applicable, is the surviving Person or successor, as applicable, or the Person formed by or surviving any such consolidation, amalgamation, Delaware LLC Division or merger (if other than the Co-Issuer or such Subsidiary Guarantor) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is a corporation (in the case of the Co-Issuer) or a company, corporation, partnership or limited liability company or similar entity organized or existing under the laws of the United States, any state thereof, the District of Columbia, or any territory thereof (the Co-Issuer or such Subsidiary Guarantor or such Person, as the case may be, being herein called the "Successor"), and the Successor (if other than the Co-Issuer or such Subsidiary Guarantor) expressly assumes all the obligations of the Co-Issuer or such Subsidiary Guarantor under the indenture and the unsecured notes or the Subsidiary Guarantee, as applicable, pursuant to a supplemental indenture or other applicable documents or instruments, or (b) such sale or disposition or consolidation, amalgamation or merger is not in violation of the covenant described above under the caption "—Asset Sales"; and

(2) the Successor (if other than the Co-Issuer or such Subsidiary Guarantor) shall have delivered or caused to be delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, amalgamation, merger or transfer and such supplemental indenture (if any) comply with the indenture.

Subject to certain provisions described in the indenture, the Successor (if other than the Co-Issuer or such Subsidiary Guarantor) will succeed to, and be substituted for, the Co-Issuer or such Subsidiary Guarantor under the indenture and the unsecured notes or the Subsidiary Guarantee, as applicable, and the Co-Issuer or such Subsidiary Guarantor will automatically be released and discharged from its obligations under the indenture and the unsecured notes or its Subsidiary Guarantee, as applicable. Notwithstanding the foregoing, (1) the Co-Issuer or a Subsidiary Guarantor may merge, amalgamate or consolidate with an Affiliate incorporated solely for the purpose of reincorporating or reorganizing such Subsidiary Guarantor in a Permitted Jurisdiction or (other than the Co-Issuer) may convert into a limited liability company, corporation, partnership or similar entity organized or existing under the laws of any Permitted Jurisdiction so long as the amount of Indebtedness of the Co-Issuer or such Subsidiary Guarantor is not increased thereby and (2) a Subsidiary Guarantor may merge, amalgamate or consolidate with an Issuer or any Restricted Subsidiary.

In addition, notwithstanding the foregoing, a Subsidiary Guarantor may consolidate, amalgamate or merge with or into or wind up into, liquidate, dissolve, or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets to an Issuer or any Subsidiary Guarantor.

Defaults

An "Event of Default" will be defined in the indenture as:

(1) a default in any payment of interest on any note when due, continued for 30 days;

(2) a default in the payment of principal or premium, if any, of any note when due at its Stated Maturity, upon optional redemption, upon required repurchase, upon declaration or otherwise;

(3) failure by the Issuers for 120 days after receipt of written notice given by the Trustee or the holders of not less than 30% in aggregate principal amount of the unsecured notes then outstanding (with a copy to the Trustee) to comply with any of their obligations, covenants or agreements contained in the provisions of the indenture described in "Certain Covenants—Reports and Other Information";

(4) the failure by any Issuer or any Restricted Subsidiary for 60 days after written notice given by the Trustee or the holders of not less than 30% in aggregate principal amount of the unsecured notes then outstanding (with a copy to the Trustee) to comply with its other obligations, covenants or agreements (other than a default referred to in clauses (1), (2) and (3) above) contained in the unsecured notes or the indenture;

(5) the failure by any Issuer or any Significant Subsidiary (other than any Special Purpose Securitization Subsidiary) (or any group of Subsidiaries that together would constitute a Significant Subsidiary, other than any Special Purpose Securitization Subsidiary) to pay any Indebtedness for borrowed money (other than Indebtedness owing to an Issuer or a Restricted Subsidiary or any Permitted Securitization Financing) within any applicable grace period after final maturity or the acceleration of any such Indebtedness by the holders thereof because of a default, in each case, if the total amount of such Indebtedness unpaid or accelerated exceeds $125.0 million or its foreign currency equivalent (the "cross-acceleration provision");

(6) certain events of bankruptcy, insolvency or reorganization of an Issuer or a Significant Subsidiary (other than any Special Purpose Securitization Subsidiary) (or any group of Subsidiaries that together would constitute a Significant Subsidiary, other than any Special Purpose Securitization Subsidiary) (the "bankruptcy provisions");

(7) failure by an Issuer or any Significant Subsidiary (other than any Special Purpose Securitization Subsidiary) (or any group of Subsidiaries that together would constitute a Significant Subsidiary, other than any Special Purpose Securitization Subsidiary) to pay final judgments aggregating in excess of $125.0 million or its foreign currency equivalent (net of any amounts which are covered by enforceable insurance policies issued by solvent carriers), which judgments are not discharged, waived or stayed for a period of 60 days (the "judgment default provision"); or

(8) the Subsidiary Guarantee of a Significant Subsidiary (or any group of Subsidiaries that together would constitute a Significant Subsidiary) with respect to the unsecured notes ceases to be in full force and effect (except as contemplated by the terms thereof) or an Issuer or any Subsidiary Guarantor that qualifies as a Significant Subsidiary (or any group of Subsidiaries that together would constitute a Significant Subsidiary) denies or disaffirms its obligations under the indenture or any Subsidiary Guarantee with respect to the unsecured notes (except as contemplated by the terms thereof) and such Default continues for 10 days.

Each of the foregoing will constitute an Event of Default whatever the reason for any such Event of Default and whether it is voluntary or involuntary or is effected by operation of law or

pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

However, a default under clauses (3) or (4) will not constitute an Event of Default until the Trustee notifies the Issuers or the holders of at least 30% in aggregate principal amount of outstanding unsecured notes notify the Issuers, with a copy to the Trustee, of the default and the Issuers do not cure such default within the time specified in clauses (3) or (4) hereof after receipt of such notice.

If an Event of Default (other than an Event of Default relating to certain events of bankruptcy, insolvency or reorganization of the Issuer) occurs and is continuing, the Trustee by notice to the Issuers or the holders of at least 30% in aggregate principal amount of outstanding unsecured notes by notice to the Issuers, with a copy to the Trustee, may declare the principal of, premium, if any, and accrued but unpaid interest on all the unsecured notes to be due and payable; provided, however, that so long as any Bank Indebtedness remains outstanding, no such acceleration shall be effective until the earlier of (1) five Business Days after the giving of written notice to the Issuers and the Representative under the Credit Agreement and (2) the day on which any Bank Indebtedness is accelerated. Upon such a declaration, such principal and interest will be due and payable immediately. If an Event of Default relating to certain events of bankruptcy, insolvency or reorganization of an Issuer occurs, the principal of, premium, if any, and interest on all the unsecured notes will become immediately due and payable without any declaration or other act on the part of the Trustee or any holders. Under certain circumstances, the holders of a majority in principal amount of outstanding unsecured notes may rescind any such acceleration with respect to the unsecured notes and its consequences.

In the event of any Event of Default specified in clause (5) of the first paragraph above, such Event of Default and all consequences thereof (excluding, however, any resulting payment default) will be annulled, waived and rescinded, automatically and without any action by the Trustee or the holders of the unsecured notes, if within 20 days after such Event of Default arose the Issuers deliver an Officer's Certificate to the Trustee stating that (x) the Indebtedness or guarantee that is the basis for such Event of Default has been discharged or (y) the holders thereof have rescinded or waived the acceleration, notice or action (as the case may be) giving rise to such Event of Default or (z) the default that is the basis for such Event of Default has been cured, it being understood that in no event shall an acceleration of the principal amount of the unsecured notes as described above be annulled, waived or rescinded upon the happening of any such events.

Subject to the provisions of the indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the indenture at the request or direction of any of the holders unless such holders have offered to the Trustee indemnity or security satisfactory to it against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium (if any) or interest when due, no holder may pursue any remedy with respect to the indenture or the unsecured notes unless:

(1) such holder has previously given the Trustee written notice that an Event of Default is continuing,

(2) holders of at least 30% in aggregate principal amount of the outstanding unsecured notes have requested in writing the Trustee to pursue the remedy,

(3) such holders have offered the Trustee security or indemnity satisfactory to it against any loss, liability or expense,

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security or indemnity, and

(5) the holders of a majority in principal amount of the outstanding unsecured notes have not given the Trustee a direction inconsistent with such written request within such 60-day period.

Subject to certain restrictions, the holders of a majority in principal amount of outstanding unsecured notes are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Trustee, however, may refuse to follow any direction that conflicts with law or the indenture or that the Trustee determines is unduly prejudicial to the rights of any other holder or that would involve the Trustee in personal liability. Prior to taking any action under the indenture, the Trustee will be entitled to indemnification satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action.

The indenture will provide that if a Default occurs and is continuing and is actually known to a Trust Officer or the Trustee, the Trustee must mail to each holder of the unsecured notes, or deliver electronically if held by DTC, notice of the Default within the earlier of 90 days after it occurs or 30 days after it is actually known to a Trust Officer or written notice of it is received by the Trustee. Except in the case of a Default in the payment of principal of, premium (if any) or interest on any note, the Trustee may withhold notice if and so long as a committee of its Trust Officers in good faith determines that withholding notice is in the interests of the noteholders. In addition, the Issuers are required to deliver to the Trustee, annually, a certificate indicating whether the signers thereof know of any Default that occurred during the previous year. The Issuers are also required to deliver to the Trustee, within 30 days after the occurrence thereof, written notice of any event which would constitute certain Defaults, their status and what action the Issuers are taking or propose to take in respect thereof.

Amendments and Waivers

Subject to certain exceptions, the indenture, the unsecured notes and the Subsidiary Guarantees may be amended with the consent of the holders of a majority in principal amount of the unsecured notes then outstanding and any past default or compliance with any provisions may be waived with the consent of the holders of a majority in principal amount of the unsecured notes then outstanding. However, without the consent of each holder of an outstanding note affected, no amendment may:

(1) reduce the amount of unsecured notes whose holders must consent to an amendment;

(2) reduce the rate of or extend the time for payment of interest on any note;

(3) reduce the principal of or change the Stated Maturity of any note;

(4) reduce the premium payable upon the redemption of any note or change the dates on which any such premium is payable upon redemption as described under "—Optional Redemption" above;

(5) make any note payable in money other than that stated in such note;

(6) expressly subordinate the unsecured notes or any Subsidiary Guarantee to any other Indebtedness of the Issuers or any Subsidiary Guarantor;

(7) impair the contractual right of any holder to receive payment of principal of, premium, if any, and interest on such holder's note on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such holder's note; or

(8) make any change in the amendment provisions or in the waiver provisions which require each holder's consent.

Without the consent of any holder, the Issuers and the Trustee may amend the indenture, the unsecured notes and the Subsidiary Guarantees (1) to cure any ambiguity, omission, mistake, defect or inconsistency; (2) to provide for the assumption by a Successor Company (with respect to an Issuer) of the obligations of an Issuer under the indenture and the unsecured notes; (3) to provide for the assumption by a Successor Subsidiary Guarantor (with respect to any Subsidiary Guarantor), as the case may be, of the obligations of a Subsidiary Guarantor under the indenture, the unsecured notes and its Subsidiary Guarantee; (4) to provide for uncertificated notes in addition to or in place of certificated notes (provided that the uncertificated notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated notes are described in Section 163(f)(2)(B) of the Code); (5) to add a Subsidiary Guarantee or collateral with respect to the unsecured notes; (6) to secure the unsecured notes and/or the related Subsidiary Guarantees and to add provisions regarding the release of collateral; (7) to add to the covenants of the Issuers for the benefit of the holders or to surrender any right or power conferred upon the Issuers; (8) to make any change that would provide any additional rights or benefits to the holders or that does not adversely affect the rights of any holder in any material respect (as determined in good faith by the Issuers); (9) to conform the text of the indenture, Subsidiary Guarantees or the unsecured notes to any provision of this "Description of Unsecured Notes" to the extent that such provision in this "Description of Unsecured Notes" was intended by the Issuers to be a verbatim recitation of a provision of the indenture, Subsidiary Guarantees or the unsecured notes, as applicable, as stated in an Officer's Certificate; (10) to comply with any requirement of the SEC in connection with the qualification of the indenture under the TIA (if the Issuers elect to qualify the indenture under the TIA); (11) to effect any provision of the indenture; (12) to make certain changes to the indenture to provide for the issuance of additional unsecured notes; or (13) to add provisions to the indenture and a new form of note to permit the issuance by the Issuers or a Subsidiary thereof of escrow notes under the indenture, which may have different terms than other notes issued under the indenture so long as the proceeds of such notes remain in escrow (including, but not limited to, collateral, different or no guarantees and redemption provisions).

The consent of the noteholders is not necessary under the indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

No Personal Liability of Directors, Officers, Employees, Managers and Stockholders

No director, officer, employee, manager, incorporator or holder of any Equity Interests in either Issuer or any direct or indirect parent companies, as such, will have any liability for any obligations of either Issuer or any Subsidiary Guarantor under the unsecured notes, the indenture or the Subsidiary Guarantees, as applicable, or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of unsecured notes by accepting a note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the unsecured notes. The waiver may not be effective to waive liabilities under the federal securities laws.

Transfer and Exchange

A noteholder may transfer or exchange unsecured notes in accordance with the indenture. Upon any transfer or exchange, the registrar and the Trustee may require a noteholder, among other things, to furnish appropriate endorsements and transfer documents and the Issuers may

require a noteholder to pay any taxes required by law or permitted by the indenture. The Issuers are not required to transfer or exchange any unsecured notes selected for redemption or to transfer or exchange any unsecured notes for a period of 15 days prior to a selection of unsecured notes to be redeemed or between a record date and the relevant payment date. The unsecured notes will be issued in registered form and the registered holder of a note will be treated as the owner of such note for all purposes.

Satisfaction and Discharge

The indenture will be discharged and will cease to be of further effect (except as to surviving rights, indemnities and immunities of the Trustee and rights of registration or transfer or exchange of unsecured notes, as expressly provided for in the indenture) as to all outstanding unsecured notes when:

(1) either (a) all the unsecured notes theretofore authenticated and delivered (except lost, stolen or destroyed notes which have been replaced or paid and unsecured notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Issuers and thereafter repaid to the Issuers or discharged from such trust) have been delivered to the Trustee for cancellation or (b) all of the unsecured notes not delivered to the Trustee for cancellation (i) have become due and payable, (ii) will become due and payable at their stated maturity within one year or (iii) if redeemable at the option of the Issuers, are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuers, and the Issuers have irrevocably deposited or caused to be deposited with the Trustee funds in an amount sufficient to pay and discharge the entire Indebtedness on the unsecured notes not theretofore delivered to the Trustee for cancellation, for principal of, premium, if any, and interest on the unsecured notes to the date of deposit (in the case of unsecured notes that have become due and payable) or to the date of maturity or redemption, as applicable, together with irrevocable instructions from the Issuers directing the Trustee to apply such funds to the payment thereof at maturity or redemption, as the case may be; provided that upon any redemption that requires the payment of the Applicable Premium, the amount deposited shall be sufficient for purposes of the indenture to the extent that an amount is deposited with the Trustee equal to the Applicable Premium calculated as of the date of the notice of redemption, with any deficit as of the date of the redemption only required to be deposited with the Trustee on or prior to the date of the redemption;

(2) the Issuers and/or the Subsidiary Guarantors have paid all other sums payable under the indenture; and

(3) the Issuers have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel stating that all conditions precedent under the indenture relating to the satisfaction and discharge of the indenture have been complied with.

Defeasance

The Issuers at any time may terminate all of its obligations under the unsecured notes and the indenture with respect to the holders of the unsecured notes ("legal defeasance"), except for certain obligations, including those respecting the defeasance trust and obligations to register the transfer or exchange of the unsecured notes, to replace mutilated, destroyed, lost or stolen unsecured notes and to maintain a registrar and paying agent in respect of the unsecured notes. The Issuers at any time may terminate their obligations under the covenants described under

"—Certain Covenants" for the benefit of the holders of the unsecured notes, the operation of the clauses (3), (5), (6) (with respect to Significant Subsidiaries), (7) and (8) under "—Defaults" and the undertakings and covenants contained under "—Change of Control" and "—Certain Covenants—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets" ("covenant defeasance") for the benefit of the holders of the unsecured notes. If the Issuers exercise their legal defeasance option or their covenant defeasance option, each Subsidiary Guarantor will be released from all of its obligations with respect to the unsecured notes and its Subsidiary Guarantee.

The Issuers may exercise their legal defeasance option notwithstanding their prior exercise of their covenant defeasance option. If the Issuers exercise their legal defeasance option, payment of the unsecured notes may not be accelerated because of an Event of Default with respect thereto. If the Issuers exercise their covenant defeasance option, payment of the unsecured notes may not be accelerated because of an Event of Default specified in clause (3), (4), (5), (6) (with respect only to Significant Subsidiaries), (7) or (8) under "—Defaults" or because of the failure of the Issuers to comply with clause (4) under "—Certain Covenants—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets."

In order to exercise their defeasance option, the Issuers must irrevocably deposit in trust (the "defeasance trust") with the Trustee money or U.S. Government Obligations in an amount that is sufficient for the payment of principal, premium (if any) and interest on the unsecured notes to redemption or maturity, as the case may be, and must comply with certain other conditions, including delivery to the Trustee of an Opinion of Counsel to the effect that beneficial owners of the unsecured notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such deposit and defeasance and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred (and, in the case of legal defeasance only, such Opinion of Counsel must be based on a ruling of the Internal Revenue Service or change in applicable U.S. federal income tax law); provided that upon any redemption that requires the payment of the Applicable Premium, the amount deposited shall be sufficient for purposes of the indenture to the extent that an amount is deposited with the Trustee equal to the Applicable Premium calculated as of the date of the notice of redemption, with any deficit as of the date of the redemption only required to be deposited with the Trustee on or prior to the date of the redemption. Notwithstanding the foregoing, the Opinion of Counsel required by the immediately preceding sentence with respect to a legal defeasance need not be delivered if all of the unsecured notes not theretofore delivered to the Trustee for cancellation (x) have become due and payable or (y) will become due and payable at their Stated Maturity within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuers.

Registration Rights

The Issuers will not be obligated under any registration rights agreement or other obligation to register the resale of the unsecured notes or to register the exchange of the unsecured notes under the Securities Act or any other securities laws of any jurisdiction. The indenture will not be qualified under the TIA and the Issuers will not be required to comply with the provisions of the TIA. The absence of registration rights may adversely impact the transferability of the unsecured notes.

Concerning the Trustee

Wells Fargo Bank, National Association will be the Trustee under the indenture and will be appointed by the Issuers as registrar and a paying agent with regard to the unsecured notes.

Governing Law

The indenture will provide that it and the unsecured notes will be governed by, and construed in accordance with, the laws of the State of New York.

Certain Definitions

"Acquired Indebtedness" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged, consolidated or amalgamated with or into or became a Restricted Subsidiary of such specified Person, and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

Acquired Indebtedness will be deemed to have been Incurred, with respect to clause (1) of the preceding sentence, on the date such Person becomes a Restricted Subsidiary and, with respect to clause (2) of the preceding sentence, on the date of consummation of such acquisition of such assets.

"Additional Refinancing Amount" means, in connection with the Incurrence of any Refinancing Indebtedness, the aggregate principal amount of additional Indebtedness, Disqualified Stock or Preferred Stock Incurred to pay accrued and unpaid interest, premiums (including tender premiums), expenses, defeasance costs and fees in respect thereof.

"ADT Notes" means ADT's 5.250% Notes due 2020 issued on December 18, 2014, 6.250% Senior Notes due 2021 issued on October 1, 2013, 3.500% Notes due 2022 issued on July 5, 2012, 4.125% Senior Notes due 2023 issued on January 14, 2013, 4.875% Notes due 2042 issued on July 5, 2012 and 4.875% Notes due 2032 issued on May 2, 2016, in each case including any refinancing, refunding, extension, renewal or replacement (or successive refinancings, refundings, extensions, renewals or replacements) as a whole, or in part, of any such ADT Notes.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

" Applicable Premium" means, with respect to any note on any applicable redemption date, as determined by the Issuers, the greater of:

(1) 1% of the then outstanding principal amount of the note; and

(2) the excess of:

(a) the present value at such redemption date of (i) the redemption price of the note, at , 2022 (such redemption price being set forth in the applicable table appearing above under "—Optional Redemption") plus (ii) all required interest payments due on the note through , 2022 (excluding accrued but unpaid

interest), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; over

(b) the then outstanding principal amount of the note.

"Asset Sale" means:

(1) the sale, conveyance, transfer or other disposition (whether in a single transaction or a series of related transactions) of property or assets (including by way of Sale/Leaseback Transactions) outside the ordinary course of business of the Issuers or any Restricted Subsidiary (each referred to in this definition as a "disposition"); or

(2) the issuance or sale of Equity Interests (other than directors' qualifying shares and shares issued to foreign nationals or other third parties to the extent required by applicable law) of any Restricted Subsidiary (other than to an Issuer or another Restricted Subsidiary) (whether in a single transaction or a series of related transactions),

in each case other than:

(a) a disposition of Cash Equivalents or Investment Grade Securities or obsolete, damaged or worn out property or equipment in the ordinary course of business or consistent with past practice or industry norm or assets otherwise no longer used or useful in the business of an Issuer or its Restricted Subsidiaries (as determined in good faith by the Issuers);

(b) the disposition of all or substantially all of the assets of the Issuers in a manner permitted pursuant to the provisions described above under "—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets" or any disposition that constitutes a Change of Control;

(c) any Restricted Payment or Permitted Investment that is permitted to be made, and is made, under the covenant described above under "—Certain Covenants—Limitation on Restricted Payments";

(d) any disposition of assets of an Issuer or any Restricted Subsidiary or issuance or sale of Equity Interests of an Issuer or any Restricted Subsidiary, which assets or Equity Interests so disposed or issued have an aggregate Fair Market Value (as determined in good faith by the Issuers) of less than $125.0 million;

(e) any disposition of property or assets, or the issuance of securities, by a Restricted Subsidiary to an Issuer or by an Issuer or a Restricted Subsidiary to a Restricted Subsidiary;

(f) any exchange of assets (including a combination of assets and Cash Equivalents) for assets related to a Similar Business of comparable or greater market value or usefulness to the business of the Issuers and the Restricted Subsidiaries as a whole, as determined in good faith by the Issuers;

(g) foreclosure, condemnation, expropriation, forced disposition or any similar action with respect to any property or other asset of an Issuer or any of the Restricted Subsidiaries;

(h) any disposition of Equity Interests in, or Indebtedness or other securities of, an Unrestricted Subsidiary;

(i) the lease, assignment, sublease, license or sub-license of any real or personal property in the ordinary course of business or consistent with past practice;

(j) any sale, discount or other disposition of inventory or other assets in the ordinary course of business;

(k) any grant in the ordinary course of business or consistent with past practice of any license or sublicense of patents, trademarks, know-how or any other intellectual property;

(l) any swap of assets, or lease, assignment or sublease of any real or personal property, in exchange for services (including in connection with any outsourcing arrangements), similar assets or assets used in a similar business of comparable or greater value or usefulness to the business of the Issuers and the Restricted Subsidiaries as a whole, as determined in good faith by the Issuers;

(m) any disposition (including by capital contribution), pledge, factoring, transfer or sale of (i) Securitization Assets to any Special Purpose Securitization Subsidiary or otherwise any pledge, factoring, transfer or sale in connection with any Permitted Securitization Financing, and (ii) any other Securitization Assets subject to Liens securing Permitted Securitization Financings;

(n) any financing transaction with respect to property built or acquired by an Issuer or any Restricted Subsidiary after the Issue Date, including any Sale/Leaseback Transaction or asset securitization permitted by the indenture;

(o) dispositions in connection with Permitted Liens;

(p) any disposition of Capital Stock of a Restricted Subsidiary pursuant to an agreement or other obligation with or to a Person (other than an Issuer or a Restricted Subsidiary) from whom such Restricted Subsidiary was acquired or from whom such Restricted Subsidiary acquired its business and assets (having been newly formed in connection with such acquisition), made as part of such acquisition and in each case comprising all or a portion of the consideration in respect of such sale or acquisition;

(q) the sale of any property in a Sale/Leaseback Transaction within twelve months of the acquisition of such property;

(r) dispositions of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;

(s) any surrender, expiration or waiver of contract rights or the settlement, release, recovery on or surrender of contract, tort or other claims of any kind;

(t) [reserved];

(u) to the extent constituting an Asset Sale, any termination, settlement, extinguishment or unwinding of Hedging Obligations; and

(v) any sale, transfer or other disposition to effect the formation of any Subsidiary that is a Delaware Divided LLC; provided that any disposition or other allocation of assets (including any equity interests of such Delaware Divided LLC) in connection therewith is otherwise not prohibited under the indenture.

"Bank Indebtedness" means any and all amounts payable under or in respect of (a) the Credit Agreement and the other Credit Agreement Documents, as amended, restated, supplemented, waived, replaced (whether or not upon termination, and whether with the original lenders or otherwise), restructured, repaid, refunded, refinanced or otherwise modified from time to time (including after termination of the Credit Agreement), including any

agreement or indenture extending the maturity thereof, refinancing, replacing or otherwise restructuring all or any portion of the Indebtedness under such agreement or agreements or indenture or indentures or any successor or replacement agreement or agreements or indenture or indentures or increasing the amount loaned or issued thereunder or altering the maturity thereof, including principal, premium (if any), interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to either Issuer whether or not a claim for post-filing interest is allowed in such proceedings), fees, charges, expenses, reimbursement obligations, guarantees and all other amounts payable thereunder or in respect thereof (except to the extent any such refinancing, replacement, restructuring or other agreement or instrument is designated by the Issuers to not be included in the definition of "Bank Indebtedness") and (b) whether or not the Indebtedness referred to in clause (a) remains outstanding, if designated by the Issuers to be included in this definition, one or more (A) debt facilities or commercial paper facilities, providing for revolving credit loans, term loans, reserve-based loans, securitization or receivables financing (including through the sale of receivables to lenders or to special purpose entities formed to borrow from lenders against such receivables) or letters of credit, (B) debt securities, indentures or other forms of debt financing (including convertible or exchangeable debt instruments or bank guarantees or bankers' acceptances), or (C) instruments or agreements evidencing any other Indebtedness, in each case, with the same or different borrowers or issuers and, in each case, as amended, supplemented, modified, extended, restructured, renewed, refinanced, restated, replaced or refunded in whole or in part from time to time (except to the extent any such refinancing, replacement, restructuring or other agreement or instrument is designated by the Issuers to not be included in the definition of "Bank Indebtedness").

"Bankruptcy Code" means Title 11 of the United States Code.

"Board of Directors" means, as to any Person, the board of directors or managers or other governing body, as applicable, of such Person or any direct or indirect parent of such Person (or, if such Person is a partnership, the board of directors or other governing body of the general partner of such Person) or any duly authorized committee thereof.

"Business Day" means a day other than a Saturday, Sunday or other day on which banking institutions are authorized or required by law to close in New York City or the place of payment.

"Capital Stock" means:

(1) in the case of a corporation, corporate stock or shares;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"Capitalized Lease Obligation" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease or a finance lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) in accordance with GAAP; provided that obligations of the Issuers or their Restricted Subsidiaries, or of a special purpose or other entity not consolidated with the Issuers and their Restricted Subsidiaries, either existing on the Issue Date or created thereafter that (a) initially were not included on the consolidated balance sheet of the Reporting Entity as

capital lease or finance lease obligations and were subsequently recharacterized as capital lease or finance lease obligations or, in the case of such a special purpose or other entity becoming consolidated with the Issuers and their Restricted Subsidiaries were required to be characterized as capital lease or finance lease obligations upon such consolidation, in either case, due to a change in accounting treatment or otherwise, or (b) did not exist on the Issue Date and were required to be characterized as capital lease or finance lease obligations but would not have been required to be treated as capital lease or finance lease obligations on the Issue Date had they existed at that time, shall for all purposes not be treated as Capitalized Lease Obligations or Indebtedness.

"Capitalized Software Expenditures" means, for any period, the aggregate of all expenditures (whether paid in cash or accrued as liabilities) by a Person and its Restricted Subsidiaries during such period in respect of licensed or purchased software or internally developed software and software enhancements that, in conformity with GAAP, are or are required to be reflected as capitalized costs on the consolidated balance sheet of such Person and such Restricted Subsidiaries.

"Cash Equivalents" means:

(1) U.S. dollars, pounds sterling, euros, the national currency of any member state in the European Union or such local currencies held by an entity from time to time in the ordinary course of business;

(2) securities issued or directly and fully guaranteed or insured by the U.S. government or any country that is a member of the European Union or any agency or instrumentality thereof in each case maturing not more than two years from the date of acquisition;

(3) certificates of deposit, time deposits and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances, in each case with maturities not exceeding one year and overnight bank deposits, in each case with any commercial bank having capital and surplus in excess of $250.0 million and whose long-term debt is rated "A" or the equivalent thereof by Moody's or S&P (or reasonably equivalent ratings of another internationally recognized ratings agency);

(4) repurchase obligations for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

(5) commercial paper issued by a corporation (other than an Affiliate of the Issuer) rated at least "A-1" or the equivalent thereof by Moody's or S&P (or reasonably equivalent ratings of another internationally recognized ratings agency) and in each case maturing within one year after the date of acquisition;

(6) readily marketable direct obligations issued by any state of the United States of America or any political subdivision thereof having one of the two highest rating categories obtainable from either Moody's or S&P (or reasonably equivalent ratings of another internationally recognized ratings agency) in each case with maturities not exceeding two years from the date of acquisition;

(7) Indebtedness issued by Persons (other than the Sponsors or any of their Affiliates) with a rating of "A" or higher from S&P or "A-2" or higher from Moody's (or reasonably equivalent ratings of another internationally recognized ratings agency), in each case with maturities not exceeding two years from the date of acquisition;

(8) investment funds investing at least 95% of their assets in securities of the types described in clauses (1) through (7) above;

(9) instruments equivalent to those referred to in clauses (1) through (8) above denominated in any foreign currency comparable in credit quality and tenor to those referred to above and commonly used by corporations for cash management purposes in any jurisdiction outside the United States of America to the extent reasonably required in connection with any business conducted by any Subsidiary organized in such jurisdiction; and

(10) credit card receivables to the extent included in cash and cash equivalents on the consolidated balance sheet of such Person; and

"cash management services" means cash management services for collections, treasury management services (including controlled disbursement, overdraft, automated clearing house fund transfer services, return items and interstate depository network services), any demand deposit, payroll, trust or operating account relationships, commercial credit cards, merchant card, purchase or debit cards, non-card e-payables services, and other cash management services, including electronic funds transfer services, lockbox services, stop payment services and wire transfer services.

"Change of Control" means the occurrence of either of the following:

(1) the sale, lease or transfer, in one or a series of related transactions, of all or substantially all the assets of the Issuers and their Subsidiaries, taken as a whole, to a Person other than any of the Permitted Holders; or

(2) the Issuers become aware (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) of the acquisition by any Person or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision), including any group acting for the purpose of acquiring, holding or disposing of securities (within the meaning of Rule 13d-5(b)(1) under the Exchange Act), other than any of the Permitted Holders, in a single transaction or in a related series of transactions, by way of merger, consolidation, amalgamation or other business combination or purchase of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act, or any successor provision), of more than 50% of the total voting power of the Voting Stock of the Company.

Notwithstanding the foregoing: (A) the transfer of assets between or among the Issuers and their Restricted Subsidiaries shall not itself constitute a Change of Control and (B) a Person or group shall not be deemed to have beneficial ownership of securities subject to a stock purchase agreement, merger agreement or similar agreement (or voting or option agreement related thereto) prior to the consummation of the transactions contemplated by such agreement.

In addition, notwithstanding the foregoing, a transaction in which an Issuer or a parent entity of an Issuer becomes a subsidiary of another Person (such Person, the "New Parent") shall not constitute a Change of Control if (a) the equityholders of such Issuer or such parent entity immediately prior to such transaction beneficially own, directly or indirectly through one or more intermediaries, at least a majority of the total voting power of the Voting Stock of such Issuer's or such New Parent immediately following the consummation of such transaction, substantially in proportion to their holdings of the equity of such Issuer's or such parent entity prior to such transaction or (b) immediately following the consummation of such transaction, no Person, other than a Permitted Holder, the New Parent or any subsidiary of the New Parent, beneficially owns, directly or indirectly through one or more intermediaries, more than 50% of the voting power of the Voting Stock of the Issuers or the New Parent.

"Code" means the Internal Revenue Code of 1986, as amended.

"Consolidated Depreciation and Amortization Expense" means, with respect to any Person for any period, the total amount of depreciation and amortization expense, including the amortization of intangible assets, deferred financing fees, Capitalized Software Expenditures, development costs, capitalized customer acquisition costs, amortization of unrecognized prior service costs and actuarial gains and losses related to pensions and other post-employment benefits, of such Person and its Restricted Subsidiaries for such period on a consolidated basis and otherwise determined in accordance with GAAP.

"Consolidated Interest Expense" means, with respect to any Person for any period, the sum, without duplication, of:

(1) consolidated interest expense of such Person and its Restricted Subsidiaries for such period, to the extent such expense was deducted in computing Consolidated Net Income (including the interest component of Capitalized Lease Obligations and net payments and receipts (if any) pursuant to interest rate Hedging Obligations and excluding amortization of deferred financing fees and original issue discount, debt issuance costs, commissions, fees and expenses, expensing of any bridge, commitment or other financing fees and non-cash interest expense attributable to movement in mark to market valuation of Hedging Obligations or other derivatives (in each case permitted hereunder) under GAAP); plus

(2) consolidated capitalized interest of such Person and its Restricted Subsidiaries for such period, whether paid or accrued; plus

(3) commissions, discounts, yield and other fees and charges Incurred in connection with any Permitted Securitization Financing which are payable to Persons other than the Issuers and the Restricted Subsidiaries; minus

(4) interest income for such period.

For purposes of this definition, interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by the Issuers to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP.

"Consolidated Net Income" means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis; provided, however, that:

(1) any net after-tax extraordinary, exceptional, nonrecurring or unusual gains or losses (less all fees and expenses relating thereto) or expenses or charges, any severance expenses, relocation expenses, restructuring expenses, curtailments or modifications to pension and post-retirement employee benefit plans, excess pension charges, any expenses related to any New Project or any reconstruction, decommissioning, recommissioning or reconfiguration of fixed assets for alternate uses and fees, expenses or charges relating to closing costs, rebranding costs, acquisition integration costs, opening costs, project start-up costs, business optimization costs, recruiting costs, signing, retention or completion bonuses, litigation and arbitration costs, charges, fees and expenses (including settlements), expenses or charges related to any issuance or repurchase of Equity Interests or debt securities of the Issuers or any direct or indirect parent of the Company, any Investment, acquisition, disposition, recapitalization or Incurrence, issuance, repayment, repurchase, refinancing, amendment or modification of Indebtedness (in each case, whether or not successful),

and any fees, expenses, charges or change in control payments related to the Transactions (including any costs relating to auditing prior periods, any transition-related expenses, and transaction expenses incurred before, on or after the Issue Date), in each case, shall be excluded;

(2) effects of purchase accounting adjustments (including the effects of such adjustments pushed down to such Person and such Subsidiaries and including, without limitation, the effects of adjustments to (A) deferred rent, (B) Capitalized Lease Obligations or other obligations or deferrals attributable to capital spending funds with suppliers or (C) any other deferrals of revenue) in amounts required or permitted by GAAP, resulting from the application of purchase accounting or the amortization or write-off of any amounts thereof, net of taxes, shall be excluded;

(3) the Net Income for such period shall not include the cumulative effect of a change in accounting principles during such period;

(4) any net after-tax income or loss from disposed, abandoned, transferred, closed or discontinued operations or fixed assets and any net after-tax gains or losses on disposal of disposed, abandoned, transferred, closed or discontinued operations or fixed assets shall be excluded;

(5) any net after-tax gains or losses (less all fees and expenses or charges relating thereto) attributable to business dispositions or asset dispositions other than in the ordinary course of business (as determined in good faith by management of the Issuers) shall be excluded;

(6) any net after-tax gains or losses (less all fees and expenses or charges relating thereto) attributable to the early extinguishment or buy-back of indebtedness, Hedging Obligations or other derivative instruments shall be excluded;

(7) (a) the Net Income for such period of any Person that is not a Subsidiary of such Person, or is an Unrestricted Subsidiary, or that is accounted for by the equity method of accounting, shall be included only to the extent of the amount of dividends or distributions or other payments paid in cash (or to the extent converted into cash) to the referent Person or a Restricted Subsidiary thereof in respect of such period and (b) the Net Income for such period shall include any dividend, distribution or other payment in cash (or to the extent converted into cash) received by the referent Person or a Subsidiary thereof (other than an Unrestricted Subsidiary of such referent Person) from any Person in excess of, but without duplication of, the amounts included in subclause (a);

(8) solely for the purpose of determining the amount available for Restricted Payments under clause (1) of the definition of Cumulative Credit contained in "—Certain Covenants—Limitation on Restricted Payments," the Net Income for such period of any Restricted Subsidiary (other than any Subsidiary Guarantor) shall be excluded to the extent that the declaration or payment of dividends or similar distributions by such Restricted Subsidiary of its Net Income is not at the date of determination permitted without any prior governmental approval (which has not been obtained) or, directly or indirectly, by the operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders, unless such restrictions with respect to the payment of dividends or similar distributions have been legally waived; provided that the Consolidated Net Income of such Person shall be increased by the amount of dividends or other distributions or other payments actually paid in cash (or converted into cash) by any such Restricted Subsidiary to such Person, to the extent not already included therein;

(9) an amount equal to the amount of Tax Distributions actually made to any parent or equity holder of such Person in respect of such period in accordance with clause (12) of the second paragraph under "—Certain Covenants—Limitation on Restricted Payments" shall be included as though such amounts had been paid as income taxes directly by such Person for such period;

(10) any impairment charges or asset write-offs, in each case pursuant to GAAP, and the amortization of intangibles and other fair value adjustments arising pursuant to GAAP shall be excluded;

(11) any non-cash expense realized or resulting from stock option plans, employee benefit plans or post-employment benefit plans, or grants or sales of stock, stock appreciation or similar rights, stock options, restricted stock, preferred stock or other rights shall be excluded;

(12) any (a) non-cash compensation charges, (b) costs and expenses related to employment of terminated employees, or (c) costs or expenses realized in connection with or resulting from stock appreciation or similar rights, stock options or other rights of officers, directors and employees, in each case of such Person or any Restricted Subsidiary, shall be excluded;

(13) accruals and reserves that are established or adjusted in connection with the Transactions or within 12 months after the Issue Date or the closing of any acquisition and that are so required to be established or adjusted in accordance with GAAP or as a result of adoption or modification of accounting policies shall be excluded;

(14) (a)(i) the non-cash portion of "straight-line" rent expense shall be excluded, (ii) the cash portion of "straight-line" rent expense which exceeds the amount expensed in respect of such rent expense shall be included, (iii) the non-cash amortization of tenant allowances shall be excluded, (iv) cash received from landlords for tenant allowances shall be included and (v) to the extent not already included in Net Income, the cash portion of sublease rentals received shall be included (for the avoidance of doubt, the net effect of the adjustments in this clause (14)(a) as well as any related adjustments pursuant to clause (2) above shall be to compute rent expense and rental income on a cash basis for purposes of determining Consolidated Net Income) and (b) non-cash gains, losses, income and expenses resulting from fair value accounting required by the applicable standard under GAAP and related interpretations shall be excluded;

(15) any currency translation gains and losses related to currency remeasurements of Indebtedness, and any net loss or gain resulting from hedging transactions for currency exchange risk, shall be excluded;

(16) (a) to the extent covered by insurance and actually reimbursed, or, so long as such Person has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer and only to the extent that such amount is (i) not denied by the applicable carrier in writing within 180 days and (ii) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within 365 days), expenses with respect to liability or casualty events or business interruption shall be excluded and (b) amounts estimated in good faith to be received from insurance in respect of lost revenues or earnings in respect of liability or casualty events or business interruption shall be included (with a deduction for amounts actually received up to such estimated amount to the extent included in Net Income in a future period);

(17) Capitalized Software Expenditures and software development costs shall be excluded;

(18) non-cash charges for deferred tax asset valuation allowances shall be excluded;

(19) any other costs, expenses or charges resulting from facility, branch, office or business unit closures or sales, including income (or losses) from such closures or sales, shall be excluded;

(20) any deductions attributable to non-controlling interests shall be excluded; and

(21) any gain, loss, income, expense or charge resulting from the application of any LIFO shall be excluded.

Notwithstanding the foregoing, for the purpose of the covenant described under "—Certain Covenants—Limitation on Restricted Payments" only, there shall be excluded from Consolidated Net Income any dividends, repayments of loans or advances or other transfers of assets from Unrestricted Subsidiaries or Restricted Subsidiaries to the extent such dividends, repayments or transfers increase the amount of Restricted Payments permitted under such covenant pursuant to clauses (4) and (5) of the definition of Cumulative Credit contained therein.

"Consolidated Non-Cash Charges" means, with respect to any Person for any period, the non-cash expenses (other than Consolidated Depreciation and Amortization Expense) of such Person and its Restricted Subsidiaries reducing Consolidated Net Income of such Person for such period on a consolidated basis and otherwise determined in accordance with GAAP, provided that if any such non-cash expenses represent an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall be subtracted from EBITDA in such future period to the extent paid, but excluding from this proviso, for the avoidance of doubt, amortization of a prepaid cash item that was paid in a prior period.

"Consolidated Taxes" means, with respect to any Person for any period, the provision for taxes based on income, profits or capital, including, without limitation, state, franchise, property and similar taxes, foreign withholding taxes (including penalties and interest related to such taxes or arising from tax examinations) and any Tax Distributions taken into account in calculating Consolidated Net Income.

"Consolidated Total Indebtedness" means, as of any date of determination, an amount equal to the sum (without duplication) of (1) the aggregate principal amount of all outstanding Indebtedness of the Issuers and the Restricted Subsidiaries (excluding any undrawn letters of credit) consisting of Indebtedness for borrowed money, plus (2) the aggregate amount of all outstanding Disqualified Stock of the Issuers and the Restricted Subsidiaries and all Preferred Stock of Restricted Subsidiaries, with the amount of such Disqualified Stock and Preferred Stock equal to the greater of their respective voluntary or involuntary liquidation preferences, in each case determined on a consolidated basis in accordance with GAAP.

"Contingent Obligations" means, with respect to any Person, any obligation of such Person guaranteeing any leases, dividends or other obligations that do not constitute Indebtedness ("primary obligations") of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent:

(1) to purchase any such primary obligation or any property constituting direct or indirect security therefor,

(2) to advance or supply funds:

  (a) for the purchase or payment of any such primary obligation; or

  (b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; or

(3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

"Creation Costs" means the costs associated with marketing, sales, and installation expenses incurred selling, equipping, and installing alarm systems and other security, automation, or related equipment actually incurred in such current period less the related installation revenue recognized in such current period.

"Credit Agreement" means (i) First Lien Credit Agreement (except to the extent any such refinancing, replacement or restructuring or agreement or instrument is designated by the Issuers to not be included in the definition of "Credit Agreement") and (ii) whether or not the credit agreement referred to in clause (i) remains outstanding, if designated by the Issuers to be included in the definition of "Credit Agreement," one or more (A) debt facilities or commercial paper facilities, providing for revolving credit loans, term loans, securitization or receivables financing (including through the sale of receivables to lenders or to special purpose entities formed to borrow from lenders against such receivables) or letters of credit, (B) debt securities, indentures or other forms of debt financing (including convertible or exchangeable debt instruments or bank guarantees or bankers' acceptances), or (C) instruments or agreements evidencing any other Indebtedness, in each case, with the same or different borrowers or issuers and, in each case, as amended, supplemented, modified, extended, restructured, renewed, refinanced, restated, replaced or refunded in whole or in part from time to time (except to the extent any such refinancing, replacement or restructuring or agreement or instrument is designated by the Issuers to not be included in the definition of "Credit Agreement").

"Credit Agreement Documents" means the collective reference to any Credit Agreement, any notes issued pursuant thereto and the guarantees thereof, and the collateral documents relating thereto, as amended, supplemented, restated, renewed, refunded, replaced, restructured, repaid, refinanced or otherwise modified, in whole or in part, from time to time.

"Default" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"Delaware Divided LLC" means any limited liability company which has been formed upon the consummation of a Delaware LLC Division.

"Delaware LLC Division" means the statutory division of any limited liability company into two or more limited liability companies pursuant to Section 18-217 of the Delaware Limited Liability Company Act.

"Designated Non-cash Consideration" means the Fair Market Value (as determined in good faith by the Issuers) of non-cash consideration received by an Issuer or a Restricted Subsidiary in connection with an Asset Sale that is so designated as Designated Non-cash Consideration pursuant to an Officer's Certificate, setting forth such valuation, less the amount of Cash Equivalents received in connection with a subsequent sale of, or other receipt of Cash Equivalents in respect of, such Designated Non-cash Consideration.

"Designated Preferred Stock" means Preferred Stock of the Company or any direct or indirect parent of the Company (other than Disqualified Stock), that is issued for cash (other than to the Issuers or any of their Subsidiaries or an employee stock ownership plan or trust established by the Issuers or any of their Subsidiaries) and is so designated as Designated Preferred Stock, pursuant to an Officer's Certificate, on the issuance date thereof.

"Disqualified Stock" means, with respect to any Person, any Capital Stock of such Person which, by its terms (or by the terms of any security into which it is convertible or for which it is redeemable or exchangeable), or upon the happening of any event:

(1) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise (other than as a result of a change of control or asset sale),

(2) is convertible or exchangeable for Indebtedness or Disqualified Stock of such Person or any of its Restricted Subsidiaries, or

(3) is redeemable at the option of the holder thereof, in whole or in part (other than solely as a result of a change of control or asset sale),

in each case prior to 91 days after the earlier of the maturity date of the unsecured notes or the date the unsecured notes are no longer outstanding; provided, however, that only the portion of Capital Stock which so matures or is mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date shall be deemed to be Disqualified Stock; provided, further, however, that if such Capital Stock is issued to any employee or to any plan for the benefit of employees of the Issuers or their Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Stock solely because it may be required to be repurchased by such Person in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's termination, death or disability; provided, further, that any class of Capital Stock of such Person that by its terms authorizes such Person to satisfy its obligations thereunder by delivery of Capital Stock that is not Disqualified Stock shall not be deemed to be Disqualified Stock.

"Domestic Subsidiary" means a Restricted Subsidiary that is not a Foreign Subsidiary.

"EBITDA" means, with respect to any Person for any period, the Consolidated Net Income of such Person and its Restricted Subsidiaries for such period plus, without duplication, to the extent the same was deducted in calculating Consolidated Net Income:

(1) Consolidated Taxes; plus

(2) Fixed Charges and costs of surety bonds in connection with financing activities, together with items excluded from the definition of "Consolidated Interest Expense" pursuant to clause (1) thereof; plus

(3) Consolidated Depreciation and Amortization Expense; plus

(4) Consolidated Non-Cash Charges; plus

(5) any expenses or charges (other than Consolidated Depreciation and Amortization Expense) related to any issuance of Equity Interests, Investment, acquisition, New Project, disposition, recapitalization or the Incurrence, modification or repayment of Indebtedness permitted to be Incurred by the indenture (including a refinancing thereof) (whether or not successful), including (i) such fees, expenses, premiums or charges related to the Transactions, the offering of the unsecured notes or any Bank Indebtedness, (ii) any amendment or other modification of the unsecured notes or other Indebtedness and (iii) commissions, discounts, yield and other fees and charges (including any interest expense) related to any Permitted Securitization Financing; plus

(6) business optimization expenses and other restructuring charges, reserves or expenses (which, for the avoidance of doubt, shall include, without limitation, the effect of inventory optimization programs, facility, branch, office or business unit closures, facility, branch, office or business unit consolidations, retention, severance, systems establishment costs, contract termination costs, future lease commitments and excess pension charges) and Pre-Opening Expenses; plus

(7) the amount of loss or discount in connection with a Permitted Securitization Financing, including amortization of loan origination costs and amortization of portfolio discounts; plus

(8) any costs or expense incurred pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, to the extent that such cost or expenses are funded with cash proceeds contributed to the capital of an Issuer or a Subsidiary Guarantor or net cash proceeds of an issuance of Equity Interests of the Company (other than Disqualified Stock) solely to the extent that such net cash proceeds are excluded from the calculation of the Cumulative Credit; plus

(9) Creation Costs; plus

(10) the amount of any loss attributable to a New Project, until the date that is 12 months after the date of completing the construction, acquisition, assembling or creation of such New Project, as the case may be; provided that (a) such losses are reasonably identifiable and factually supportable and certified by a responsible financial or accounting officer of the Issuers and (b) losses attributable to such New Project after 12 months from the date of completing such construction, acquisition, assembling or creation, as the case may be, shall not be included in this clause (10); plus

(11) the amount of any management, monitoring, consulting, transaction, advisory and similar fees and related expenses paid to the Sponsors (or any accruals relating to such fees and related expenses) during such period to the extent otherwise permitted by the covenant described under "—Certain Covenants—Transactions with Affiliates," including, if applicable, the amount of termination fee paid pursuant to clause (20) thereof; plus

(12) with respect to any joint venture that is not a Subsidiary and solely to the extent relating to any net income referred to in clause (7) of the definition of "Consolidated Net Income," an amount equal to the proportion of those items described in clauses (1) and (2) above relating to such joint venture corresponding to the Issuer's and the Restricted Subsidiaries' proportionate share of such joint venture's Consolidated Net Income (determined as if such joint venture were a Subsidiary); plus

(13) one-time costs associated with commencing Public Company Compliance; plus

(14) all adjustments of the nature used in connection with the calculation of "Adjusted EBITDA" as set forth in the offering memorandum for the unsecured notes (including the documents incorporated by reference therein) or otherwise consistent with the indenture to the extent such adjustments, without duplication, continue to be applicable to such period; and

less, without duplication, to the extent the same increased Consolidated Net Income,

(15) non-cash items increasing Consolidated Net Income for such period (excluding the recognition of deferred revenue or any items which represent the reversal of any accrual of, or cash reserve for, anticipated cash charges that reduced EBITDA in any prior period and any items for which cash was received in a prior period).

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Equity Offering" means any public or private sale after the Issue Date of common Capital Stock or Preferred Stock of the Company or any direct or indirect parent of the Company, as applicable (other than Disqualified Stock), other than:

(1) public offerings with respect to the Company's or such direct or indirect parent's common stock registered on Form S-4 or Form S-8;

(2) issuances to any Subsidiary of the Company; and

(3) any such public or private sale that constitutes an Excluded Contribution.

Notwithstanding the foregoing, an Equity Offering hereunder shall include the merger of the Issuers or any direct or indirect parent of the Issuers into a person that has previously consummated a public Equity Offering (as defined herein but replacing the Issuers with such person) and is a public company at the applicable time.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Excluded Contributions" means the Cash Equivalents or other assets (valued at their Fair Market Value as determined in good faith by senior management or the Board of Directors of the Company) received by the Company after May 2, 2016 from:

(1) contributions to its common equity capital, and

(2) the sale (other than to a Subsidiary of the Company or to any Subsidiary management equity plan or stock option plan or any other management or employee benefit plan or agreement) of Capital Stock (other than Disqualified Stock and Designated Preferred Stock) of the Company,

in each case designated as Excluded Contributions pursuant to an Officer's Certificate.

"Excluded Subsidiary" means (a) each Unrestricted Subsidiary, (b) each Domestic Subsidiary that is not a Wholly Owned Subsidiary (for so long as such Subsidiary remains a non-Wholly Owned Subsidiary), (c) each Domestic Subsidiary that is prohibited from guaranteeing the unsecured notes by any requirement of law or that would require consent, approval, license or authorization of a governmental (including regulatory) authority to guarantee the unsecured notes (unless such consent, approval, license or authorization has been received), (d) each Domestic Subsidiary that is prohibited by any applicable contractual requirement from guaranteeing the unsecured notes on the Issue Date or at the time such Subsidiary becomes a Subsidiary (to the extent not incurred in connection with becoming a Subsidiary and in each case for so long as such restriction or any replacement or renewal thereof is in effect), (e) any Foreign Subsidiary, (f) any Domestic Subsidiary (i) that owns no material assets (directly or through its Subsidiaries) other than equity interests of one or more Foreign Subsidiaries that are "controlled foreign corporations" within the meaning of Section 957 of the Code ("CFCs") or (ii) that is a direct or indirect Subsidiary of a Foreign Subsidiary, (g) any Special Purpose Securitization Subsidiary, (h) any Subsidiary (other than a Significant Subsidiary) that (i) did not, as of the last day of the fiscal quarter of the Issuers most recently ended, have assets with a value in excess of 5.0% of the Total Assets or revenues representing in excess of 5.0% of total revenues of the Issuers and the Restricted Subsidiaries on a consolidated basis as of such date and (ii) taken together with all other such Subsidiaries being excluded pursuant to this clause (h), as of the last day of the fiscal quarter of the Issuers most recently ended, did not have assets with a value in excess of 10.0% of the Total Assets or revenues representing in excess of 10.0% of total revenues of the Issuers and the Restricted

Subsidiaries on a consolidated basis as of such date (each such Subsidiary, an "Immaterial Subsidiary") and (i) any Subsidiary for which providing a Subsidiary Guarantee could reasonably be expected to result in material adverse tax consequences as determined in good faith by the Issuers.

"Fair Market Value" means, with respect to any asset or property, the price which could be negotiated in an arm's-length transaction, for cash, between a willing seller and a willing and able buyer, neither of whom is under undue pressure or compulsion to complete the transaction, which, in the case of an Asset Sale, Restricted Payment or Investment shall be determined either at the option of the Issuer, at the time of the Asset Sale, Restricted Payment or Investment or as of the date of the definitive agreement with respect to such Asset Sale, Restricted Payment or Investment, and without giving effect to any subsequent change in value.

"First Lien Credit Agreement" means the Eighth Amended and Restated First Lien Credit Agreement, dated on or around the Issue Date, among Prime Security Services Holdings, LLC, as Holdings, the Company, as Borrower, the lenders party thereto, and Barclays Bank PLC, as administrative agent and collateral agent, as amended, restated, supplemented, waived, replaced (whether or not upon termination, and whether with the original lenders or otherwise), restructured, repaid, refunded, refinanced or otherwise modified from time to time, including any agreement or indenture extending the maturity thereof, refinancing, replacing or otherwise restructuring all or any portion of the Indebtedness under such agreement or agreements or indenture or indentures or any successor or replacement agreement or agreements or indenture or indentures or increasing the amount loaned or issued thereunder or altering the maturity thereof, as amended, supplemented, modified, extended, restructured, renewed, refinanced, restated, replaced or refunded in whole or in part from time to time.

"First-Priority Notes" means the Issuers' (a) $750,000,000 aggregate principal amount of % First-Priority Senior Secured Notes due 2024 and (b) $750,000,000 aggregate principal amount of % First-Priority Senior Secured Notes due 2026.

"Fixed Charge Coverage Ratio" means, with respect to any Person for any period, the ratio of EBITDA of such Person for such period to the Fixed Charges of such Person for such period. In the event that the Issuers or any of their Restricted Subsidiaries Incurs, repays, repurchases or redeems any Indebtedness (other than in the case of any Permitted Securitization Financing, in which case interest expense shall be computed based upon the average daily balance of such Indebtedness during the applicable period) or issues, repurchases or redeems Disqualified Stock or Preferred Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated but prior to the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "Fixed Charge Calculation Date"), then the Fixed Charge Coverage Ratio shall be calculated giving pro forma effect to such Incurrence, repayment, repurchase or redemption of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or Preferred Stock, as if the same had occurred at the beginning of the applicable four-quarter period.

For purposes of making the computation referred to above, Investments, acquisitions, dispositions, mergers, amalgamations, consolidations and discontinued operations (as determined in accordance with GAAP) and any operational changes, business realignment projects or initiatives, New Projects, restructurings or reorganizations that the Issuers or any Restricted Subsidiary have determined to make and/or made during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Fixed Charge Calculation Date (each, for purposes of this definition, a "pro forma event") shall be calculated on a pro forma basis assuming that all such Investments, acquisitions,

dispositions, mergers, amalgamations, consolidations, discontinued operations and other operational changes, business realignment projects or initiatives, New Projects, restructurings or reorganizations (and the change of any associated fixed charge obligations and the change in EBITDA resulting therefrom) had occurred on the first day of the four-quarter reference period. If since the beginning of such period any Person that subsequently became a Restricted Subsidiary or was merged with or into an Issuer or any Restricted Subsidiary since the beginning of such period shall have made any Investment, acquisition, disposition, merger, consolidation, amalgamation, discontinued operation, operational change, business realignment project or initiative, New Project, restructuring or reorganization that would have required adjustment pursuant to this definition, then the Fixed Charge Coverage Ratio shall be calculated giving pro forma effect thereto for such period as if such Investment, acquisition, disposition, discontinued operation, merger, amalgamation, consolidation, operational change, business realignment project or initiative, New Project, restructuring or reorganization had occurred at the beginning of the applicable four-quarter period. If since the beginning of such period any Restricted Subsidiary is designated an Unrestricted Subsidiary or any Unrestricted Subsidiary is designated a Restricted Subsidiary, then the Fixed Charge Coverage Ratio shall be calculated giving pro forma effect thereto for such period as if such designation had occurred at the beginning of the applicable four-quarter period.

For purposes of this definition, whenever pro forma effect is to be given to any pro forma event, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Issuers. Any such pro forma calculation may include adjustments appropriate, in the reasonable good faith determination of the Issuers as set forth in an Officer's Certificate, to reflect (1) operating expense reductions and other operating improvements, synergies or cost savings reasonably expected to result from the applicable event, and (2) all adjustments of the nature used in connection with the calculation of "Adjusted EBITDA" as set forth in the offering memorandum for the unsecured notes (including the documents incorporated by reference therein) or otherwise consistent with the indenture to the extent such adjustments, without duplication, continue to be applicable to such four-quarter period.

If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the Fixed Charge Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligations applicable to such Indebtedness if such Hedging Obligation has a remaining term in excess of 12 months). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Issuers to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit facility computed on a pro forma basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Issuers may designate.

For purposes of making the computation referred to above, in giving effect to each New Project which commences operations and records not less than one full fiscal quarter's operations during such period, the operating results of such New Project shall be annualized on a straight line basis during such period, taking into account any seasonality adjustments determined by the Issuers in good faith.

For purposes of this definition, any amount in a currency other than U.S. dollars will be converted to U.S. dollars based on the average exchange rate for such currency for the most

recent twelve month period immediately prior to the date of determination in a manner consistent with that used in calculating EBITDA for the applicable period.

"Fixed Charges" means, with respect to any Person for any period, the sum, without duplication, of: (1) Consolidated Interest Expense (excluding amortization or write-off of deferred financing costs, discounts or premiums) of such Person for such period, and (2) all cash dividend payments (excluding items eliminated in consolidation) on any series of Preferred Stock or Disqualified Stock of such Person and its Restricted Subsidiaries.

"Foreign Subsidiary" means a Restricted Subsidiary not organized or existing under the laws of the United States of America or any state thereof or the District of Columbia.

"GAAP" means generally accepted accounting principles in effect from time to time in the United States set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession; *provided*, *however*, that (i) if the Issuers notify the Trustee that the Issuers request an amendment to any provision hereof to eliminate the effect of any change in accounting principles or change as a result of the adoption or modification of accounting policies occurring after the Issue Date in GAAP or in the application thereof on the operation of such provision, regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance with this definition, and (ii) any calculation or determination in the Indenture that requires the application of GAAP across multiple quarters need not be calculated or determined using the same accounting standard for each constituent quarter. The Issuers will give notice of any such election made in accordance with this definition to the Trustee. For the avoidance of doubt, solely making an election (without any other action) referred to in this definition will not (1) be treated as an incurrence of Indebtedness or (2) have the effect of rendering invalid any payment, Investment or other action made prior to the date of such election pursuant to the covenant described under "—Certain Covenants—Limitation on Restricted Payments" or any incurrence of Indebtedness incurred prior to the date of such election pursuant to the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" (or any other action conditioned on the Issuers and the Restricted Subsidiaries having been able to incur $1.00 of additional Indebtedness) if such payment, Investment, incurrence or other action was valid under the Indenture on the date made, incurred or taken, as the case may be. For the purposes of the indenture, the term "consolidated" with respect to any Person shall mean such Person consolidated with its Restricted Subsidiaries, and shall not include any Unrestricted Subsidiary, but the interest of such Person in an Unrestricted Subsidiary will be accounted for as an Investment.

"guarantee" means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation, letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness or other obligations. The amount of any guarantee shall be deemed to be an amount equal to the stated or determinable amount of the Indebtedness in respect of which such guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by such person in good faith.

"Hedge Bank" shall mean any person that, at the time it enters into a Hedging Agreement, or on the date of the First Lien Credit Agreement, is an agent, an arranger or a lender under the

First Lien Credit Agreement or an Affiliate of any such person, in each case, in its capacity as a party to such Hedging Agreement.

"Hedging Agreement" shall mean any agreement with respect to any swap, forward, future or derivative transaction, or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value, or credit spread transaction, repurchase transaction, reserve repurchase transaction, securities lending transaction, weather index transaction, spot contracts, fixed price physical delivery contracts, or any similar transaction or any combination of these transactions, in each case of the foregoing, whether or not exchange traded; provided, that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of Holdings, any Issuer or any of the Subsidiaries shall be a Hedging Agreement.

"Hedging Obligations" means, with respect to any Person, the obligations of such Person under:

(1) currency exchange, interest rate or commodity swap agreements, currency exchange, interest rate or commodity cap agreements and currency exchange, interest rate or commodity collar agreements; and

(2) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange, interest rates or commodity prices.

"holder" or "noteholder" means the Person in whose name a note is registered on the registrar's books.

"Holdings" means Prime Security Services Holdings, LLC, a Delaware limited liability company and the parent of the Company.

"Immaterial Subsidiary" has the meaning set forth in the definition of "Excluded Subsidiary."

"Incur" means issue, assume, guarantee, incur or otherwise become liable for; provided, however, that any Indebtedness or Capital Stock of a Person existing at the time such person becomes a Subsidiary (whether by merger, amalgamation, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Person at the time it becomes a Subsidiary.

"Indebtedness" means, with respect to any Person:

(1) the principal of any indebtedness of such Person, whether or not contingent, (a) in respect of borrowed money, (b) evidenced by bonds, notes, debentures or similar instruments or letters of credit or bankers' acceptances (or, without duplication, reimbursement agreements in respect thereof), (c) representing the deferred and unpaid purchase price of any property (except any such balance that constitutes (i) a trade payable or similar obligation to a trade creditor Incurred in the ordinary course of business or consistent with past practice or industry norm, (ii) any earn-out obligations until such obligation becomes a liability on the balance sheet of such Person in accordance with GAAP and (iii) liabilities accrued in the ordinary course of business or consistent with past practice), which purchase price is due more than twelve months after the date of placing the property in service or taking delivery and title thereto, (d) in respect of Capitalized Lease Obligations, or (e) representing any Hedging Obligations, if

and to the extent that any of the foregoing indebtedness would appear as a liability on a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with GAAP;

(2) to the extent not otherwise included, any obligation of such Person to be liable for, or to pay, as obligor, guarantor or otherwise, the obligations referred to in clause (1) of another Person (other than by endorsement of negotiable instruments for collection in the ordinary course of business or consistent with past practice); and

(3) to the extent not otherwise included, Indebtedness of another Person secured by a Lien on any asset owned by such Person (whether or not such Indebtedness is assumed by such Person); provided, however, that the amount of such Indebtedness will be the lesser of: (a) the Fair Market Value (as determined in good faith by the Issuers) of such asset at such date of Incurrence, and (b) the principal amount of such Indebtedness of such other Person;

provided, however, that, notwithstanding the foregoing, Indebtedness shall be deemed not to include (1) Contingent Obligations Incurred in the ordinary course of business or consistent with past practice and not in respect of borrowed money; (2) deferred or prepaid revenues; (3) purchase price holdbacks in respect of a portion of the purchase price of an asset to satisfy warranty or other unperformed obligations of the respective seller; (4) Obligations under or in respect of Permitted Securitization Financings; (5) trade and other ordinary course payables, accrued expenses and intercompany liabilities arising in the ordinary course of business or consistent with past practice; (6) [reserved]; (7) obligations in respect of Third Party Funds; (8) in the case of the Issuers and their Restricted Subsidiaries (x) all intercompany Indebtedness having a term not exceeding 364 days (inclusive of any roll-over or extensions of terms) and made in the ordinary course of business or consistent with past practice or industry norm and (y) intercompany liabilities in connection with cash management, tax and accounting operations of the Issuers and their Restricted Subsidiaries; and (9) any obligations under Hedging Obligations that are not Incurred for speculative purposes.

Notwithstanding anything in the indenture to the contrary, Indebtedness shall not include, and shall be calculated without giving effect to, the effects of Accounting Standards Codification Topic No. 815 and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose under the indenture as a result of accounting for any embedded derivatives created by the terms of such Indebtedness; and any such amounts that would have constituted Indebtedness under the indenture but for the application of this sentence shall not be deemed an Incurrence of Indebtedness under the indenture.

"Independent Financial Advisor" means an accounting, appraisal or investment banking firm or consultant, in each case of nationally recognized standing, that is, in the good faith determination of the Issuers, qualified to perform the task for which it has been engaged.

"Investment Grade Rating" means a rating equal to or higher than Baa3 (or the equivalent) by Moody's or BBB- (or the equivalent) by S&P, or an equivalent rating by any other Rating Agency.

"Investment Grade Securities" means:

(1) securities issued or directly and fully guaranteed or insured by the U.S. government or any agency or instrumentality thereof (other than Cash Equivalents),

(2) securities that have a rating equal to or higher than Baa3 (or equivalent) by Moody's and BBB- (or equivalent) by S&P, but excluding any debt securities or loans or advances between and among the Issuers and their Subsidiaries,

(3) investments in any fund that invests exclusively in investments of the type described in clauses (1) and (2) which fund may also hold immaterial amounts of cash pending investment and/or distribution, and

(4) corresponding instruments in countries other than the United States customarily utilized for high quality investments and in each case with maturities not exceeding two years from the date of acquisition.

"Investments" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of loans (including guarantees of loans), advances or capital contributions (excluding accounts receivable, trade credit and advances to customers and commission, travel and similar advances to officers, employees and consultants made in the ordinary course of business and any assets or securities received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss and any prepayments and other credits to suppliers made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities issued by any other Person and investments that are required by GAAP to be classified on the balance sheet of such Person in the same manner as the other investments included in this definition to the extent such transactions involve the transfer of cash or other property. For purposes of the definition of "Unrestricted Subsidiary" and the covenant described under "—Certain Covenants—Limitation on Restricted Payments":

(1) "Investments" shall include the portion (proportionate to the applicable Issuer's equity interest in such Subsidiary) of the Fair Market Value (as determined in good faith by the Issuers) of the net assets of a Subsidiary of an Issuer at the time that such Subsidiary is designated an Unrestricted Subsidiary; provided, however, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, such Issuer shall be deemed to continue to have a permanent "Investment" in an Unrestricted Subsidiary equal to an amount (if positive) equal to:

   (a) such Issuer's "Investment" in such Subsidiary at the time of such redesignation less

   (b) the portion (proportionate to such Issuer's equity interest in such Subsidiary) of the Fair Market Value (as determined in good faith by the Issuers) of the net assets of such Subsidiary at the time of such redesignation; and

(2) any property transferred to or from an Unrestricted Subsidiary shall be valued at its Fair Market Value (as determined in good faith by the Issuers) at the time of such transfer, in each case as determined in good faith by the Board of Directors of the Company.

"Issue Date" means the date on which the unsecured notes are originally issued.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or similar encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement or any lease in the nature thereof); provided that in no event shall an operating lease or an agreement to sell be deemed to constitute a Lien.

"Management Group" means the group consisting of the directors, executive officers and other management personnel of the Issuers or any direct or indirect parent of the Issuers, as the

case may be, on May 2, 2016 together with (1) any new directors whose election by such boards of directors or whose nomination for election by the shareholders of the Issuers or any direct or indirect parent of the Issuers, as applicable, was approved by a vote of a majority of the directors of the Issuers or any direct or indirect parent of the Issuers, as applicable, then still in office who were either directors on May 2, 2016 or whose election or nomination was previously so approved and (2) executive officers and other management personnel of the Issuers or any direct or indirect parent of the Issuers, as applicable, hired at a time when the directors on May 2, 2016 together with the directors so approved constituted a majority of the directors of the Issuers or any direct or indirect parent of the Issuers, as applicable.

"Market Capitalization" means an amount equal to (i) the total number of issued and outstanding shares of Capital Stock of the Issuers (or any successor of the Issuers) or any direct or indirect parent of the Issuers on the date of the declaration or making of the relevant Restricted Payment multiplied by (ii) the arithmetic mean of the closing prices per share of such Capital Stock for the 30 consecutive trading days immediately preceding the date of declaration or making of such Restricted Payment.

"Moody's" means Moody's Investors Service, Inc. or any successor to the rating agency business thereof.

"Net Income" means, with respect to any Person, the net income (loss) of such Person and its Restricted Subsidiaries, determined in accordance with GAAP and before any reduction in respect of Preferred Stock dividends.

"Net Proceeds" means the aggregate cash proceeds received by an Issuer or any Restricted Subsidiary in respect of any Asset Sale (including, without limitation, any cash received in respect of or upon the sale or other disposition of any Designated Non-cash Consideration received in any Asset Sale and any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise, but only as and when received, but excluding the assumption by the acquiring person of Indebtedness relating to the disposed assets or other consideration received in any other non-cash form), net of the direct costs relating to such Asset Sale and the sale or disposition of such Designated Non-cash Consideration (including, without limitation, legal, accounting and investment banking fees, and brokerage and sales commissions), and any relocation expenses Incurred as a result thereof, taxes paid or payable as a result thereof (including Tax Distributions and after taking into account any available tax credits or deductions and any tax sharing arrangements related solely to such disposition), amounts required to be applied to the repayment of principal, premium (if any) and interest on Indebtedness required (other than pursuant to the second paragraph of the covenant described under "—Certain Covenants—Asset Sales") to be paid as a result of such transaction, and any deduction of appropriate amounts to be provided by the Issuers as a reserve in accordance with GAAP against any liabilities associated with the asset disposed of in such transaction and retained by the Issuers after such sale or other disposition thereof, including, without limitation, pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with such transaction and payments made to holders of non-controlling interests in non-Wholly Owned Subsidiaries as a result of such Asset Sale.

Notwithstanding the foregoing or anything to the contrary in the covenant described under "—Certain Covenants—Asset Sales", to the extent that the Issuers have determined in good faith that repatriation (i) of any or all of the Net Proceeds of any Asset Sales by a Foreign Subsidiary is prohibited, restricted or delayed by applicable local law or (ii) of any or all of the Net Proceeds of any Asset Sales by a Foreign Subsidiary that could result in a material adverse

tax consequence, the portion of such Net Proceeds so affected will not constitute Net Proceeds or be required to be applied in compliance with the covenant described under "—Certain Covenants—Asset Sales"; provided that, in any event, the Issuers shall use their commercially reasonable efforts to take actions within their reasonable control that are reasonably required to eliminate such tax effects.

"New Project" means (x) each plant, facility, branch, store, office or business unit which is either a new plant, facility, branch, store, office or business unit or an expansion, relocation, remodeling, refurbishment or substantial modernization of an existing plant, facility, branch, store, office or business unit owned by the Issuers or the Restricted Subsidiaries which in fact commences operations and (y) each creation (in one or a series of related transactions) of a business unit, product line or service offering (including, without limitation, individual facilities or branches) to the extent such business unit commences operations or such product line or service is offered or each expansion (in one or a series of related transactions) of business into a new market or through a new distribution method or channel.

"Notes Obligations" means Obligations in respect of the unsecured notes, the indenture and the Subsidiary Guarantees.

"Obligations" means any principal, interest, penalties, fees, indemnifications, reimbursements (including, without limitation, reimbursement obligations with respect to letters of credit and bankers' acceptances), damages and other liabilities payable under the documentation governing any Indebtedness (including interest, fees, expenses, indemnity claims and other monetary obligations accrued during the pendency of an insolvency proceeding, whether or not constituting an allowed claim in such proceeding); provided that Obligations with respect to the unsecured notes shall not include fees or indemnifications in favor of third parties other than the Trustee.

"Officer" means the chairman of the board, chief executive officer, chief financial officer, president, any executive vice president, senior vice president or vice president, the treasurer or the secretary of an Issuer.

"Officer's Certificate" means a certificate signed on behalf of the Issuers by an Officer of each Issuer, who is the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer of such Issuer, which meets the requirements set forth in the indenture.

"Opinion of Counsel" means a written opinion from legal counsel who is acceptable to the Trustee. The counsel may be an employee of or counsel to the Issuers.

"Pari Passu Indebtedness" means: (a) with respect to the Issuers, the unsecured notes and any Indebtedness which ranks pari passu in right of payment to the unsecured notes; and (b) with respect to any Subsidiary Guarantor, its Subsidiary Guarantee and any Indebtedness which ranks pari passu in right of payment to such Subsidiary Guarantor's Subsidiary Guarantee.

"Permitted Holders" means, at any time, each of (i) the Sponsors, (ii) the Management Group, (iii) any Person that has no material assets other than the Capital Stock of the Company, any direct or indirect parent of the Company and other Permitted Holders and, directly or indirectly, holds or acquires 100% of the total voting power of the Voting Stock of the Company, and of which no other Person or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision), other than any of the other

Permitted Holders, holds more than 50% of the total voting power of the Voting Stock thereof, and any New Parent and its subsidiaries, (iv) any Person who is acting solely as an underwriter in connection with a public or private offering of Equity Interests of the Issuers or any of their direct or indirect parent companies, acting in such capacity, and (v) any group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision) the members of which include any of the Permitted Holders specified in clauses (i), (ii), (iii) and (iv) above and that, directly or indirectly, hold or acquire beneficial ownership of the Voting Stock of the Company (a "Permitted Holder Group"), so long as (1) each member of the Permitted Holder Group has voting rights proportional to the percentage of ownership interests held or acquired by such member (or more favorable voting rights, in the case of any Permitted Holder) and (2) no Person or other "group" (other than Permitted Holders specified in clauses (i), (ii), (iii) and (iv) above) beneficially owns more than 50% on a fully diluted basis of the Voting Stock held by the Permitted Holder Group. Any Person or group whose acquisition of beneficial ownership constitutes a Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of the indenture will thereafter, together with its Affiliates, constitute an additional Permitted Holder.

"Permitted Investments" means:

(1) any Investment in an Issuer or any Restricted Subsidiary;

(2) any Investment in Cash Equivalents or Investment Grade Securities;

(3) any Investment by an Issuer or any Restricted Subsidiary in a Person if as a result of such Investment (a) such Person becomes a Restricted Subsidiary, including by means of a Delaware LLC Division, or (b) such Person, in one transaction or a series of related transactions, is merged, consolidated or amalgamated with or into, or divided with, or transfers or conveys all or substantially all of its assets to, or is liquidated into, an Issuer or a Restricted Subsidiary;

(4) any Investment in securities or other assets not constituting Cash Equivalents and received in connection with an Asset Sale made pursuant to the provisions of "—Certain Covenants—Asset Sales" or any other disposition of assets not constituting an Asset Sale;

(5) any Investment existing on, or made pursuant to binding commitments existing on, the Issue Date or in satisfaction of obligations under joint venture agreements existing on the Issue Date or any Investment consisting of any extension, modification or renewal of any such Investment, binding commitment or obligation, in each case, existing on the Issue Date; provided that the amount of any such Investment may be increased (x) as required by the terms of such Investment, binding commitment or obligation, in each case, as in existence on the Issue Date or (y) as otherwise permitted under the indenture;

(6) loans and advances to, or guarantees of Indebtedness of, officers, directors, employees or consultants of the Issuers or any of their Subsidiaries (i) in the ordinary course of business in an aggregate outstanding amount (valued in good faith by the Issuers at the time of the making thereof, and without giving effect to any write-downs or write-offs thereof or subsequent changes in value) not to exceed the greater of $190.0 million and 6.25% of Pro Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such event and giving pro forma effect thereto as if such event occurred at the beginning of such four fiscal quarters, (ii) in respect of payroll payments and expenses in the ordinary course of business and (iii) in connection with such person's purchase of Equity Interests of the Company or any direct or indirect parent of the

Company solely to the extent that the amount of such loans and advances shall be contributed to the Company in cash as common equity;

(7) any Investment acquired by an Issuer or any Restricted Subsidiary (a) in exchange for any other Investment or accounts receivable held by such Issuer or such Restricted Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization or recapitalization of the issuer of such other Investment or accounts receivable, or (b) as a result of a foreclosure by an Issuer or any Restricted Subsidiary with respect to any secured Investment or other transfer of title with respect to any secured Investment in default;

(8) Hedging Obligations permitted under clause (j) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock";

(9) any Investment by an Issuer or any Restricted Subsidiary in a Similar Business in an aggregate outstanding amount (valued in good faith by the Issuers at the time of the making thereof, and without giving effect to any write-downs or write-offs thereof or subsequent changes in value), taken together with all other Investments made pursuant to this clause (9) that are at that time outstanding, not to exceed the sum of (x) the greater of (i) $190.0 million and (ii) 6.25% of the Pro Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such event and giving pro forma effect thereto as if such event occurred at the beginning of such four fiscal quarters plus (y) an amount equal to any returns (including dividends, interest, distributions, returns of principal, profits on sale, repayments, income and similar amounts) actually received in respect of any such Investment (with the value of each Investment being measured at the time made and without giving effect to any write-downs or write-offs thereof or subsequent changes in value); provided, however, that if any Investment pursuant to this clause (9) is made in any Person that is not an Issuer or a Restricted Subsidiary at the date of the making of such Investment and such Person becomes an Issuer or a Restricted Subsidiary after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (1) above and shall cease to have been made pursuant to this clause (9) for so long as such Person continues to be an Issuer or a Restricted Subsidiary;

(10) additional Investments by an Issuer or any Restricted Subsidiary in an aggregate outstanding amount (valued in good faith by the Issuers at the time of the making thereof, and without giving effect to any write-downs or write-offs thereof or subsequent changes in value), taken together with all other Investments made pursuant to this clause (10) that are at that time outstanding, not to exceed the sum of (x) the greater of (i) $440.0 million and (ii) 15.0% of the Pro Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such event and giving pro forma effect thereto as if such event occurred at the beginning of such four fiscal quarters plus (y) an amount equal to any returns (including dividends, interest, distributions, returns of principal, profits on sale, repayments, income and similar amounts) actually received in respect of any such Investment (with the value of each Investment being measured at the time made and without giving effect to any write-downs or write-offs thereof or subsequent changes in value); provided, however, that if any Investment pursuant to this clause (10) is made in any Person that is not an Issuer or a Restricted Subsidiary at the date of the making of such Investment and such Person becomes an Issuer or a Restricted Subsidiary after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (1) above and shall cease to have been made

pursuant to this clause (10) for so long as such Person continues to be an Issuer or a Restricted Subsidiary;

(11) loans and advances to officers, directors or employees for business-related travel expenses, moving expenses and other similar expenses, in each case Incurred in the ordinary course of business or consistent with past practice or industry norm or to fund such person's purchase of Equity Interests of the Company or any direct or indirect parent of the Company and (b) extensions of trade credit to customers in the ordinary course of business or consistent with past practice or industry norm by the Issuers or any of their Restricted Subsidiaries;

(12) Investments the payment for which consists of Equity Interests of the Company (other than Disqualified Stock) or any direct or indirect parent of the Company, as applicable; provided, however, that such Equity Interests will not increase the amount available for Restricted Payments under clause (3) of the definition of Cumulative Credit contained in "—Certain Covenants—Limitation on Restricted Payments";

(13) any transaction to the extent it constitutes an Investment that is permitted by and made in accordance with the provisions of the second paragraph of the covenant described under "—Certain Covenants—Transactions with Affiliates" (except transactions described in clauses (2), (4), (6), (9)(b) and (16) of such paragraph);

(14) Investments consisting of the licensing or contribution of intellectual property pursuant to joint marketing or other arrangements with other Persons;

(15) guarantees issued in accordance with the covenants described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" and "—Certain Covenants—Future Subsidiary Guarantors," including, without limitation, any guarantee or other obligation issued or incurred under any Credit Agreement in connection with any letter of credit issued for the account of the Issuers or any of their Subsidiaries (including with respect to the issuance of, or payments in respect of drawings under, such letters of credit);

(16) Investments consisting of or to finance purchases and acquisitions of inventory, supplies, materials, services or equipment or purchases of contract rights or licenses or leases of intellectual property;

(17) Investments consisting of Securitization Assets or arising as a result of, or in connection with, Permitted Securitization Financings, including Investments of funds held in accounts permitted or required by the arrangements governing a Permitted Securitization Financing or any related Indebtedness;

(18) any Investment in an entity which is not a Restricted Subsidiary to which a Restricted Subsidiary sells Securitization Assets pursuant to a Permitted Securitization Financing;

(19) additional Investments in joint ventures (valued in good faith by the Issuers) not to exceed, at any one time in the aggregate outstanding under this clause (19), the sum of (x) the greater of (i) $190.0 million and (ii) 6.25% of the Pro Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such event and giving pro forma effect thereto as if such event occurred at the beginning of such four fiscal quarters plus (y) an amount equal to any returns (including dividends, interest, distributions, returns of principal, profits on sale, repayments, income and similar amounts) actually received in respect of any such Investment (with the value of each Investment being measured at the time such Investment is made and without giving effect to any write-downs or write-offs thereof or subsequent changes in value); provided, however, that an Issuer or any Restricted Subsidiary may make additional Investments in joint ventures if the Total

Indebtedness Leverage Ratio for the most recently ended four fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such Investment is not greater than 3.20 to 1.00 on a pro forma basis after giving effect to such Investment as if it had occurred at the beginning of such four fiscal quarters; provided, further, however, that if any Investment pursuant to this clause (19) is made in any Person that is not an Issuer or a Restricted Subsidiary at the date of the making of such Investment and such Person becomes an Issuer or a Restricted Subsidiary after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (1) above and shall cease to have been made pursuant to this clause (19) for so long as such Person continues to be an Issuer or a Restricted Subsidiary;

(20) Investments of a Restricted Subsidiary acquired after the Issue Date or of an entity merged into, amalgamated with, or consolidated with an Issuer or a Restricted Subsidiary in a transaction that is not prohibited by the covenant described under "—Certain Covenants—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets" after the Issue Date to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(21) Investments in the ordinary course of business or consistent with past practice or industry norm consisting of Uniform Commercial Code Article 3 endorsements for collection or deposit and Uniform Commercial Code Article 4 customary trade arrangements with customers;

(22) advances in the form of a prepayment of expenses, so long as such expenses are being paid in accordance with customary trade terms of the Issuers or their Restricted Subsidiaries;

(23) any Investment in any Subsidiary of the Issuers or any joint venture in connection with intercompany cash management arrangements or related activities arising in the ordinary course of business or consistent with past practice or industry norm;

(24) guarantees of Indebtedness under customer financing lines of credit in the ordinary course of business or consistent with past practice or industry norm;

(25) [reserved]; and

(26) Investments in any ADT Notes and First-Priority Notes, including any refinancing, refunding, extension, renewal or replacement (or successive refinancings, refundings, extensions, renewals or replacements) as a whole, or in part, of any ADT Notes or First-Priority Notes; or

(27) any Investment so long as immediately after giving effect to such Investment, the Total Indebtedness Leverage Ratio for the most recently ended four fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such Investment is not greater than 3.20 to 1.00 on a pro forma basis.

"Permitted Liens" means, with respect to any Person:

(1) pledges or deposits and other Liens granted by such Person under workmen's compensation laws, unemployment insurance, employers' health tax and other social security laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or U.S. government bonds to secure surety or appeal bonds,

performance and return of money bonds, or deposits as security for contested taxes or import duties or for the payment of rent, in each case Incurred in the ordinary course of business;

(2) Liens imposed by law, such as landlord's, carriers', warehousemen's, mechanics', materialmen's, repairmen's, construction or other like Liens securing obligations that are not overdue by more than 30 days or that are being contested in good faith by appropriate proceedings or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review;

(3) Liens for taxes, assessments or other governmental charges not yet overdue by more than 30 days or that are being contested in good faith by appropriate proceedings;

(4) Liens in favor of issuers of performance and surety bonds, bid, indemnity, warranty, release, appeal or similar bonds or with respect to other regulatory requirements or letters of credit, bankers' acceptances or similar obligations issued and completion guarantees provided for, in each case, pursuant to the request of and for the account of such Person in the ordinary course of its business or consistent with past practice or industry norm;

(5) minor survey exceptions, minor encumbrances, trackage rights, special assessments, easements or reservations of, or rights of others for, licenses, rights-of-way, servitudes, sewers, electric lines, telegraph and telephone lines and other similar purposes, servicing agreements, development agreements, site plan agreements and other similar encumbrances incurred in the ordinary course of business or zoning or other restrictions (including minor defects and irregularities in title and similar encumbrances) as to the use of real properties or Liens incidental to the conduct of the business of such Person or to the ownership of its properties which were not Incurred in connection with Indebtedness and which do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(6) (A) Liens on assets of a Subsidiary that is not a Subsidiary Guarantor securing Indebtedness of a Subsidiary that is not a Subsidiary Guarantor permitted to be Incurred pursuant to the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock";

(B) Liens securing Obligations in respect of: (x) clauses (a) and (aa) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock"; and (y) any Indebtedness permitted to be Incurred under the indenture if, as of the date such Indebtedness was Incurred, and after giving pro forma effect thereto and the application of the net proceeds therefrom, the Secured Leverage Ratio of the Issuers does not exceed 3.25 to 1.00;

(C) Liens securing Obligations in respect of Indebtedness permitted to be Incurred pursuant to clause (d), (l) (or (n) to the extent it guarantees any such Indebtedness), (p) or (t) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" (provided that (i) in the case of clause (p), such Liens securing Indebtedness Incurred pursuant to clause (p) shall only be permitted under this clause (D) if, on a pro forma basis after giving effect to the Incurrence of such Indebtedness and Liens, the Secured Leverage Ratio of the Issuers does not exceed 3.25 to 1.00 or the Secured Leverage Ratio of the Issuers would be no

greater than immediately prior to such Incurrence and (ii) in the case of clause (t), such Lien does not extend to the property or assets of any Subsidiary of an Issuer other than a Restricted Subsidiary that is not a Subsidiary Guarantor); and

(D) Liens securing the Notes Obligations;

(7) Liens existing on the Issue Date (other than Liens in favor of the (x) lenders under the First Lien Credit Agreement, (y) holders of the ADT Notes and (z) holders of the First Priority Notes);

(8) Liens on assets, property or shares of stock of a Person at the time such Person becomes a Subsidiary; provided, however, that such Liens (other than Liens to secure Indebtedness Incurred pursuant to clause (p) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock") are not created or Incurred in connection with, or in contemplation of, such other Person becoming such a Subsidiary; provided, further, however, that such Liens may not extend to any other property owned by an Issuer or any Restricted Subsidiary (other than pursuant to after-acquired property clauses in effect with respect to such Lien at the time of acquisition on property of the type that would have been subject to such Lien notwithstanding the occurrence of such acquisition);

(9) Liens on assets or property at the time an Issuer or a Restricted Subsidiary acquired the assets or property, including any acquisition by means of a merger, amalgamation or consolidation with or into an Issuer or any Restricted Subsidiary; provided, however, that such Liens (other than Liens to secure Indebtedness Incurred pursuant to clause (p) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock") are not created or Incurred in connection with, or in contemplation of, such acquisition; provided, further, however, that the Liens may not extend to any other property owned by an Issuer or any Restricted Subsidiary (other than pursuant to after-acquired property clauses in effect with respect to such Lien at the time of acquisition on property of the type that would have been subject to such Lien notwithstanding the occurrence of such acquisition);

(10) Liens securing Indebtedness or other obligations of an Issuer or a Restricted Subsidiary owing to another Issuer or another Restricted Subsidiary permitted to be Incurred in accordance with the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock";

(11) Liens securing Hedging Obligations not incurred in violation of the indenture; provided that, with respect to Hedging Obligations relating to Indebtedness, such Lien extends only to the property securing such Indebtedness (other than Hedging Obligations constituting Secured Bank Indebtedness);

(12) Liens on inventory or other goods and proceeds of any Person securing such Person's obligations in respect of documentary letters of credit, bank guarantees or bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(13) leases and subleases of real property which do not materially interfere with the ordinary conduct of the business of an Issuer or any of the Restricted Subsidiaries;

(14) Liens arising from Uniform Commercial Code financing statement filings regarding operating leases or other obligations not constituting Indebtedness;

(15) Liens in favor of an Issuer or any Subsidiary Guarantor;

(16) Liens in respect of Permitted Securitization Financings that extend only to the assets subject thereto and Liens on the Equity Interests of Special Purpose Securitization Subsidiaries;

(17) pledges and deposits and other Liens made in the ordinary course of business to secure liability to insurance carriers under insurance or self-insurance arrangements;

(18) Liens on the Equity Interests of Unrestricted Subsidiaries;

(19) leases or subleases, and licenses or sublicenses (including with respect to intellectual property) granted to others in the ordinary course of business;

(20) Liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancings, refundings, extensions, renewals or replacements) as a whole, or in part, of any Indebtedness secured by any Lien referred to in clauses (6), (7), (8), (9), (10), (11), (15) and (25) of this definition; provided, however, that (x) such new Lien shall be limited to all or part of the same property (including any after acquired property to the extent it would have been subject to the original Lien) that secured the original Lien (plus improvements on and accessions to such property, proceeds and products thereof, customary security deposits and any other assets pursuant to the after-acquired property clauses to the extent such assets secured (or would have secured) the Indebtedness being refinanced, refunded, extended, renewed or replaced), and (y) the Indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of (A) the outstanding principal amount (or accreted value, if applicable) or, if greater, committed amount of the applicable Indebtedness described under clauses (6), (7), (8), (9), (10), (11), (15) and (25) at the time the original Lien became a Permitted Lien under the indenture, (B) unpaid accrued interest and premiums (including tender premiums), and (C) an amount necessary to pay any underwriting discounts, defeasance costs, commissions, fees and expenses related to such refinancing, refunding, extension, renewal or replacement; provided further, however, that in the case of any Liens to secure any refinancing, refunding, extension or renewal of Indebtedness secured by a Lien referred to in clause (6)(B) or (6)(C), the principal amount of any Indebtedness Incurred for such refinancing, refunding, extension or renewal shall be deemed secured by a Lien under clause (6)(B) or (6)(C) and not this clause (20) for purposes of determining the principal amount of Indebtedness outstanding under clause (6)(B) or (6)(C);

(21) Liens on equipment of an Issuer or any Restricted Subsidiary granted in the ordinary course of business to such Issuer's or such Restricted Subsidiary's client at which such equipment is located;

(22) judgment and attachment Liens not giving rise to an Event of Default and notices of lis pendens and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves have been made;

(23) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale or purchase of goods entered into in the ordinary course of business or consistent with past practice or industry norm;

(24) Liens incurred to secure cash management services or to implement cash pooling arrangements in the ordinary course of business;

(25) other Liens securing obligations the outstanding principal amount of which does not, taken together with the principal amount of all other obligations secured by Liens incurred under this clause (25) and any Liens to secure any refinancing, refunding, extension or renewal in respect thereof incurred pursuant to clause (20) above, that are at that time outstanding, exceed the greater of $530.0 million and 19.0% of the Pro

Forma EBITDA of the Issuers for the most recently ended four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such event and giving pro forma effect thereto as if such event occurred at the beginning of such four fiscal quarters;

(26) any encumbrance or restriction (including put and call arrangements) with respect to Capital Stock of any joint venture or similar arrangement securing obligations of such joint venture or pursuant to any joint venture or similar agreement;

(27) any amounts held by a trustee in the funds and accounts under an indenture securing any revenue bonds issued for the benefit of an Issuer or any Restricted Subsidiary, under any indenture issued in escrow pursuant to customary escrow arrangements pending the release thereof, or under any indenture pursuant to customary discharge, redemption or defeasance provisions;

(28) Liens (i) arising by virtue of any statutory or common law provisions relating to banker's Liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a depository or financial institution, (ii) attaching to commodity trading accounts or other commodity brokerage accounts incurred in the ordinary course of business or (iii) encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to brokerage accounts incurred in the ordinary course of business and not for speculative purposes;

(29) Liens (i) in favor of credit card companies pursuant to agreements therewith and (ii) in favor of customers;

(30) Liens disclosed by the title insurance policies delivered on (with respect to all mortgages delivered on the Issue Date) or subsequent to the Issue Date and pursuant to the First Lien Credit Agreement, the ADT Notes, the First-Priority Notes and any replacement, extension or renewal of any such Lien; provided that such replacement, extension or renewal Lien shall not cover any property other than the property that was subject to such Lien prior to such replacement, extension or renewal and any accessions and additions thereto or proceeds and products thereof and related property of the type that would have been subject to such Lien notwithstanding such replacement, extension or renewal; provided, further, that the Indebtedness and other obligations secured by such replacement, extension or renewal Lien are permitted under the indenture;

(31) Liens that are contractual rights of set-off or rights of pledge (a) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (b) relating to pooled deposit or sweep accounts of the Issuers or any of their Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Issuers and their Restricted Subsidiaries or (c) relating to purchase orders and other agreements entered into with customers, suppliers or service providers of an Issuer or any Restricted Subsidiary in the ordinary course of business;

(32) in the case of real property that constitutes a leasehold interest, any Lien to which the fee simple interest (or any superior leasehold interest) is subject;

(33) Liens in respect of Third Party Funds;

(34) agreements to subordinate any interest of an Issuer or any Restricted Subsidiary in any accounts receivable or other prices arising from inventory consigned by an Issuer or any Restricted Subsidiary pursuant to an agreement entered into in the ordinary course of business;

(35) Liens on securities that are the subject of repurchase agreements constituting Cash Equivalents under clause (4) of the definition thereof;

(36) Liens securing insurance premium financing arrangements; provided that such Liens are limited to the applicable unearned insurance premiums;

(37) [reserved]; and

(38) Liens on equipment of the Issuers or any of their Restricted Subsidiaries granted in the ordinary course of business or consistent with past practice or industry norm.

"Permitted Securitization Documents" means all documents and agreements evidencing, relating to or otherwise governing a Permitted Securitization Financing.

"Permitted Securitization Financing" means one or more transactions pursuant to which (i) Securitization Assets or interests therein are sold or transferred to or financed by one or more Special Purpose Securitization Subsidiaries, and (ii) such Special Purpose Securitization Subsidiaries finance (or refinance) their acquisition of such Securitization Assets or interests therein, or the financing thereof, by selling or borrowing against Securitization Assets and any Hedging Obligations or hedging agreements entered into in connection with such Securitization Assets; provided, that recourse to an Issuer or any Restricted Subsidiary (other than the Special Purpose Securitization Subsidiaries) in connection with such transactions shall be limited to the extent customary (as determined by an Issuer in good faith) for similar transactions in the applicable jurisdictions (including, to the extent applicable, in a manner consistent with the delivery of a "true sale"/"absolute transfer" opinion with respect to any transfer by an Issuer or any Restricted Subsidiary (other than a Special Purpose Securitization Subsidiary)).

"Person" or "person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"Preferred Stock" means any Equity Interest with preferential right of payment of dividends or upon liquidation, dissolution, or winding up.

"Pre-Opening Expenses" means, with respect to any fiscal period, the amount of expenses (other than interest expense) incurred with respect to branches which are classified as "pre-opening rent," "pre-opening expenses" or "branch-opening costs" (or any similar or equivalent caption).

"Pro Forma EBITDA" means, with respect to any Person, at any date, the EBITDA of such Person for the full four fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such date, subject to the following adjustments. In the event that an Issuer or any Restricted Subsidiary Incurs, repays, repurchases or redeems any Indebtedness subsequent to the commencement of the period for which Pro Forma EBITDA is being calculated but prior to the event for which the calculation of Pro Forma EBITDA is made (the "Pro Forma EBITDA Calculation Date"), then Pro Forma EBITDA shall be calculated giving pro forma effect to such Incurrence, repayment, repurchase or redemption of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or Preferred Stock as if the same had occurred at the beginning of the applicable four-quarter period.

For purposes of making the computation referred to above, Investments, acquisitions, dispositions, mergers, amalgamations, consolidations and discontinued operations (as determined in accordance with GAAP) and any operational changes, business realignment

projects or initiatives, New Projects, restructurings or reorganizations that an Issuer or any Restricted Subsidiary has determined to make and/or made during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Pro Forma EBITDA Calculation Date (each, for purposes of this definition, a "pro forma event") shall be calculated on a pro forma basis assuming that all such Investments, acquisitions, dispositions, mergers, amalgamations, consolidations, discontinued operations and other operational changes, business realignment projects or initiatives, New Projects, restructurings or reorganizations (and the change of any associated fixed charge obligations and the change in EBITDA resulting therefrom) had occurred on the first day of the four-quarter reference period. If since the beginning of such period any Person that subsequently became a Restricted Subsidiary or was merged with or into an Issuer or any Restricted Subsidiary since the beginning of such period shall have made any Investment, acquisition, disposition, merger, consolidation, amalgamation, discontinued operation, operational change, business realignment project or initiative, New Project, restructuring or reorganization that would have required adjustment pursuant to this definition, then Pro Forma EBITDA shall be calculated giving pro forma effect thereto for such period as if such Investment, acquisition, disposition, discontinued operation, merger, amalgamation, consolidation, operational change, business realignment project or initiative, New Project, restructuring or reorganization had occurred at the beginning of the applicable four-quarter period. If since the beginning of such period any Restricted Subsidiary is designated an Unrestricted Subsidiary or any Unrestricted Subsidiary is designated a Restricted Subsidiary, then Pro Forma EBITDA shall be calculated giving pro forma effect thereto for such period as if such designation had occurred at the beginning of the applicable four-quarter period.

For purposes of this definition, whenever pro forma effect is to be given to any pro forma event, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Issuers. Any such pro forma calculation may include adjustments appropriate, in the reasonable good faith determination of the Issuers as set forth in an Officer's Certificate, to reflect (1) operating expense reductions and other operating improvements, synergies or cost savings reasonably expected to result from the applicable event, and (2) all adjustments of the nature used in connection with the calculation of "Adjusted EBITDA" as set forth in the offering memorandum for the unsecured notes (including the documents incorporated by reference therein) or otherwise consistent with the indenture to the extent such adjustments, without duplication, continue to be applicable to such four-quarter period.

If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the Pro Forma EBITDA Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligations applicable to such Indebtedness if such Hedging Obligation has a remaining term in excess of 12 months). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Issuers to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit facility computed on a pro forma basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Issuers may designate.

For purposes of making the computation referred to above, in giving effect to each New Project which commences operations and records not less than one full fiscal quarter's

operations during such period, the operating results of such New Project shall be annualized on a straight line basis during such period, taking into account any seasonality adjustments determined by the Issuers in good faith.

"Public Company Compliance" means compliance with the requirements of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith, the provisions of the Securities Act and the Exchange Act, and the rules of national securities exchange listed companies (in each case, as applicable to companies with equity or debt securities held by the public), including procuring directors' and officers' insurance, legal and other professional fees, and listing fees.

"Rating Agency" means (1) each of Moody's and S&P (and their respective successors and assigns) and (2) if Moody's or S&P ceases to rate the unsecured notes for reasons outside of the Issuers' control, a "nationally recognized statistical rating organization" within the meaning of Rule 15cs-1(c)(2)(vi)(F) under the Exchange Act selected by an Issuer or any direct or indirect parent of the Company as a replacement agency for Moody's or S&P, as the case may be.

"Receivables Assets" shall mean accounts receivable (including any bills of exchange) and related assets and property from time to time originated, acquired or otherwise owned by an Issuer or any Subsidiary.

"Restricted Cash" means cash and Cash Equivalents held by Restricted Subsidiaries that would appear as "restricted" on a consolidated balance sheet of the Issuers or any of their Restricted Subsidiaries.

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Subsidiary" means, with respect to any Person, any Subsidiary of such Person other than an Unrestricted Subsidiary of such Person. Unless otherwise indicated in this "Description of Unsecured Notes," all references to Restricted Subsidiaries shall mean Restricted Subsidiaries of the Issuers.

"Sale/Leaseback Transaction" means an arrangement relating to property now owned or hereafter acquired by an Issuer or a Restricted Subsidiary whereby such Issuer or such Restricted Subsidiary transfers such property to a Person and such Issuer or such Restricted Subsidiary leases it from such Person, other than leases between an Issuer and a Restricted Subsidiary or between Issuers or Restricted Subsidiaries.

"S&P" means Standard & Poor's Ratings Group or any successor to the rating agency business thereof.

"SEC " means the Securities and Exchange Commission.

"Secured Bank Indebtedness" means any Bank Indebtedness that is secured by a Permitted Lien incurred or deemed incurred pursuant to clause (6) of the definition of Permitted Liens, as designated by the Issuers to be included in this definition.

"Secured Indebtedness" means any Consolidated Total Indebtedness secured by a Lien.

"Secured Cash Management Agreement" shall mean any Cash Management Agreement that is entered into by and between Holdings, any Issuer or any Subsidiary Guarantor and any Cash Management Bank, or any Guarantee by Holdings, any Issuer or any Subsidiary Guarantor

of any Cash Management Agreement entered into by and between any Subsidiary and any Cash Management Bank, in each case to the extent that such Cash Management Agreement or such Guarantee, as applicable, is not otherwise designated in writing by the Company and such Cash Management Bank to the First Lien Facility Agent to not be included as a Secured Cash Management Agreement.

"Secured Hedge Agreement" shall mean any Hedging Agreement that is entered into by and between Holdings, any Issuer or any Subsidiary Guarantor and any Hedge Bank, or any Guarantee by Holdings, any Issuer or any Subsidiary Guarantor of any Hedging Agreement entered into by and between any Subsidiary and any Hedge Bank, in each case to the extent that such Hedging Agreement or such Guarantee, as applicable, is not otherwise designated in writing by the Company and such Hedge Bank to the First Lien Facility Agent to not be included as a Secured Hedge Agreement.

"Secured Leverage Ratio" means, with respect to any Person, at any date, the ratio of (i) Secured Indebtedness of such Person and its Restricted Subsidiaries as of such date of calculation (determined on a consolidated basis in accordance with GAAP) less the amount of cash and Cash Equivalents in excess of any Restricted Cash that would be stated on the balance sheet of such Person and its Restricted Subsidiaries and held by such Person and its Restricted Subsidiaries as of such date of determination to (ii) EBITDA of such Person for the four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such date on which such additional Indebtedness is Incurred. In the event that an Issuer or any Restricted Subsidiary Incurs, repays, repurchases or redeems any Indebtedness subsequent to the commencement of the period for which the Secured Leverage Ratio is being calculated but prior to the event for which the calculation of the Secured Leverage Ratio is made (the "Secured Leverage Calculation Date"), then the Secured Leverage Ratio shall be calculated giving pro forma effect to such Incurrence, repayment, repurchase or redemption of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or Preferred Stock as if the same had occurred at the beginning of the applicable four-quarter period.

For purposes of making the computation referred to above, Investments, acquisitions, dispositions, mergers, amalgamations, consolidations and discontinued operations (as determined in accordance with GAAP) and any operational changes, business realignment projects or initiatives, New Projects, restructurings or reorganizations that an Issuer or any Restricted Subsidiary has determined to make and/or made during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Secured Leverage Calculation Date (each, for purposes of this definition, a "pro forma event") shall be calculated on a pro forma basis assuming that all such Investments, acquisitions, dispositions, mergers, amalgamations, consolidations, discontinued operations and other operational changes, business realignment projects or initiatives, New Projects, restructurings or reorganizations (and the change of any associated fixed charge obligations and the change in EBITDA resulting therefrom) had occurred on the first day of the four-quarter reference period. If since the beginning of such period any Person that subsequently became a Restricted Subsidiary or was merged with or into an Issuer or any Restricted Subsidiary since the beginning of such period shall have made any Investment, acquisition, disposition, merger, consolidation, amalgamation, discontinued operation, operational change, business realignment project or initiative, New Project, restructuring or reorganization that would have required adjustment pursuant to this definition, then the Secured Leverage Ratio shall be calculated giving pro forma effect thereto for such period as if such Investment, acquisition, disposition, discontinued operation, merger, amalgamation, consolidation, operational change, business realignment project or initiative, New Project, restructuring or reorganization had occurred at the beginning of the applicable four-quarter period. If since the beginning of such

period any Restricted Subsidiary is designated an Unrestricted Subsidiary or any Unrestricted Subsidiary is designated a Restricted Subsidiary, then the Secured Leverage Ratio shall be calculated giving pro forma effect thereto for such period as if such designation had occurred at the beginning of the applicable four-quarter period.

For purposes of this definition, whenever pro forma effect is to be given to any pro forma event, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Issuers. Any such pro forma calculation may include adjustments appropriate, in the reasonable good faith determination of the Issuers as set forth in an Officer's Certificate, to reflect (1) operating expense reductions and other operating improvements, synergies or cost savings reasonably expected to result from the applicable event, and (2) all adjustments of the nature used in connection with the calculation of "Adjusted EBITDA" as set forth in the offering memorandum for the unsecured notes (including the documents incorporated by reference therein) or otherwise consistent with the indenture to the extent such adjustments, without duplication, continue to be applicable to such four-quarter period.

If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the Secured Leverage Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligations applicable to such Indebtedness if such Hedging Obligation has a remaining term in excess of 12 months). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Issuers to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit facility computed on a pro forma basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Issuers may designate.

For purposes of making the computation referred to above, in giving effect to each New Project which commences operations and records not less than one full fiscal quarter's operations during such period, the operating results of such New Project shall be annualized on a straight line basis during such period, taking into account any seasonality adjustments determined by the Issuers in good faith.

For purposes of this definition, any amount in a currency other than U.S. dollars will be converted to U.S. dollars based on the average exchange rate for such currency for the most recent twelve month period immediately prior to the date of determination in a manner consistent with that used in calculating EBITDA for the applicable period.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Securitization Assets" shall mean any of the following assets (or interests therein) from time to time originated, acquired or otherwise owned by an Issuer or any Subsidiary or in which an Issuer or any Subsidiary has any rights or interests, in each case, without regard to where such assets or interests are located: (a) Receivables Assets, (b) franchise fee payments and other revenues related to franchise agreements, (c) royalty and other similar payments made related to the use of trade names and other intellectual property, business support, training and other services, (d) revenues related to distribution and merchandising of the products of an Issuer and

its Subsidiaries, (e) rents, real estate taxes and other non-royalty amounts due from franchisees, (f) intellectual property rights relating to the generation of any of the foregoing types of assets, (g) parcels of or interests in real property, together with all easements, hereditaments and appurtenances thereto, all improvements and appurtenant fixtures and equipment, incidental to the ownership, lease or operation thereof, and (h) any other assets and property to the extent customarily included in securitization transactions of the relevant type in the applicable jurisdictions (as determined by the Issuers in good faith).

"Senior Secured Leverage Ratio" means, with respect to any Person, at any date, the ratio of (i) Secured Indebtedness of such Person and its Restricted Subsidiaries constituting First Priority Lien Obligations as of such date of calculation (determined on a consolidated basis in accordance with GAAP) less the amount of cash and Cash Equivalents in excess of any Restricted Cash that would be stated on the balance sheet of such Person and its Restricted Subsidiaries and held by such Person and its Restricted Subsidiaries as of such date of determination to (ii) EBITDA of such Person for the four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such date on which such additional Indebtedness is Incurred. In the event that an Issuer or any Restricted Subsidiary Incurs, repays, repurchases or redeems any Indebtedness subsequent to the commencement of the period for which the Senior Secured Leverage Ratio is being calculated but prior to the event for which the calculation of the Senior Secured Leverage Ratio is made (the "Senior Secured Leverage Calculation Date"), then the Senior Secured Leverage Ratio shall be calculated giving pro forma effect to such Incurrence, repayment, repurchase or redemption of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or Preferred Stock as if the same had occurred at the beginning of the applicable four-quarter period.

For purposes of making the computation referred to above, Investments, acquisitions, dispositions, mergers, amalgamations, consolidations and discontinued operations (as determined in accordance with GAAP), in each case with respect to an operating unit of a business, and any operational changes, business realignment projects or initiatives, New Projects, restructurings or reorganizations that an Issuer or any Restricted Subsidiary has determined to make and/or made during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Senior Secured Leverage Calculation Date (each, for purposes of this definition, a "pro forma event") shall be calculated on a pro forma basis assuming that all such Investments, acquisitions, dispositions, mergers, amalgamations, consolidations, discontinued operations and other operational changes, business realignment projects or initiatives, New Projects, restructurings or reorganizations (and the change of any associated fixed charge obligations and the change in EBITDA resulting therefrom) had occurred on the first day of the four-quarter reference period. If since the beginning of such period any Person that subsequently became a Restricted Subsidiary or was merged with or into an Issuer or any Restricted Subsidiary since the beginning of such period shall have made any Investment, acquisition, disposition, merger, consolidation, amalgamation, discontinued operation, operational change, business realignment project or initiative, New Project, restructuring or reorganization, in each case with respect to an operating unit of a business, that would have required adjustment pursuant to this definition, then the Senior Secured Leverage Ratio shall be calculated giving pro forma effect thereto for such period as if such Investment, acquisition, disposition, discontinued operation, merger, amalgamation, consolidation, operational change, business realignment project or initiative, New Project, restructuring or reorganization had occurred at the beginning of the applicable four-quarter period. If since the beginning of such period any Restricted Subsidiary is designated an Unrestricted Subsidiary or any Unrestricted Subsidiary is designated a Restricted Subsidiary, then the Senior Secured Leverage Ratio shall be calculated giving pro forma effect thereto for

such period as if such designation had occurred at the beginning of the applicable four-quarter period.

For purposes of this definition, whenever pro forma effect is to be given to any pro forma event, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Issuers. Any such pro forma calculation may include adjustments appropriate, in the reasonable good faith determination of the Issuers as set forth in an Officer's Certificate, to reflect (1) operating expense reductions and other operating improvements, synergies or cost savings reasonably expected to result from the applicable event, and (2) all adjustments of the nature used in connection with the calculation of "Adjusted EBITDA" as set forth in footnote (5) to the "Summary Unaudited Pro Forma Combined Financial Data" under "Summary" in this offering memorandum to the extent such adjustments, without duplication, continue to be applicable to such four-quarter period.

If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the Senior Secured Leverage Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligations applicable to such Indebtedness if such Hedging Obligation has a remaining term in excess of 12 months). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Issuers to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit facility computed on a pro forma basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a Eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Issuers may designate.

For purposes of making the computation referred to above, in giving effect to each New Project which commences operations and records not less than one full fiscal quarter's operations during such period, the operating results of such New Project shall be annualized on a straight line basis during such period, taking into account any seasonality adjustments determined by the Issuers in good faith.

For purposes of this definition, any amount in a currency other than U.S. dollars will be converted to U.S. dollars based on the average exchange rate for such currency for the most recent twelve month period immediately prior to the date of determination in a manner consistent with that used in calculating EBITDA for the applicable period.

"Significant Subsidiary" means any Restricted Subsidiary that would be a "Significant Subsidiary" of the Issuers within the meaning of Rule 1-02 under Regulation S-X promulgated by the SEC (or any successor provision).

"Similar Business" means any business, the majority of whose revenues are derived from (i) the business or activities of the Issuers and their Subsidiaries as of the Issue Date, (ii) any business that is a natural outgrowth or a reasonable extension, development or expansion of any such business or any business similar, reasonably related, incidental, complementary or ancillary to any of the foregoing or (iii) any business that in the Issuers' good faith business judgment constitutes a reasonable diversification of business conducted by the Issuers and their Subsidiaries.

"Special Purpose Securitization Subsidiary" means (i) a direct or indirect Subsidiary of an Issuer established in connection with a Permitted Securitization Financing for the acquisition of Securitization Assets or interests therein and/or Equity Interests in other Special Purpose Securitization Subsidiaries, and which is organized in a manner (as determined by an Issuer in good faith) intended to reduce the likelihood that it would be substantively consolidated with an Issuer or any of the Restricted Subsidiaries (other than Special Purpose Securitization Subsidiaries) in the event such Issuer or any such Restricted Subsidiary becomes subject to a proceeding under the Bankruptcy Code (or other insolvency law) and (ii) any subsidiary of a Special Purpose Securitization Subsidiary.

"Sponsors" means (i) one or more investment funds affiliated with Apollo Global Management, LLC and any of their respective Affiliates other than any portfolio companies (collectively, the "Apollo Sponsors") and (ii) any Person that forms a group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision) with the Apollo Sponsors; provided that, collectively, the Apollo Sponsors control a majority of the voting power of such group.

"Stated Maturity" means, with respect to any security, the date specified in such security as the fixed date on which the final payment of principal of such security is due and payable.

"Subordinated Indebtedness" means (a) with respect to an Issuer, any Indebtedness of such Issuer which is by its terms subordinated in right of payment to the unsecured notes, and (b) with respect to any Subsidiary Guarantor, any Indebtedness of such Subsidiary Guarantor which is by its terms subordinated in right of payment to its Subsidiary Guarantee.

"Subsidiary" means, with respect to any Person, (1) any corporation, association or other business entity (other than a partnership, joint venture or limited liability company) of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time of determination owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, and (2) any partnership, joint venture or limited liability company of which (x) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (y) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"Subsidiary Guarantee" means any guarantee of the obligations of the Issuers under the indenture and the unsecured notes by any Subsidiary Guarantor in accordance with the provisions of the indenture.

"Subsidiary Guarantor" means any Subsidiary that Incurs a Subsidiary Guarantee; provided that upon the release or discharge of such Person from its Subsidiary Guarantee in accordance with the indenture, such Subsidiary ceases to be a Subsidiary Guarantor.

"Tax Distributions" means any distributions described in clause (12) of the covenant entitled "—Certain Covenants—Limitation on Restricted Payments."

"Third Party Funds" means any accounts or funds, or any portion thereof, received by either Issuer or any of their Subsidiaries as agent on behalf of third parties in accordance with a

written agreement that imposes a duty upon either Issuer or one or more of their Subsidiaries to collect and remit those funds to such third parties.

"TIA" means the Trust Indenture Act of 1939 (15 U.S.C. Sections 77aaa-77bbbb) as in effect on the date of the indenture.

"Total Assets" means the total consolidated assets of the Issuers and the Restricted Subsidiaries, as shown on the most recent balance sheet of the Issuers, without giving effect to any impairment or amortization of the amount of intangible assets since the Issue Date, calculated on a pro forma basis after giving effect to any subsequent acquisition or disposition of a Person or business.

"Total Indebtedness Leverage Ratio" means, with respect to any Person, at any date, the ratio of (i) Consolidated Total Indebtedness of such Person and its Restricted Subsidiaries as of such date of calculation (determined on a consolidated basis in accordance with GAAP) less the amount of cash and Cash Equivalents in excess of any Restricted Cash that would be stated on the balance sheet of such Person and its Restricted Subsidiaries and held by such Person and its Restricted Subsidiaries as of such date of determination to (ii) EBITDA of such Person for the four full fiscal quarters for which financial statements have been delivered to the Trustee immediately preceding such date on which such additional Indebtedness is Incurred. In the event that an Issuer or any Restricted Subsidiary Incurs, repays, repurchases or redeems any Indebtedness subsequent to the commencement of the period for which the Total Indebtedness Leverage Ratio is being calculated but prior to the event for which the calculation of the Total Indebtedness Leverage Ratio is made (the "Total Indebtedness Leverage Calculation Date"), then the Total Indebtedness Leverage Ratio shall be calculated giving pro forma effect to such Incurrence, repayment, repurchase or redemption of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or Preferred Stock as if the same had occurred at the beginning of the applicable four-quarter period.

For purposes of making the computation referred to above, Investments, acquisitions, dispositions, mergers, amalgamations, consolidations and discontinued operations (as determined in accordance with GAAP) and any operational changes, business realignment projects or initiatives, New Projects, restructurings or reorganizations that the Issuers or any Restricted Subsidiary has determined to make and/or made during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Total Indebtedness Leverage Calculation Date (each, for purposes of this definition, a "pro forma event") shall be calculated on a pro forma basis assuming that all such Investments, acquisitions, dispositions, mergers, amalgamations, consolidations, discontinued operations and other operational changes, business realignment projects or initiatives, New Projects, restructurings or reorganizations (and the change of any associated fixed charge obligations and the change in EBITDA resulting therefrom) had occurred on the first day of the four-quarter reference period. If since the beginning of such period any Person that subsequently became a Restricted Subsidiary or was merged with or into an Issuer or any Restricted Subsidiary since the beginning of such period shall have made any Investment, acquisition, disposition, merger, consolidation, amalgamation, discontinued operation, operational change, business realignment project or initiative, New Project, restructuring or reorganization that would have required adjustment pursuant to this definition, then the Total Indebtedness Leverage Ratio shall be calculated giving pro forma effect thereto for such period as if such Investment, acquisition, disposition, discontinued operation, merger, amalgamation, consolidation, operational change, business realignment project or initiative, New Project, restructuring or reorganization had occurred at the beginning of the applicable four-quarter period. If since the beginning of such period any Restricted Subsidiary is designated an Unrestricted Subsidiary or

any Unrestricted Subsidiary is designated a Restricted Subsidiary, then the Total Indebtedness Leverage Ratio shall be calculated giving pro forma effect thereto for such period as if such designation had occurred at the beginning of the applicable four-quarter period.

For purposes of this definition, whenever pro forma effect is to be given to any pro forma event, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Issuers. Any such pro forma calculation may include adjustments appropriate, in the reasonable good faith determination of the Issuers as set forth in an Officer's Certificate, to reflect (1) operating expense reductions and other operating improvements, synergies or cost savings reasonably expected to result from the applicable event, and (2) all adjustments of the nature used in connection with the calculation of "Adjusted EBITDA" as set forth in the offering memorandum for the unsecured notes (including the documents incorporated by reference therein) or otherwise consistent with the indenture to the extent such adjustments, without duplication, continue to be applicable to such four-quarter period.

If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the Total Indebtedness Leverage Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligations applicable to such Indebtedness if such Hedging Obligation has a remaining term in excess of 12 months). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Issuers to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit facility computed on a pro forma basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Issuers may designate.

For purposes of making the computation referred to above, in giving effect to each New Project which commences operations and records not less than one full fiscal quarter's operations during such period, the operating results of such New Project shall be annualized on a straight line basis during such period, taking into account any seasonality adjustments determined by the Issuers in good faith.

For purposes of this definition, any amount in a currency other than U.S. dollars will be converted to U.S. dollars based on the average exchange rate for such currency for the most recent twelve month period immediately prior to the date of determination in a manner consistent with that used in calculating EBITDA for the applicable period.

"Transactions" means the transactions described under "Summary—The Transactions."

"Treasury Rate" means, as of the applicable redemption date, as determined by the Issuers, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days prior to such redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from such redemption date to , 2022; provided, however, that if the period from such redemption date to , 2022, as applicable, is less than one year, the weekly average yield on actively traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"Trust Officer" means any officer:

(1) within the corporate trust department of the Trustee, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject, and

(2) who shall have direct responsibility for the administration of the indenture.

"Trustee" means the party named as such in the indenture until a successor replaces it and, thereafter, means the successor.

"Unrestricted Subsidiary" means:

(1) any Subsidiary of an Issuer that at the time of determination shall be designated an Unrestricted Subsidiary by the Board of Directors of the Company in the manner provided below; and

(2) any Subsidiary of an Unrestricted Subsidiary;

The Issuers may designate any Subsidiary of the Issuers (including any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless at the time of such designation such Subsidiary or any of its Subsidiaries owns any Equity Interests or Indebtedness of, or owns or holds any Lien on any property of, an Issuer or any other Restricted Subsidiary of an Issuer that is not a Subsidiary of the Subsidiary to be so designated, in each case at the time of such designation; provided, however, that (i) the Subsidiary to be so designated and its Subsidiaries do not at the time of designation have and do not thereafter Incur any Indebtedness pursuant to which the lender has recourse to any of the assets of an Issuer or any of the Restricted Subsidiaries unless otherwise permitted under the covenant described under "—Certain Covenants—Limitation on Restricted Payments" and (ii) an Issuer may not designate any Subsidiary of an Issuer to be an Unrestricted Subsidiary during any Suspension Period; provided, further, however, that either:

(a) the Subsidiary to be so designated has total consolidated assets of $1,000 or less; or

(b) if such Subsidiary has consolidated assets greater than $1,000, then such designation would be permitted under the covenant described under "—Certain Covenants—Limitation on Restricted Payments."

The Issuers may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided, however, that immediately after giving effect to such designation:

(x) (1) the Issuers could Incur $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock," or (2) the Fixed Charge Coverage Ratio of the Issuers and their Restricted Subsidiaries would be no less than such ratio immediately prior to such designation, in each case on a pro forma basis taking into account such designation, and

(y) no Event of Default shall have occurred and be continuing.

Any such designation by the Issuers shall be evidenced to the Trustee by promptly filing with the Trustee a copy of the resolution of the Board of Directors or any committee thereof of the Company giving effect to such designation and an Officer's Certificate certifying that such designation complied with the foregoing provisions.

"U.S. Government Obligations" means securities that are:

(1) direct obligations of the United States of America for the timely payment of which its full faith and credit is pledged, or

(2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America, the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America,

which, in each case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act) as custodian with respect to any such U.S. Government Obligations or a specific payment of principal of or interest on any such U.S. Government Obligations held by such custodian for the account of the holder of such depository receipt; provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligations or the specific payment of principal of or interest on the U.S. Government Obligations evidenced by such depository receipt.

"Voting Stock" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness or Disqualified Stock or Preferred Stock, as the case may be, at any date, the quotient obtained by dividing (1) the sum of the products of the number of years from the date of determination to the date of each successive scheduled principal payment of such Indebtedness or redemption or similar payment with respect to such Disqualified Stock or Preferred Stock multiplied by the amount of such payment, by (2) the sum of all such payments.

"Wholly Owned Restricted Subsidiary" is any Wholly Owned Subsidiary that is a Restricted Subsidiary.

"Wholly Owned Subsidiary" of any Person means a Subsidiary of such Person 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares or shares required pursuant to applicable law) shall at the time be owned by such Person or by one or more Wholly Owned Subsidiaries of such Person.

DESCRIPTION OF FIRST-PRIORITY NOTES

The 2024 Notes will be issued under an indenture (the "2024 Indenture"), among Prime Security Services Borrower, LLC, a Delaware limited liability company (the "Company"), Prime Finance Inc., a Delaware corporation (the "Co-Issuer," together with the Company, the "Issuers" and each, an "Issuer"), the Subsidiary Guarantors (as defined below) and Wells Fargo Bank, National Association, as trustee (the "Trustee").

The 2026 Notes will be issued under an indenture (the "2026 Indenture, and together with the 2024 Indenture, the "Indentures" and each, an "Indenture"), among the Issuers, the Subsidiary Guarantors and the Trustee.

We urge you to read the Notes, the Indentures, the Security Documents and the Intercreditor Agreements because they, not the summaries below, define your rights. You may obtain a copy of these documents as described under "Where You Can Find More Information."

Capitalized terms used but not defined in this section shall have the respective meanings set forth in the Indentures.

General

The Notes will be senior obligations of the Issuers and will have the benefit of the first-priority security interests in the Collateral described below under "—Security." We will issue a total of $750,000,000 initial aggregate principal amount of % First-Priority Senior Secured Notes due 2024 (the "2024 Notes") and $750,000,000 initial aggregate principal amount of % First-Priority Senior Secured Notes due 2026 (the "2026 Notes", and, together with the 2024 Notes, the "Notes"). Unless the context otherwise requires, for all purposes of the Indentures and this "Description of First-Priority Notes," references to the Notes include any additional notes actually issued, see "—Additional Notes".

The 2024 Notes will bear interest at a rate of % per year. The 2026 Notes will bear interest at a rate of % per year. The date from which interest will accrue on each series of Notes will be from the date of original issuance or from the most recent interest payment date on which interest has been paid or provided for, payable semi-annually in arrears on and of each year, to the holders of record at the close of business on the and prior to each interest payment date. The basis upon which interest shall be calculated will be that of a 360-day year consisting of twelve 30-day months.

The Notes will be issuable in whole in the registered form of one or more global securities, and the depository for such global securities shall be The Depository Trust Company, New York, New York. The Notes will be issuable in denominations of $2,000 or any integral multiple of $1,000 in excess thereof.

Except as provided below, the Notes shall not be subject to redemption, repurchase or repayment at the option of any holder thereof, upon the occurrence of any particular circumstances or otherwise. The Notes will not have the benefit of any sinking fund. The Notes are not convertible into shares of common stock or other securities of the Issuers.

Barclays Bank PLC, the administrative agent and collateral agent under the First Lien Credit Agreement, will also be the collateral agent, either in its own capacity or by means of a subagent or a designee, for the holders of the Notes. The rights of the holders of the Notes with respect to the Collateral that will secure the Notes on a first-priority basis will be subject to a

First Lien/First Lien Intercreditor Agreement, dated as of May 2, 2016, as amended, supplemented or otherwise modified, and a First Lien/Second Lien Intercreditor Agreement, dated as of July 1, 2015, as amended, supplemented or otherwise modified.

We and the Subsidiary Guarantors will not be obligated to offer to exchange the Notes for notes registered under U.S. securities laws or register the reoffer and resale of the Notes under U.S. securities laws. As a result, the transferability of the Notes may be negatively affected. By receiving the Notes, you will be deemed to have made certain acknowledgements, representations and agreements as set forth under "Transfer Restrictions."

The Indentures will not be qualified under the Trust Indenture Act of 1939, as amended (the "TIA"), and the Issuers will not be required to comply with the provisions of the TIA. Therefore, holders of the Notes will not be entitled to the benefit of the provisions and protection of the TIA or similar provisions in the Indentures.

Ranking

The Indebtedness evidenced by the Notes and the Subsidiary Guarantees will be senior Indebtedness of the Issuers and the Subsidiary Guarantors, respectively, will rank *pari passu* in right of payment with all existing and future senior Indebtedness of the Issuers and the Subsidiary Guarantors, will have the benefit of the security interest in the Collateral as described under "—Security" and will be senior in right of payment to all existing and future subordinated Indebtedness of the Issuers and the Subsidiary Guarantors.

The Notes will have the benefit of a security interest in the Collateral that will be first in priority and pari passu with the liens securing the obligations under the First Lien Credit Agreement, the ADT Notes and all other existing and future First Priority Lien Obligations, and senior in priority to the Second Lien Notes (if any) and all other existing and future Second Priority Lien Obligations, with respect to all Collateral, subject to certain permitted liens and exceptions described under "—Security." All of the Issuers' Domestic Subsidiaries that are Wholly Owned Restricted Subsidiaries and that guarantee the First Lien Credit Agreement, the ADT Notes, the Second Lien Notes (if any) or any other Indebtedness of either Issuer or any of the Subsidiary Guarantors will become Subsidiary Guarantors with respect to the Notes, and their assets and property will secure the Notes to the extent described below under "—Security."

As of December 31, 2018, on a pro forma basis after giving effect to the Transactions (assuming the Full Redemption), the Issuers and their Subsidiaries would have had:

(1) $8,774 million of outstanding Indebtedness constituting First Priority Lien Obligations, consisting of $3,524 million of secured Indebtedness outstanding under the First Lien Credit Agreement (including $100 million drawn under the revolving facility of the First Lien Credit Agreement), $3,750 million aggregate principal amount of secured Indebtedness outstanding under the ADT Notes and $1,500 million aggregate principal amount of secured Indebtedness outstanding under the Notes;

(2) no outstanding Indebtedness constituting Second Priority Lien Obligations;

(3) $1,250.0 million of outstanding Indebtedness under the Unsecured Notes (as defined in this offering memorandum); and

(4) no Indebtedness of Subsidiaries of the Issuers that are not Subsidiary Guarantors.

In addition, as of December 31, 2018, on a pro forma basis after giving effect to the Transactions (assuming the Full Redemption), the Issuers would have had $400 million of

unutilized capacity (without giving effect to letters of credit) under the revolving facility of the First Lien Credit Agreement, which would constitute First Priority Lien Obligations.

The Issuers and their Restricted Subsidiaries are able to incur additional amounts of Indebtedness. Under certain circumstances the amount of such Indebtedness could be substantial and, subject to certain limitations, such Indebtedness may be Secured Indebtedness constituting First Priority Lien Obligations or Second Priority Lien Obligations.

Unless a Subsidiary is a Subsidiary Guarantor, claims of creditors of such Subsidiary, including trade creditors, and claims of preferred stockholders (if any) of such Subsidiary, generally will have priority with respect to the assets and earnings of such Subsidiary over the claims of creditors of the Issuers, including holders of the Notes. The holders of the Notes, therefore, will be effectively subordinated to holders of Indebtedness and other creditors (including trade creditors) and preferred stockholders (if any) of any Subsidiary of the Issuers that is not a Subsidiary Guarantor. As of the Issue Date, our only Subsidiaries that are not Subsidiary Guarantors will be (i) non-Wholly Owned Subsidiaries (ii) Immaterial Subsidiaries (as such term is defined in the First Lien Credit Agreement as in effect on the date hereof), (iii) Foreign Subsidiaries and (iv) Subsidiaries of the foregoing, all of which, as of December 31, 2018, had no outstanding Indebtedness, excluding intercompany obligations.

Security

The Notes and the Subsidiary Guarantees will be secured by first-priority security interests (subject to certain permitted liens) in the Collateral. The Collateral consists of substantially all of the property and assets, in each case, that are held by any Issuer or any Subsidiary Guarantor, to the extent that such assets secure the other First Priority Lien Obligations.

The initial Collateral does not include, subject to certain exceptions:

(i) any real property other than Material Real Property;

(ii) motor vehicles and other assets subject to certificates of title and letter of credit rights (in each case, except to the extent a Lien on such assets or such rights can be perfected by filing a UCC-1 financing statement) and commercial tort claims with a value of less than $10,000,000;

(iii) assets to the extent the pledges and security interests therein are prohibited by applicable law, rule, regulation or contractual obligation permitted under the First Lien Credit Agreement, the Security Documents and certain other documents and binding on assets to the extent in existence on May 2, 2016 or on the date of acquisition thereof and not entered into in contemplation of acquisition of such asset (in each case, except to the extent such prohibition is unenforceable after giving effect to the applicable anti-assignment provisions of Article 9 of the Uniform Commercial Code) or which could require governmental (including regulatory) consent, approval, license or authorization to be pledged (unless such consent, approval, license or authorization has been received);

(iv) assets to the extent a security interest in such assets could reasonably be expected to result in material adverse tax consequences as determined in good faith by the Company in consultation with the First Lien Credit Agreement Agent;

(v) any Equity Interests or Indebtedness with respect to which the First-Priority Collateral Agent and the Company reasonably agree that the cost or other consequences of pledging such Equity Interests or Indebtedness under the Security Documents are likely to be excessive in relation to the value to be afforded thereby;

(vi) in the case of any pledge of voting Equity Interests of any Foreign Subsidiary that is a CFC (in each case, that is owned directly by an Issuer or a Subsidiary Guarantor) to secure the Notes Obligations, any voting Equity Interest of such Foreign Subsidiary in excess of 65% of the outstanding Equity Interests of such class;

(vii) in the case of any pledge of voting Equity Interests of any FSHCO (in each case, that is owned directly by an Issuer or a Subsidiary Guarantor) to secure the Notes Obligations, any voting Equity Interest of such FSHCO in excess of 65% of the outstanding Equity Interests of such class;

(viii) any Equity Interests or Indebtedness to the extent the pledge thereof would be prohibited by any requirement of law;

(ix) any Equity Interests of any Person that is not a Wholly Owned Subsidiary to the extent (A) that a pledge thereof to secure the Notes Obligations is prohibited by (i) any applicable organizational documents, joint venture agreement or shareholder agreement or (ii) any other contractual obligation with an unaffiliated third party not in violation of certain provisions of the First Lien Credit Agreement (other than, in this subclause (A)(ii), customary non-assignment provisions which are ineffective under Article 9 of the Uniform Commercial Code or other applicable requirements of law), (B) any organizational documents, joint venture agreement or shareholder agreement (or other contractual obligation referred to in subclause (A)(ii) above) prohibits such a pledge without the consent of any other party; provided, that this clause (B) shall not apply if (1) such other party is an Issuer, Holdings, a Subsidiary Guarantor or a Wholly Owned Subsidiary or (2) consent has been obtained to consummate such pledge (it being understood that the foregoing shall not be deemed to obligate an Issuer or any Subsidiary to obtain any such consent) and shall apply for so long as such organizational documents, joint venture agreement or shareholder agreement or replacement or renewal thereof is in effect, or (C) a pledge thereof to secure the Notes Obligations would give any other party (other than an Issuer, Holdings, a Subsidiary Guarantor or a Wholly Owned Subsidiary) to any organizational documents, joint venture agreement or shareholder agreement governing such Equity Interests (or other contractual obligation referred to in subclause (A)(ii) above) the right to terminate its obligations thereunder (other than, in the case of other contractual obligations referred to in subclause (A)(ii), customary non-assignment provisions which are ineffective under Article 9 of the Uniform Commercial Code or other applicable requirement of law);

(x) any Equity Interests of any Immaterial Subsidiary (as such term is defined in the First Lien Credit Agreement as in effect on the date hereof), any Unrestricted Subsidiary or any Special Purpose Securitization Subsidiary (as each such term is defined in the First Lien Credit Agreement as in effect on the date hereof);

(xi) any Equity Interests of any Subsidiary of, or other Equity Interests owned by, a Foreign Subsidiary;

(xii) any Equity Interests of any Subsidiary to the extent that the pledge of such Equity Interests could reasonably be expected to result in material adverse tax consequences to an Issuer or any Subsidiary as determined in good faith by the Company in consultation with the First Lien Credit Agreement Agent;

(xiii) any Equity Interests that are set forth on certain schedules to the First Lien Credit Agreement or that have been identified on or prior to May 2, 2016 in writing to the First-Priority Collateral Agent by the Company;

(xiv) any margin stock;

(xv) any lease, license or other agreement to the extent that a grant of a security interest therein would violate or invalidate such lease, license or agreement or create a right of termination in favor of any other party thereto (other than Holdings or any Issuer or any Subsidiary Guarantor) after giving effect to the applicable anti-assignment provisions of Article 9 of the Uniform Commercial Code;

(xvi) those assets as to which the First-Priority Collateral Agent and the Company reasonably agree that the cost or other consequence of obtaining such a security interest or perfection thereof are excessive in relation to the value afforded thereby;

(xvii) any governmental licenses or state or local licenses, franchises, charters and authorizations, to the extent security interests in such licenses, franchises, charters or authorizations are prohibited or restricted thereby after giving effect to the applicable anti-assignment provisions of Article 9 of the Uniform Commercial Code;

(xviii) any "intent-to-use" applications for trademark or service mark registrations filed pursuant to Section 1(b) of the Lanham Act, 15 U.S.C. §1051, unless and until an Amendment to Allege Use or a Statement of Use under Section 1(c) or 1(d) of the Lanham Act has been filed, (xix) other customary exclusions under applicable local law or in applicable local jurisdictions set forth in the applicable Security Documents;

(xix) Securitization Assets (as defined in the First Lien Credit Agreement) sold to any Special Purpose Securitization Subsidiary or otherwise pledged, factored, transferred or sold in connection with any Permitted Securitization Financing (as defined in the First Lien Credit Agreement), and any other assets subject to Liens securing Permitted Securitization Financings;

(xx) any segregated accounts or funds, or any portion thereof, received by the Company or any of its Subsidiaries as agent on behalf of third parties in accordance with a written agreement that imposes a duty upon the Company or one or more of its Subsidiaries to collect and remit those funds to such third parties;

(xxi) any equipment or other asset that is subject to certain liens permitted under the First Lien Credit Agreement or is otherwise subject to a purchase money debt or a Capitalized Lease Obligation, in each case, as permitted by certain provisions of the First Lien Credit Agreement, if the contract or other agreement providing for such debt or Capitalized Lease Obligation prohibits or requires the consent of any Person (other than Holdings or an Issuer or a Subsidiary Guarantor) as a condition to the creation of any other security interest on such equipment or asset and, in each case, such prohibition or requirement is permitted hereunder after giving effect to the applicable anti-assignment provisions of Article 9 of the Uniform Commercial Code or other applicable law; and

(xxii) certain other exceptions described in the Security Documents, including the limitation on stock Collateral described below (all such excluded assets referred to as "Excluded Assets").

The foregoing excluded property and assets do not secure any of the First Priority Lien Obligations or the Second Priority Lien Obligations. The security interests securing the Notes are pari passu in priority with any and all security interests at any time granted to secure the First Priority Lien Obligations and are also subject to certain permitted liens. The First Priority Lien Obligations include the obligations under the First Lien Credit Agreement, as well as certain hedging obligations and certain other obligations in respect of cash management services, and the ADT Notes.

Notwithstanding anything herein to the contrary, (A) the Collateral Agent may grant extensions of time or waiver of requirement for the creation or perfection of security interests in or the obtaining of insurance (including title insurance) or surveys with respect to particular assets (including extensions beyond the Closing Date for the perfection of security interests in the assets of the Loan Parties on such date) where it reasonably determines, in consultation with the Company, that perfection or obtaining of such items cannot be accomplished without undue effort or expense by the time or times at which it would otherwise be required by the indentures or the other Security Documents, (B) no control agreement or control, lockbox or similar arrangement shall be required with respect to any deposit accounts, securities accounts or commodities accounts, (C) no landlord, mortgagee or bailee waivers shall be required, (D) no foreign-law governed security documents or perfection under foreign law shall be required, (E) no notice shall be required to be sent to account debtors or other contractual third parties prior to an Event of Default.

The Issuers and the Subsidiary Guarantors are able to incur additional Indebtedness in the future that could share in the Collateral, including additional First Priority Lien Obligations that would be secured on a pari passu basis and obligations that would be secured on a junior priority basis with the Notes and the Subsidiary Guarantees. Under the Indentures, there are no limitations on the incurrence of such Indebtedness or other Indebtedness.

Limitations on Stock Collateral

The Capital Stock and securities of a Subsidiary that are owned by any Issuer or any Subsidiary Guarantor will constitute Collateral only to the extent that such Capital Stock and securities can secure the Notes or the applicable Subsidiary Guarantee, as applicable, without Rule 3-10 or 3-16 of Regulation S-X under the Securities Act requiring separate financial statements of such Subsidiary to be filed with the SEC (or any other governmental agency). In the event that Rule 3-10 or 3-16 of Regulation S-X under the Securities Act requires or is amended, modified or interpreted by the SEC to require (or is replaced with another rule or regulation, or any other law, rule or regulation is adopted, which would require) the filing with the SEC (or any other governmental agency) of separate financial statements of any Subsidiary due to the fact that such Subsidiary's Capital Stock or securities secure the Notes or any Subsidiary Guarantee, then the Capital Stock and/or securities of such Subsidiary shall automatically be deemed not to be part of the Collateral (but only to the extent necessary to not be subject to such requirement and only for so long as required to not be subject to such requirement). In such event, the Security Documents may be amended or modified, without the consent of the Trustee or any holder of Notes, to the extent necessary to release the security interests on the shares of Capital Stock and securities that are so deemed to no longer constitute part of the Collateral. Since the Notes do not have registration rights, this limitation will not limit the Collateral on the Issue Date.

In the event that Rule 3-10 or 3-16 of Regulation S-X under the Securities Act is amended, modified or interpreted by the SEC to permit (or is replaced with another rule or regulation, or any other law, rule or regulation is adopted, which would permit) such Subsidiary's Capital Stock or securities to secure the Notes in excess of the amount then pledged without the filing with the SEC (or any other governmental agency) of separate financial statements of such Subsidiary, then the Capital Stock and/or securities of such Subsidiary shall automatically be deemed to be a part of the Collateral (but only to the extent that it will not result in such Subsidiary being subject to any such financial statement requirement). In such event, the Security Documents may be amended or modified, without the consent of the Trustee or any holder of Notes, to the extent necessary to subject to the Liens under the Security Documents such additional Capital Stock and securities, on the terms contemplated herein.

You may not have a perfected security interest in all of the Collateral as of the Issue Date. For example, some or all of the amendments to the Mortgages needed to cause the Notes and Subsidiary Guarantees to be secured thereby may not be in place upon the issuance of the Notes. However, to the extent that any instrument or deliverable is required for such perfection, the Issuers will be required to use their commercially reasonable efforts to deliver such instruments and deliverables within 120 days following the Issue Date or such longer period of time as agreed to by the First Lien Credit Agreement Agent with respect to perfecting security interests in such Collateral thereunder.

If any Issuer or any Subsidiary Guarantor fails to enter into a Security Document after using commercially reasonable efforts, the Issuers shall be solely responsible for determining whether they have used commercially reasonable efforts, which shall be set forth in an Officer's Certificate delivered to the Trustee and the First-Priority Collateral Agent (upon which the Trustee and the First-Priority Collateral Agent may conclusively rely without any investigation), and the Issuers shall notify the holders of Notes. Neither the First-Priority Collateral Agent nor the Trustee shall have any obligation to enter into such an agreement and shall have the right to decline signing such an agreement if, after being advised by counsel, the Trustee or First-Priority Collateral Agent determines in good faith that such action would expose the Trustee or First-Priority Collateral Agent to liability or if doing so is not consistent with its rights, privileges, protections and immunities set forth in the Indentures, the Security Documents or other documents governing the Notes.

Maintenance of Collateral

The Indenture and the Security Documents provide that any Issuer will, and will cause each of the Subsidiary Guarantors to (i) at all times maintain, preserve and protect all property material to the conduct of its business and keep such property in good repair, working order and condition (other than wear and tear); (ii) keep its insurable property adequately insured at all times by financially sound and reputable insurers; and (iii) maintain such other insurance, to such extent and against such risks as is customary with companies in the same or similar businesses operating in the same or similar locations.

After-Acquired Collateral

Subject to certain limitations and exceptions, if any Issuer or any Subsidiary Guarantor creates any additional security interest upon any property or asset (other than Excluded Assets) to secure any First Priority Lien Obligations (which include obligations in respect of the First Lien Credit Agreement and the ADT Notes), it must concurrently grant a first-priority security interest (subject to certain permitted liens) in favor of the First-Priority Collateral Agent for its benefit and the benefit of the Trustee and the holders of the Notes and deliver certain joinder agreements and certificates in respect thereof to the extent required by the Security Documents.

Further Assurances

The Security Documents and the Indenture provide that the Issuers and the Subsidiary Guarantors shall, at their expense, duly execute and deliver, or cause to be duly executed and delivered, such further agreements, documents, instruments, financing and continuation statements and amendments thereto and do or cause to be done such further acts as may be necessary or proper to evidence, perfect, maintain and enforce the security interests and the priority thereof in the Collateral in favor of the First-Priority Collateral Agent for its benefit and for the benefit of the holders of the Notes and the Trustee, and to otherwise effectuate the provisions or purposes of the Indenture and the Security Documents.

Security Documents

The First-Priority Collateral Agent in its capacity as collateral agent for the First Lien Credit Agreement entered into a security agreement and mortgages in connection with the First Lien Credit Agreement. The trustee for the ADT Notes joined such Security Documents prior to the date hereof. On the Issue Date the Trustee for the Notes will join the security agreement by executing a joinder to the First Lien/First Lien Intercreditor Agreement and will appoint the First-Priority Collateral Agent as collateral agent for the Notes.

Subject to the terms of the Security Documents, the Issuers and the Subsidiary Guarantors have the right to remain in possession and retain exclusive control of the Collateral securing the Notes (other than as set forth in the Security Documents), to freely operate the Collateral and to collect, invest and dispose of any income therefrom.

First Lien/First Lien Intercreditor Agreement

The First-Priority Collateral Agent, the First Lien Credit Agreement Agent and the trustee of the ADT Notes are parties to that certain First Lien/First Lien Intercreditor Agreement, dated as of May 2, 2016 (as amended, supplemented or otherwise modified, the "First Lien/First Lien Intercreditor Agreement"), with respect to the Collateral, which may be amended or supplemented from time to time without the consent of the First Lien Credit Agreement Agent, the Trustee, the holders of the Notes or any other First Priority Secured Party to add other parties holding First Priority Lien Obligations not prohibited to be incurred under the Indentures, the First Lien Credit Agreement and the agreements governing any other First Priority Lien Obligations. On the Issue Date, the Trustee will deliver a joinder to the First Lien/First Lien Intercreditor Agreement.

The First Lien/First Lien Intercreditor Agreement governs the relative rights and remedies with respect to the Collateral of the lenders under the First Lien Credit Agreement, the holders of the Notes, the holders of the ADT Notes and the holders of any other First Priority Lien Obligations. Under the First Lien/First Lien Intercreditor Agreement, as described below, the "Applicable Authorized Representative" has the right to direct the First-Priority Collateral Agent to foreclose on Common Collateral and take other actions with respect to the Common Collateral, and the Authorized Representatives of other Series of First Priority Lien Obligations have no right to so direct the First-Priority Collateral Agent or to take actions with respect to the Common Collateral. The "Applicable Authorized Representative" will initially be the First Lien Credit Agreement Agent, and the Trustee for the holders of the Notes, as Authorized Representative in respect of the Notes, will initially have no rights to take any action with respect to the Common Collateral under the First Lien/First Lien Intercreditor Agreement. The First-Priority Collateral Agent may enter into any amendment (and, at the request of the First-Priority Collateral Agent, each Authorized Representative shall sign a consent to such amendment) to any Security Document (including, without limitation, to release any Liens securing any Series of First Priority Lien Obligations), so long as such amendment is not prohibited by the terms of the documents governing each Series of First Priority Lien Obligations. The First-Priority Collateral Agent may additionally enter into any amendment (and, at the request (of the First-Priority Collateral Agent, each Authorized Representative shall sign a consent to such amendment) to any Security Document solely as such amendment to such Security Document relates to a particular Series of First Priority Lien Obligations (including, without limitation, to release Liens securing such Series of First Priority Lien Obligations); provided that any such amendment is in accordance with the documents pursuant to which such Series of First Priority Lien Obligations was incurred and such amendment does not adversely affect the First-Priority Secured Parties of any other Series.

The First Lien Credit Agreement Agent will remain the Applicable Authorized Representative until the earlier of (1) the Discharge of First Lien Credit Agreement Obligations and (2) the Non-Controlling Authorized Representative Enforcement Date (such earlier date, the "Applicable Authorized Agent Date"). From and after the Applicable Authorized Agent Date, the Applicable Authorized Representative, with respect to any Common Collateral, will be the Authorized Representative (the "Non-Controlling Authorized Representative") of the Series of First Priority Lien Obligations (other than obligations under the First Lien Credit Agreement) that constitutes the largest outstanding principal amount of any then outstanding Series of First Priority Lien Obligations with respect to such Common Collateral (the "Major Non-Controlling Authorized Representative"). As of the Issue Date, the trustee for the ADT Notes will be the Major Non-Controlling Authorized Representative.

The "Non-Controlling Authorized Representative Enforcement Date", with respect to any Non-Controlling Authorized Representative, is the date that is 180 days (throughout which 180-day period the applicable Non-Controlling Authorized Representative was the Major Non-Controlling Authorized Representative) after the occurrence of both (a) an Event of Default, under and as defined in the applicable Indenture or other applicable indenture or agreement for that Series of First Priority Lien Obligations, and (b) the First-Priority Collateral Agent's and each other Authorized Representative's receipt of written notice from that Non-Controlling Authorized Representative certifying that (i) such Non-Controlling Authorized Representative is the Major Non-Controlling Authorized Representative and that an Event of Default, as defined in the applicable Indenture or other applicable indenture or agreement for that Series of First Priority Lien Obligations, has occurred and is continuing and (ii) the First Priority Lien Obligations of the Series with respect to which such Non-Controlling Authorized Representative is the Authorized Representative are currently due and payable in full (whether as a result of acceleration thereof or otherwise) in accordance with the applicable Indenture or other applicable indenture or agreement for that Series of First Priority Lien Obligations; provided that the Non-Controlling Authorized Representative Enforcement Date shall be stayed and shall not occur and shall be deemed not to have occurred with respect to any Common Collateral (1) at any time the Credit Agreement Agent or the First-Priority Collateral Agent has commenced and is diligently pursuing any enforcement action with respect to such Common Collateral or (2) at any time any Issuer or any Subsidiary Guarantor that has granted a security interest in such Common Collateral is then a debtor under or with respect to (or otherwise subject to) any insolvency or liquidation proceeding.

The Applicable Authorized Representative shall have the sole right to instruct the First-Priority Collateral Agent to act or refrain from acting with respect to the Common Collateral. The First-Priority Collateral Agent shall not follow any instructions with respect to such Common Collateral from any Non-Controlling Authorized Representative or other First-Priority Secured Party (other than the Applicable Authorized Representative), and no Non-Controlling Authorized Representative or other First-Priority Secured Party (other than the Applicable Authorized Representative) will instruct the First-Priority Collateral Agent to commence any judicial or non-judicial foreclosure proceedings with respect to, seek to have a trustee, receiver, liquidator or similar official appointed for or over, attempt any action to take possession of, exercise any right, remedy or power with respect to, or otherwise take any action to enforce its security interest in or realize upon, or take any other action available to it in respect of, the Common Collateral.

Notwithstanding the equal priority of the Liens on the Common Collateral, the First-Priority Collateral Agent, acting on the instructions of the Applicable Authorized Representative, may deal with the Common Collateral as if such Applicable Authorized Representative had a senior Lien on such Collateral. No Non-Controlling Authorized Representative or any Non-Controlling

Secured Party may contest, protest or object to any foreclosure proceeding or action brought by the First-Priority Collateral Agent, the Applicable Authorized Representative or the Controlling Secured Party or any other exercise by the First-Priority Collateral Agent, the Applicable Authorized Representative or the Controlling Secured Party of any rights and remedies relating to the Common Collateral or cause the First-Priority Collateral Agent to do so. Each other Authorized Representative agreed and the Trustee will agree that it will not accept any Lien on any Common Collateral for the benefit of the holders of Notes or of any other Series of First Priority Lien Obligations, as applicable (other than funds deposited for the discharge or defeasance of the Indentures or the agreement governing such other Series of First Priority Lien Obligations, as applicable), other than pursuant to the Security Documents. Each of the First-Priority Secured Parties also agreed and the Trustee will agree that it will not (and will waive any right to) contest or support any other Person in contesting, in any proceeding (including any insolvency or liquidation proceeding), the perfection, priority, validity or enforceability of a Lien held by or on behalf of any of the First-Priority Secured Parties in all or any part of the Collateral, or the provisions of the First Lien/First Lien Intercreditor Agreement. The First Lien/First Lien Intercreditor Agreement provides that, if any Common Collateral is transferred to a third party or otherwise disposed of in connection with any enforcement by the First-Priority Collateral Agent in accordance with the provisions thereof, the Liens in favor of the First-Priority Collateral Agent for the benefit of each Series of First-Priority Secured Parties upon such Common Collateral will be automatically released and discharged.

If an Event of Default or any event of default with respect to any other First Priority Lien Obligations has occurred and is continuing and the First-Priority Collateral Agent or any First-Priority Secured Party is taking action to enforce rights in respect of any Common Collateral, or any distribution is made in respect of any Common Collateral in any bankruptcy case of any Issuer or any Subsidiary Guarantor or any First-Priority Secured Party receives any payment pursuant to any intercreditor agreement (other than the First Lien/First Lien Intercreditor Agreement) with respect to any Common Collateral, the proceeds of any sale, collection or other liquidation of any such Common Collateral by any First-Priority Secured Party or received by the First-Priority Collateral Agent or any First-Priority Secured Party pursuant to any such intercreditor agreement with respect to such Common Collateral and proceeds of any such distribution (subject, in the case of any such proceeds, payment or distribution, to the paragraph immediately following) to which the First Priority Lien Obligations are entitled under any other intercreditor agreement shall be applied among the First Priority Lien Obligations to the payment in full of the First Priority Lien Obligations on a ratable basis, after payment of all amounts owing to the First-Priority Collateral Agent.

Notwithstanding the foregoing, with respect to any Common Collateral for which a third party (other than a First-Priority Secured Party and after giving effect to any other applicable intercreditor agreements) has a lien or security interest that is junior in priority to the security interest of any Series of First Priority Lien Obligations but senior (as determined by appropriate legal proceedings in the case of any dispute) to the security interest of any other Series of First Priority Lien Obligations (such third party, an "Intervening Creditor"), the value of any Common Collateral or proceeds which are allocated to such Intervening Creditor shall be deducted on a ratable basis solely from the Common Collateral or proceeds to be distributed in respect of the Series of First Priority Lien Obligations with respect to which such impairment exists.

None of the First-Priority Secured Parties may institute any suit or assert in any suit, bankruptcy, insolvency or other proceeding any claim against the First-Priority Collateral Agent or any other First-Priority Secured Party seeking damages from or other relief by way of specific performance, instructions or otherwise with respect to any Common Collateral. In addition, none of the First-Priority Secured Parties may seek to have any Common Collateral or any part

thereof marshaled upon any foreclosure or other disposition of such Collateral. If any First-Priority Secured Party obtains possession of any Common Collateral or realizes any proceeds or payment in respect thereof, at any time prior to the discharge of each Series of First Priority Lien Obligations, then it must hold such Common Collateral, proceeds or payment in trust for the other First-Priority Secured Parties and promptly transfer such Common Collateral, proceeds or payment to the First-Priority Collateral Agent to be distributed in accordance with the First Lien/First Lien Intercreditor Agreement.

If any Issuer or any Subsidiary Guarantor becomes subject to any bankruptcy case, the First Lien/First Lien Intercreditor Agreement provides that, if any Issuer or any Subsidiary Guarantor shall, as debtor(s)-in possession, move for approval of financing ("DIP Financing") to be provided by one or more lenders (the "DIP Lenders") under Section 364 of the Bankruptcy Code or the use of cash collateral under Section 363 of the Bankruptcy Code, each First-Priority Secured Party (other than any Controlling Secured Party or any Authorized Representative of any Controlling Secured Party) agrees that it will raise no objection to any such DIP Financing or to the Liens on the Common Collateral securing the same (the "DIP Financing Liens") or to any use of cash collateral that constitutes Common Collateral, unless any Controlling Secured Party, or an Authorized Representative of any Controlling Secured Party, shall then oppose or object to such DIP Financing or such DIP Financing Liens or use of cash collateral (and (i) to the extent that such DIP Financing Liens are senior to the Liens on any such Common Collateral for the benefit of the Controlling Secured Parties, each Non-Controlling Secured Party will subordinate its Liens with respect to such Common Collateral on the same terms as the Liens of the Controlling Secured Parties (other than any Liens of any First-Priority Secured Parties constituting DIP Financing Liens) are subordinated thereto, and (ii) to the extent that such DIP Financing Liens rank *pari passu* with the Liens on any such Common Collateral granted to secure the First Priority Lien Obligations of the Controlling Secured Parties, each Non-Controlling Secured Party will confirm the priorities with respect to such Common Collateral as set forth in the First Lien/First Lien Intercreditor Agreement), in each case so long as:

(A) the First-Priority Secured Parties of each Series retain the benefit of their Liens on all such Common Collateral pledged to the DIP Lenders, including proceeds thereof arising after the commencement of such proceeding, with the same priority vis-a-vis all the other First-Priority Secured Parties (other than any Liens of the First-Priority Secured Parties constituting DIP Financing Liens) as existed prior to the commencement of the bankruptcy case,

(B) the First-Priority Secured Parties of each Series are granted Liens on any additional collateral pledged to any First-Priority Secured Parties as adequate protection or otherwise in connection with such DIP Financing or use of cash collateral, with the same priority vis-a-vis the other First-Priority Secured Parties as set forth in the First Lien/First Lien Intercreditor Agreement,

(C) if any amount of such DIP Financing or cash collateral is applied to repay any of the First Priority Lien Obligations, such amount is applied pursuant to the First Lien/First Lien Intercreditor Agreement, and

(D) if any First-Priority Secured Parties are granted adequate protection, including in the form of periodic payments, in connection with such DIP Financing or use of cash collateral, the proceeds of such adequate protection is applied pursuant to the First Lien/First Lien Intercreditor Agreement;

provided, that the First-Priority Secured Parties of each Series shall have a right to object to the grant of a Lien to secure the DIP Financing over any Collateral subject to Liens in favor of the

First-Priority Secured Parties of such Series or its Authorized Representative that shall not constitute Common Collateral; and provided, further, that the First-Priority Secured Parties receiving adequate protection shall not object to any other First-Priority Secured Party receiving adequate protection comparable to any adequate protection granted to such First-Priority Secured Parties in connection with a DIP Financing or use of cash collateral.

The First-Priority Secured Parties acknowledge that the First Priority Lien Obligations of any Series may, subject to the limitations set forth in the documents governing each Series of First Priority Lien Obligations, be increased, extended, renewed, replaced, restated, supplemented, restructured, repaid, refunded, refinanced or otherwise amended or modified from time to time, all without affecting the priorities set forth in the First Lien/First Lien Intercreditor Agreement defining the relative rights of the First-Priority Secured Parties of any Series.

First Lien/Second Lien Intercreditor Agreement

The First-Priority Collateral Agent and the Applicable Second Lien Agent are party to the First Lien/Second Lien Intercreditor Agreement, dated as of July 1, 2015 (as amended, supplemented or otherwise modified, the "First Lien/Second Lien Intercreditor Agreement"), with respect to the Collateral, which may be amended or supplemented from time to time without the consent of the Trustee, the holders of the Notes, any other First Priority Secured Party or any Second Priority Secured Party to add other parties holding First Priority Lien Obligations or Second Priority Lien Obligations not prohibited to be incurred under the Indentures, the First Lien Credit Agreement, the agreements governing any other First Priority Lien Obligations and the agreements governing any Second Priority Lien Obligations. On the Issue Date, if any Second Lien Notes remain outstanding and the indenture for the Second Lien Notes has not been discharged in accordance with its terms, the Trustee will execute and deliver a joinder to the First Lien/Second Lien Intercreditor Agreement.

Pursuant to the terms of the First Lien/Second Lien Intercreditor Agreement, at any time prior to the Discharge of First Priority Lien Obligations, the Applicable First Lien Agent and other representatives of the First Priority Lien Obligations will have the exclusive right to enforce rights, exercise remedies with respect to the Collateral subject to other provisions of the First Lien/Second Lien Intercreditor Agreement.

So long as the Discharge of First Priority Lien Obligations has not occurred, the Applicable Second Lien Agent will not be permitted to exercise any rights or remedies (including setoff or recoupment) with respect to the Collateral, except they may take certain specified permitted remedies, including:

(a) the Applicable Second Lien Agent will be permitted to take certain protective measures described in the First Lien/Second Lien Intercreditor Agreement,

(b) the Applicable Second Lien Agent will have a right to exercise rights or remedies with respect to the Collateral after a period of 180 days has elapsed since the delivery of the notice of the acceleration of the applicable Second Priority Lien Obligations to the applicable first lien agent, if no holder of First Priority Lien Obligations is diligently pursuing the enforcement or exercise of rights or remedies with respect to a material portion of Collateral or requested a relief of any stay to enable commencement of such exercise, any such acceleration has not been rescinded and no Issuer or Subsidiary Guarantor is then a debtor in any insolvency proceeding,

(c) file any necessary or appropriate responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding, or other pleading made by any Person objecting to or

otherwise seeking the disallowance of the claims or Liens of the Second Lien Secured Parties, including any claims secured by the Collateral, in each case in accordance with the terms of the First Lien/Second Lien Intercreditor Agreement,

(d) file any pleadings, objections motions, or agreements that assert rights or interests available to unsecured creditors of the Issuers or any Subsidiary Guarantor arising under either any insolvency or liquidation proceeding or applicable non-bankruptcy law, in each case not inconsistent with or prohibited by the terms of the First Lien/Second Lien Intercreditor Agreement or applicable law (including the bankruptcy laws of an applicable jurisdiction), or

(e) vote on any plan of reorganization, file any proof of claim, make other filings and make any arguments, obligations, and motions (including in support of or opposition to, as applicable, the confirmation or approval of any plan of reorganization) that are, in each case, in accordance with the terms of the First Lien/Second Lien Intercreditor Agreement.

Subject to certain limited rights, the Applicable Second Lien Agent agreed that it will not take any action that would hinder or interfere with any exercise of remedies undertaken by any holder of First Priority Lien Obligations with respect to the Collateral and waived any and all rights it or any such Second Lien Secured Party may have as a junior lien creditor or otherwise to object to the manner in which any holder of First Priority Lien Obligations seeks to enforce or collect the First Priority Lien Obligations or the Liens granted to secure any First Priority Lien Obligations, regardless of whether any action or failure to act by such holder is adverse to the interests of the holders of the Second Priority Lien Obligations.

Pursuant to the terms of the First Lien/Second Lien Intercreditor Agreement, if, at any time any Issuer or a Subsidiary Guarantor or any holder of First Priority Lien Obligations delivers notice to the Applicable Second Lien Agent that any specified Collateral held by such Person (or any direct or indirect Subsidiary thereof) is disposed of (other than to an Issuer or a Subsidiary Guarantor) (i) by the owner of such Collateral in a transaction not prohibited under the documents governing First Priority Lien Obligations and Second Priority Lien Obligations or (ii) during the existence of any Event of Default under (and as defined in) the First Lien Credit Agreement or any applicable documents governing other First Priority Lien Obligations in connection with any enforcement action, exercise of rights or remedies or to the extent that the applicable first lien agent has consented to such disposition, then the Liens securing the Second Priority Lien Obligations upon such Collateral will automatically be released and discharged as and upon, but only to the extent, such Liens on such Common Collateral securing the First Priority Lien Obligations are released and discharged.

In addition, the First Lien/Second Lien Intercreditor Agreement provides that, prior to the Discharge of First Priority Lien Obligations, except as provided in the First Lien/Second Lien Intercreditor Agreement (1) the holders of First Priority Lien Obligations and the First-Priority Collateral Agent shall have the exclusive right to make determinations regarding the release of Collateral without the consent of any Second Lien Secured Parties, (2) the First Lien/Second Lien Intercreditor Agreement may be supplemented, without the consent of the Applicable Second Lien Agent or the holders of any Second Priority Lien Obligations, to add additional secured creditors holding other First Priority Lien Obligations and other Second Priority Lien Obligations so long as such other First Priority Lien Obligations or other Second Priority Lien Obligations, as applicable, are not prohibited by the provisions of the First Lien Credit Agreement, the Indentures, the documents governing any other First Priority Lien Obligations or the documents governing any Second Priority Lien Obligations and (2) in the event the holders of the First Priority Lien Obligations change, waive, modify or vary the Security Documents, such modification will automatically apply to the comparable provisions of the security documents

governing the Second Priority Lien Obligations without the consent of any holders of the Second Priority Lien Obligations, *provided* that any such change, waiver or modification does not materially adversely affect the rights of the holders of the Second Priority Lien Obligations to a greater extent than the holders of the First Priority Lien Obligations in a like or similar manner.

In addition if any Issuer or Subsidiary Guarantor is subject to any insolvency or liquidation proceeding, the Applicable Second Lien Agent and the holders of any Second Priority Lien Obligations agreed that:

(1) until the Discharge of First-Priority Lien Obligations has occurred, if the First-Priority Collateral Agent shall desire to permit the use, sale or lease of cash collateral or to permit such Issuer or any Subsidiary Guarantor to obtain DIP Financing, they will not object to, or support any objection to or otherwise contest, and will be deemed to have consented to, such use, sale or lease of such cash collateral and DIP Financing and will not request adequate protection or any other relief in connection therewith (except to the extent permitted by clause 7 below) and, to the extent the Liens securing the First Priority Lien Obligations are subordinated or pari passu with such DIP Financing, will subordinate its Liens in the Collateral to such DIP Financing (and all obligations relating thereto, including any "carve-out" from the Collateral granting administrative priority status or Lien priority to secure the payment of fees and expenses of the United States Trustee or professionals retained by any debtor or creditors' committee agreed to by the First-Priority Collateral Agent or the other holders of First Priority Lien Obligations) and to any adequate protection Liens granted to the First-Priority Collateral Agent, on the same basis as the Liens securing the First Priority Lien Obligations are subordinated to the Liens securing the DIP Financing; provided, that the aggregate principal amount of the DIP Financing does not exceed the sum of (1) the aggregate amount of the First Priority Lien Obligations (after taking into account any "roll-up" thereof) and (2) an amount equal to 100% of the aggregate commitments (whether drawn or undrawn) under such then existing revolving credit facilities, in each case determined as of the commencement of such insolvency or liquidation proceeding.

(2) they will raise no objection to, and will not support any objection to or otherwise contest, any motion for relief from the automatic stay or from any injunction against foreclosure or enforcement in respect of any First Priority Lien Obligations made by the First-Priority Collateral Agent or any holder of First Priority Lien Obligations;

(3) they will raise no objection to, will not support any objection to or otherwise contest, any lawful exercise by the First-Priority Collateral Agent or any holder of First Priority Lien Obligations of the right to credit bid the First Priority Lien Obligations under Section 363(k) of the Bankruptcy Code (or any similar provision under any other applicable Bankruptcy Law) or at any sale in foreclosure or in any insolvency or liquidation proceeding of the Collateral or other collateral securing any First Priority Lien Obligations;

(4) they will raise no objection to, will not support any objection to or otherwise contest, any other request for judicial relief made in any court by the First-Priority Collateral Agent or any holder of First Priority Lien Obligations relating to the lawful enforcement of any Lien on any Collateral or other Collateral securing any First Priority Lien Obligations;

(5) they will raise no objection to, will not support any objection to or otherwise contest, any order relating to a sale of any Collateral of any Issuer or Subsidiary Guarantor for which the First-Priority Collateral Agent or any holder of First Priority Lien Obligations

has consented that provides, to the extent that the sale is to be free and clear of Liens, that the Liens securing the First Priority Lien Obligations and the Second Priority Lien Obligations will attach to the proceeds of the sale on the same basis of priority as the Liens securing the First Priority Lien Obligations do relate to the Liens securing the Second Priority Lien Obligations in accordance with the First Lien/Second Lien Intercreditor Agreement, provided that the Applicable Second Lien Agent and the holders of Second Priority Lien Obligations may assert any objection to the proposed bidding or related sale procedures to be utilized in connection with a sale or disposition that could be asserted by an unsecured creditor in any insolvency or liquidation proceeding;

(6) until the Discharge of First Priority Lien Obligations has occurred, they will not (i) seek relief from the automatic stay or any other stay in any insolvency or liquidation proceeding in respect of the Collateral or any other collateral securing any First Priority Lien Obligations without the prior written consent of all First-Priority Collateral Agent or the required lenders under each Series of First Priority Lien Obligations or (ii) oppose the First-Priority Collateral Agent or any holder of First Priority Lien Obligations from seeking relief from the automatic stay or any other stay;

(7) none of them shall contest (or support any other Person contesting) (a) any request by the First-Priority Collateral Agent or the holders of First Priority Lien Obligations for adequate protection in any form or (b) any objection by the First-Priority Collateral Agent or the holders of First Priority Lien Obligations to any motion, relief, action or proceeding based on the First-Priority Collateral Agent's or the holders of First Priority Lien Obligations' claiming a lack of adequate protection. Notwithstanding the foregoing, in any insolvency or liquidation proceeding, (i) if the holders of First Priority Lien Obligations (or any subset thereof) are granted adequate protection in the form of a Lien on additional or replacement collateral and/or a superpriority administrative claim in connection with any DIP Financing or use of cash collateral under Section 363 or Section 364 of the Bankruptcy Code or any similar law, then the Applicable Second Lien Agent and any holder of Second Priority Lien Obligations (A) may seek or request adequate protection in the form of a Lien on such additional or replacement collateral and/or a superpriority administrative claim (as applicable), which Lien or superpriority claim is junior and subordinated to the Liens securing and providing adequate protection for, and claims with respect to, the First Priority Lien Obligations and such DIP Financing (and all obligations relating thereto) on the same basis as the other Liens securing the Second Priority Lien Obligations are so junior and subordinated to the Liens securing, and the claims with respect to, the First Priority Lien Obligations under the First Lien/Second Lien Intercreditor Agreement and (B) will not seek or request, without the consent of the First-Priority Collateral Agent or as otherwise set forth in the First Lien/Second Lien Intercreditor Agreement, adequate protection in any other form, and (ii) in the event that the Applicable Second Lien Agent or any holder of Second Priority Lien Obligations seeks or requests adequate protection and such adequate protection is granted in the form of a Lien on additional or replacement collateral and/or a superpriority administrative claim, then the Applicable Second Lien Agent agreed that the holders of the First Priority Lien Obligations shall also be granted a senior Lien on such additional or replacement collateral as security and adequate protection for the applicable First Priority Lien Obligations and any such DIP Financing and/or a superpriority administrative claim (as applicable), and that any Lien on such additional or replacement collateral securing or providing adequate protection for the Second Priority Lien Obligations and/or a superpriority claim shall be junior and subordinated to the Liens on such collateral securing, and the claims with respect to, the First Priority Lien Obligations and any such DIP Financing (and all obligations relating thereto) and

any other Liens granted to the holders of First Priority Lien Obligations as adequate protection on the same basis as the other Liens securing, and the claims with respect to, the Second Priority Lien Obligations are so junior and subordinated to such Liens securing, and claims with respect to, the First Priority Lien Obligations under the First Lien/Second Lien Intercreditor Agreement. Without limiting the generality of the foregoing, to the extent the holders of First Priority Lien Obligations are granted adequate protection in the form of payments in the amount of current post-petition interest, fees, and expenses, and/or other cash payments, then the Applicable Second Lien Agent and the holders of Second Priority Lien Obligations shall not be prohibited from seeking and accepting adequate protection in the form of payments in the amount of current post-petition interest, fees, and expenses, and/or other cash payments (as applicable), subject to the right of the First-Priority Collateral Agent or the holders of First Priority Lien Obligations to object to the reasonableness of the amounts of fees and expenses or other cash payments so sought by the Applicable Second Lien Agent and the holders of Second Priority Lien Obligations; and

(8) until the Discharge of First Priority Lien Obligations has occurred, they (i) will not assert or enforce any claim under Section 506(c) of the Bankruptcy Code (or any similar provision under any other applicable bankruptcy law) senior to or on a parity with the Liens securing the First Priority Lien Obligations for costs or expenses of preserving or disposing of any Collateral or other collateral, and (ii) will waive any claim it may have arising out of the election by any holder of First Priority Lien Obligations of the application of Section 1111(b)(2) of the Bankruptcy Code (or any similar provision under any other applicable bankruptcy law).

In addition, under the First Lien/Second Lien Intercreditor Agreement, no holder of Second Priority Lien Obligations may support or vote in favor of any plan of reorganization proposed in any insolvency or liquidation proceeding (and shall be deemed to have voted to reject any such plan) unless it (a) pays off, in cash in full, all First Priority Lien Obligations, (b) is accepted by the class of holders of First Priority Lien Obligations voting thereon in accordance with Section 1126 of the Bankruptcy Code (or any similar provision under any other applicable bankruptcy law), or (c) otherwise provides the holders of First Priority Lien Obligations with the value of the Collateral in cash or otherwise, prior to any payment or distribution on account of the Second Priority Lien Obligations (subject to a certain other provision of the First Lien/Second Lien Intercreditor Agreement).

The First Lien/Second Lien Intercreditor Agreement further provides that the parties thereto agree that (i) the grants of Liens pursuant to the Security Documents and the security documents governing the Second Priority Lien Obligations constitute two separate and distinct grants of Liens and (ii) because of their differing rights in the Collateral, the Second Priority Lien Obligations must be separately classified from the First Priority Lien Obligations in any plan of reorganization proposed or confirmed in any insolvency or liquidation proceeding. The parties thereto further agree that regardless of whether any claim for interest, fees, costs, or expenses that accrue after the commencement of an insolvency or liquidation proceeding is allowed or allowable, the First Lien/Second Lien Intercreditor Agreement expressly is intended to include and does include the "rule of explicitness" in that the First Lien/Second Lien Intercreditor Agreement expressly entitles the First-Priority Collateral Agent and the holders of First Priority Lien Obligations with the right to receive, in respect of the First Priority Lien Obligations, payment from the Collateral of all such post-petition claims through distributions made therefrom pursuant to the provisions of the First Lien/Second Lien Intercreditor Agreement, even if any such post-petition claims are not allowed or allowable against the bankruptcy estate of any Issuer or any Subsidiary Guarantor under the Bankruptcy Code or any other applicable

bankruptcy law. If it is held that the claims of the holders of the First Priority Lien Obligations and the holders of the Second Priority Lien Obligations in respect of the Collateral constitute only one secured claim (rather than separate classes of senior and junior secured claims), then the holders of the First Priority Lien Obligations shall be entitled to receive, in addition to the amounts distributed to them from, or in respect of, the Collateral in respect of principal, prepetition interest, and other claims, all amounts owing in respect of post-petition claims, irrespective of whether any claim for such amounts is allowed or allowable in such insolvency or liquidation proceeding, before any distribution from, or in respect of, any Collateral is made in respect of the claims held by the Second Lien Secured Parties, with the holders of the Second Lien Secured Parties acknowledging and agreeing in the First Lien/Second Lien Intercreditor Agreement to turn over to the holders of the First Priority Lien Obligations amounts otherwise received or receivable by them from the Collateral to the extent necessary to effectuate the intent of the foregoing, even if such turnover has the effect of reducing the claim or recovery of the holders of the Second Lien Secured Parties.

Release of Collateral

The Issuers and the Subsidiary Guarantors are entitled to the automatic release of property and other assets included in the Collateral from the Liens securing the Notes Obligations under any one or more of the following circumstances or any applicable circumstance as provided in the First Lien/First Lien Intercreditor Agreement or the First Lien/Second Lien Intercreditor Agreement:

(1) in respect of the property and assets of a Subsidiary Guarantor, upon the consummation of any transaction permitted by the Indentures as a result of which such Subsidiary Guarantor ceases to be a Subsidiary of the Issuers or otherwise ceases to be a pledgor under the Security Documents;

(2) to enable the Issuers or any Subsidiary Guarantor to consummate the disposition of such property or assets to a Person that is not an Issuer or a Subsidiary Guarantor to the extent not prohibited under the Indentures;

(3) in respect of the property and assets of a Subsidiary Guarantor, upon the designation of such Subsidiary Guarantor to be an Unrestricted Subsidiary or an Excluded Subsidiary;

(4) in respect of the property or assets of an Issuer, upon the release or discharge of such Issuer's Notes Obligations in accordance with the Indentures;

(5) in respect of the property and assets of a Subsidiary Guarantor, upon the release or discharge of the Subsidiary Guarantee of such Subsidiary Guarantor in accordance with the Indentures;

(6) in respect of any property and assets that are or become Excluded Assets pursuant to a transaction not prohibited under the Indentures;

(7) in respect of the property and assets of a Subsidiary Guarantor, upon the release or discharge of the pledge granted by such Subsidiary Guarantor to secure the obligations under the First Lien Credit Facility or any other Indebtedness the guarantee in respect of which resulted in the obligation to become a Subsidiary Guarantor with respect to the Notes; and

(8) upon any sale or other transfer by the Issuers or any Subsidiary Guarantor of any Collateral that is permitted under the Indentures to any Person that is not an Issuer or a

Subsidiary Guarantor (including in connection with a condemnation or casualty event), or upon the effectiveness of any written consent to the release of the security interest granted by the Security Documents in any Collateral pursuant to the Indentures.

The first priority security interests in all Collateral securing any series of the Notes will also be released upon (i) payment in full of the principal of, together with accrued and unpaid interest (including additional interest, if any) on, such series of Notes and all other obligations under the applicable Indenture and the Security Documents that are due and payable at or prior to the time such principal, together with accrued and unpaid interest (including additional interest, if any) with respect to such series of Notes (including pursuant to a satisfaction and discharge of the Indentures as described below under "—Defeasance and Discharge of Obligations") or (ii) a discharge or defeasance of such series under an Indenture as described below under "—Defeasance and Discharge of Obligations."

Subsidiary Guarantees

Each of the Issuers' direct and indirect Wholly Owned Restricted Subsidiaries that are Domestic Subsidiaries (other than an Excluded Subsidiary) and that are borrowers or guarantors under the First Lien Credit Agreement, the ADT Notes or any other First Priority Lien Obligations will jointly and severally irrevocably and unconditionally guarantee on a senior basis the performance and punctual payment when due, whether at maturity, by acceleration or otherwise, of all obligations of the Issuers under the Indentures and the Notes, whether for payment of principal of, premium, if any, or interest on the Notes, expenses, indemnification or otherwise (all such obligations guaranteed by such Subsidiary Guarantors being herein called the "*Guaranteed Obligations*"). The Guaranteed Obligations of all Subsidiary Guarantors will be secured by first-priority security interests (subject to certain permitted liens) in the Collateral owned by such Subsidiary Guarantor. The Subsidiary Guarantors will agree to pay, in addition to the amount stated above, any and all expenses (including reasonable counsel fees and expenses) incurred by the Trustee in enforcing any rights under the Subsidiary Guarantees.

Each Subsidiary Guarantee will be limited to an amount not to exceed the maximum amount that can be guaranteed by the applicable Subsidiary Guarantor without rendering the Subsidiary Guarantee, as it relates to such Subsidiary Guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally.

After the Issue Date, the Issuers will cause each Wholly Owned Restricted Subsidiary that is a Domestic Subsidiary (other than an Excluded Subsidiary) that incurs or guarantees Indebtedness of an Issuer or any of the Subsidiary Guarantors, including Indebtedness under the First Lien Credit Agreement, the ADT Notes or any other First Priority Lien Obligations, to execute and deliver to the Trustee (i) a supplemental indenture pursuant to which such Wholly Owned Restricted Subsidiary will guarantee payment of the Notes and (ii) joinders to or new Security Documents and take all actions required by the Security Documents to perfect the Liens created thereunder.

Each Subsidiary Guarantee will be a continuing guarantee and shall:

(1) subject to the next succeeding paragraph, remain in full force and effect until payment in full of all the Guaranteed Obligations of such Subsidiary Guarantor;

(2) subject to the next succeeding paragraph, be binding upon each such Subsidiary Guarantor and its successors; and

(3) inure to the benefit of and be enforceable by the Trustee, the holders and their successors, transferees and assigns.

Each Subsidiary's Subsidiary Guarantee will be automatically released upon any of the following:

(1) the sale, disposition, exchange or other transfer (including through merger, consolidation, amalgamation, Delaware LLC, Division, dividend, distribution or otherwise) of the Capital Stock (including any sale, disposition, exchange or other transfer following which the applicable Subsidiary Guarantor is no longer a Restricted Subsidiary), of the applicable Subsidiary Guarantor if such sale, disposition, exchange or other transfer is made in a manner not in violation of the Indentures;

(2) the designation of such Subsidiary Guarantor as an Unrestricted Subsidiary or such Subsidiary Guarantor becoming an Excluded Subsidiary;

(3) the release or discharge of the guarantee by such Subsidiary Guarantor of the Indebtedness or guarantee of the First Lien Credit Agreement or any other Indebtedness which resulted in the obligation to guarantee the Notes;

(4) the Issuers' exercise of their legal defeasance option or covenant defeasance option as described under "—Defeasance and Discharge of Obligations" or if the Issuers' obligations under the Indentures are discharged in accordance with the terms of the Indentures; and

(5) such Subsidiary ceasing to be a Subsidiary as a result of any foreclosure of any pledge or security interest in favor of the First Priority Lien Obligations or other exercise of remedies in respect thereof.

Covenants

Under the Indentures:

- The Issuers will duly and punctually pay or cause to be paid the principal of, premium, if any, and interest on the Notes;
- The Issuers will maintain an office or agency where Notes may be presented or surrendered for payment; and
- The Issuers will furnish to the Trustee on or before March 31 of each year a certificate executed by its principal executive, financial or accounting officer as to such officer's knowledge of the Issuers' compliance with all covenants and agreements under the Indentures required to be complied with by the Issuer.

The following additional covenants shall apply with respect to a series of the Notes so long as any Notes of such series remain outstanding (but subject to defeasance with respect to such series, as provided in the applicable Indenture):

Reports by the Issuers

So long as any Notes are outstanding, the Issuers will provide to the applicable Trustee and, upon request, to beneficial owners of such Notes a copy of all of the information and reports referred to below:

(1) within 15 days after the time period specified in the SEC's rules and regulations for non-accelerated filers, annual reports of the Reporting Entity (as defined below) for

such fiscal year containing the information that would have been required to be contained in an annual report on Form 10-K (or any successor or comparable form) if the Reporting Entity had been a reporting company under the Exchange Act, except to the extent permitted to be excluded by the SEC;

(2) within 15 days after the time period specified in the SEC's rules and regulations for non-accelerated filers, quarterly reports of the Reporting Entity for such fiscal quarter containing the information that would have been required to be contained in a quarterly report on Form 10-Q (or any successor or comparable form) if the Reporting Entity had been a reporting company under the Exchange Act, except to the extent permitted to be excluded by the SEC; and

(3) within 15 days after the time period specified in the SEC's rules and regulations for filing current reports on Form 8-K, current reports of the Reporting Entity containing substantially all of the information that would be required to be filed in a Current Report on Form 8-K under the Exchange Act on the Issue Date pursuant to Sections 1, 2 and 4, Items 5.01, 5.02(a)–(d) (other than compensation information), 5.03(b) and Item 9.01 (only to the extent relating to any of the foregoing) of Form 8-K if the Reporting Entity had been a reporting company under the Exchange Act; provided, however, that no such current reports will be required to be furnished if the Issuers or any direct or indirect parent of the Issuers determines in its good faith judgment that such event is not material to the holders or the business, assets, operations, financial position or prospects of the Issuers and their Affiliates, taken as a whole.

If at any time the Company or any direct or indirect parent of the Company has made a good faith determination to file a registration statement with the SEC with respect to a public offering of such Person's Capital Stock, the Company will not be required to disclose any information or take any actions that, in the good faith view of the Company, would violate the securities laws or the SEC's "gun jumping" rules or otherwise have an adverse effect on such public offering.

Notwithstanding the foregoing, (a) the Issuers (and the applicable Reporting Entity) will not be required to furnish any information, certificates or reports that would otherwise be required by (i) Section 302 or Section 404 of the Sarbanes-Oxley Act of 2002, or related Items 307 or 308 of Regulation S-K, or (ii) Item 10(e) of Regulation S-K promulgated by the SEC with respect to any non-generally accepted accounting principles financial measures contained therein, (b) such reports will not be required to contain financial information required by Rule 3-09, Rule 3-10 or Rule 3-16 of Regulation S-X or include any exhibits or certifications required by Form 10-K, Form 10-Q or Form 8-K (or any such successor or comparable forms) or related rules under Regulation S-K and (c) such reports shall be subject to exceptions and exclusions consistent with the presentation of financial and other information in the offering memorandum for the Notes (including the documents incorporated by reference therein) or otherwise consistent with the Indentures and shall not be required to present compensation or beneficial ownership information.

The financial statements, information and other documents required to be provided as described above, may be those of (i) the Company or (ii) any direct or indirect parent of the Company (any such entity described in clause (i) or (ii), a "Reporting Entity"), so long as, in the case of (ii), either (a) such direct or indirect parent of the Company will not conduct, transact or otherwise engage, or commit to conduct, transact or otherwise engage, in any business or operations other than its direct or indirect ownership of all of the Equity Interests in, and its management of the Company or (b) such direct or indirect parent of the Company is or becomes a guarantor of the applicable series of Notes; provided, that, if the financial information so

furnished relates to such direct or indirect parent of the Company pursuant to (ii)(a) above, the same is accompanied by a reasonably detailed description of the quantitative differences between the information relating to such parent, on the one hand, and the information relating to the Issuers and the guarantors of the Notes on a standalone but consolidated basis, on the other hand.

In addition to providing such information to the applicable Trustee, the Issuers will make available to the holders, prospective investors and securities analysts the information required to be provided pursuant to clauses (1), (2) or (3) of the first paragraph above, by posting such information to the website of the Issuers (or the website of any direct or indirect parent of the Issuers) or on IntraLinks or any comparable online data system or website.

The Issuers or any direct or indirect parent of the Issuers will also hold quarterly conference calls, beginning with the first full fiscal quarter ending after the operative date of the Indentures, for all holders and securities analysts to discuss such financial information no later than ten Business Days after the distribution of such information required by this covenant, and prior to the date of each such conference call, the Issuers or any direct or indirect parent of the Issuers will announce the time and date of such conference call and either include all information necessary to access the call in such announcement or inform the holders of each series of Notes, prospective investors and securities analysts how they can obtain such information, including, without limitation, the applicable password or other login information (if applicable).

Notwithstanding the foregoing, the Issuers will be deemed to have furnished such reports referred to above to the applicable Trustee and holders if the Issuers or a Reporting Entity has filed such reports with the SEC via the EDGAR filing system (or any successor system) and such reports are publicly available. In addition, the requirements of this covenant shall be deemed satisfied by the posting of reports that would be required to be provided to the holders on the Issuers' website (or the website of any direct or indirect parent of the Issuers).

Limitation on the Ability to Consolidate, Merge and Sell Assets

Each Issuer will covenant that it will not merge or consolidate with any other Person, consummate a Delaware LLC Division (whether or not such Issuer is the surviving Person or successor, as applicable) or sell or convey all or substantially all of its assets to any person, unless:

(1) such Issuer shall be the continuing entity, or the successor entity or the Person which acquires by sale or conveyance substantially all the assets of such Issuer, (A) shall expressly assume all of the obligations of such Issuer under the Indentures, (B) is an entity treated as a "corporation" for U.S. tax purposes and obtains either (x) an opinion, in form and substance reasonably acceptable to the Trustee, of tax counsel of recognized standing reasonably acceptable to the Trustee, which counsel shall include Paul, Weiss, Rifkind, Wharton & Garrison LLP or (y) a ruling from the U.S. Internal Revenue Service, in either case to the effect that such merger, Delaware LLC Division or consolidation, or such sale or conveyance, will not result in an exchange of the Notes for new debt instruments for U.S. federal income tax purposes and (C) if such entity is not organized under the laws of the United States or any state of the United States, then it shall expressly undertake obligations with respect to the Notes comparable to those initially undertaken by such Issuer with as described under "Payment of Additional Amounts"; provided, however, that no Additional Amounts (defined in under "Payment of Additional Amounts") shall be paid on account of any taxes imposed or withheld pursuant to Sections 1471 through 1474 of the Code (or any amended or successor version that is substantively comparable) and any current or future regulations promulgated thereunder or official interpretations thereof; and

(2) no Event of Default (as defined below) and no event that, after notice or lapse of time or both, would become an Event of Default shall be continuing immediately after such merger, Delaware LLC Division or consolidation, or such sale or conveyance.

Such Issuer shall deliver to the Trustee prior to the consummation of the proposed transaction an officer's certificate to the forgoing effect and an opinion of counsel stating that the proposed transaction and any such supplemental indenture comply with the Indentures.

Limitations on Liens

The Issuers will not, and will not permit any Principal Subsidiary (as defined below) to, issue, assume or guarantee any Indebtedness that is secured by a lien upon any property that at the time of such issuance, assumption or guarantee constitutes a Principal Property (as defined below), or any shares of stock of or Indebtedness issued by any Principal Subsidiary, whether now owned or hereafter acquired, without effectively providing that, for so long as such lien shall continue in existence with respect to such secured Indebtedness, the Notes (together with, if the Issuers shall so determine, any other Indebtedness of the Issuers ranking equally with the Notes, it being understood that for purposes hereof, Indebtedness which is secured by a lien and Indebtedness which is not so secured shall not, solely by reason of such lien, be deemed to be of different ranking) are equally and ratably secured by a lien ranking ratably with or equal to (or at the Issuers' option prior to) such secured Indebtedness; provided, however, that the foregoing covenant shall not apply to:

- liens existing on the date the Notes are first issued;
- liens securing the Notes Obligations in respect of the initial 2024 Notes and the initial 2026 Notes;
- liens on the stock, assets or Indebtedness of a Person (as defined in the Indentures) existing at the time such Person becomes a Principal Subsidiary, unless created in contemplation of such Person becoming a Principal Subsidiary;
- liens on any assets or Indebtedness of a Person existing at the time such Person is merged with or into or consolidated with or acquired by an Issuer or a Principal Subsidiary or at the time of a purchase, lease or other acquisition of the assets of a corporation or firm as an entirety or substantially as an entirety by an Issuer or any Principal Subsidiary;
- liens on any Principal Property existing at the time of acquisition thereof by an Issuer or any Principal Subsidiary, or liens to secure the payment of the purchase price of such Principal Property by an Issuer or any Principal Subsidiary, or to secure any Indebtedness incurred, assumed or guaranteed by an Issuer or a Principal Subsidiary for the purpose of financing all or any part of the purchase price of such Principal Property or improvements or construction thereon, which Indebtedness is incurred, assumed or guaranteed prior to, at the time of or within one year after such acquisition, or in the case of real property, completion of such improvement or construction or commencement of full operation of such property, whichever is later; provided, however, that in the case of any such acquisition, construction or improvement, the lien shall not apply to any Principal Property theretofore owned by an Issuer or a Principal Subsidiary, other than the Principal Property so acquired, constructed or improved, and accessions thereto and improvements and replacements thereof and the proceeds of the foregoing;
- liens securing Indebtedness owing by any Principal Subsidiary to an Issuer or a Subsidiary thereof;

- liens in favor of the United States or any State thereof, or any department, agency or instrumentality or political subdivision of the United States or any State thereof, or in favor of any other country or any political subdivision thereof, to secure partial, progress, advance or other payments pursuant to any contract, statute, rule or regulation or to secure any Indebtedness incurred or guaranteed for the purpose of financing all or any part of the purchase price, or, in the case of real property, the cost of construction or improvement, of the Principal Property subject to such liens, including liens incurred in connection with pollution control, industrial revenue or similar financings;

- pledges, liens or deposits under workers' compensation or similar legislation, and liens thereunder that are not currently dischargeable, or in connection with bids, tenders, contracts, other than for the payment of money, or leases to which an Issuer or any Principal Subsidiary is a party, or to secure the public or statutory obligations of an Issuer or any Principal Subsidiary, or in connection with obtaining or maintaining self-insurance, or to obtain the benefits of any law, regulation or arrangement pertaining to unemployment insurance, old age pensions, social security or similar matters, or to secure surety, performance, appeal or customs bonds to which an Issuer or any Principal Subsidiary is a party, or in litigation or other proceedings in connection with the matters heretofore referred to in this clause, such as interpleader proceedings, and other similar pledges, liens or deposits made or incurred in the ordinary course of business;

- liens created by or resulting from any litigation or other proceeding that is being contested in good faith by appropriate proceedings, including liens arising out of judgments or awards against an Issuer or any Principal Subsidiary with respect to which an Issuer or such Principal Subsidiary in good faith is prosecuting an appeal or proceedings for review or for which the time to make an appeal has not yet expired; or final unappealable judgment liens which are satisfied within 15 days of the date of judgment; or liens incurred by an Issuer or any Principal Subsidiary for the purpose of obtaining a stay or discharge in the course of any litigation or other proceeding to which an Issuer or such Principal Subsidiary is a party;

- liens for taxes or assessments or governmental charges or levies not yet due or delinquent; or that can thereafter be paid without penalty, or that are being contested in good faith by appropriate proceedings; landlord's liens on property held under lease; and any other liens or charges incidental to the conduct of the business of an Issuer or any Principal Subsidiary, or the ownership of their respective assets, that were not incurred in connection with the borrowing of money or the obtaining of advances or credit and that, in the opinion of the Board of Directors of an Issuer, do not materially impair the use of such assets in the operation of the business of an Issuer or such Principal Subsidiary or the value of such Principal Property for the purposes of such business;

- liens to secure an Issuer's or any Principal Subsidiary's obligations under agreements with respect to spot, forward, future and option transactions, entered into in the ordinary course of business;

- liens not permitted by the foregoing clauses, inclusive, if at the time of, and after giving effect to, the creation or assumption of any such lien, the aggregate amount of all outstanding Indebtedness of an Issuer and its Principal Subsidiaries, without duplication, secured by all such liens not so permitted by the foregoing bullets, inclusive, together with the Attributable Debt in respect of Sale and Lease-Back Transactions permitted by the first bullet under "Limitation on Sale and Lease-Back

Transactions" below do not exceed the greater of $100,000,000 and 10% of Consolidated Net Worth (as defined below); and

- any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part, of any lien referred to in the foregoing bullets inclusive; provided, however, that the principal amount of Indebtedness secured thereby unless otherwise excepted under the foregoing bullets shall not exceed the principal amount of Indebtedness so secured at the time of such extension, renewal or replacement, and that such extension, renewal or replacement shall be limited to all or a part of the assets, or any replacements therefor, that secured the lien so extended, renewed or replaced, plus improvements and construction on real property.

Limitation on Sale and Lease-Back Transactions

The Issuers will not, and will not permit any Principal Subsidiary to, enter into any Sale and Lease-Back Transaction unless:

- such Issuer or Principal Subsidiary, at the time of entering into a Sale and Lease-Back Transaction, would be entitled to incur Indebtedness secured by a lien on the Principal Property to be leased in an amount at least equal to the Attributable Debt in respect of such Sale and Lease-Back Transaction, without equally and ratably securing the Notes pursuant to the subsection "Limitations on Liens" above; or
- the direct or indirect proceeds of the sale of the Principal Property to be leased are at least equal to the fair value of such Principal Property, as determined by the Company's Board of Directors, and an amount equal to the net proceeds from the sale of the property or assets so leased is applied, within 180 days of the effective date of any such Sale and Lease-Back Transaction, to the purchase or acquisition, or, in the case of real property, commencement of the construction of property or assets or to the retirement (other than at maturity or pursuant to a mandatory sinking fund or mandatory redemption provision) of the Notes, or of Funded Indebtedness of an Issuer or a consolidated Subsidiary ranking on a parity with or senior to the Notes; provided that there shall be credited to the amount of net proceeds required to be applied pursuant to this provision an amount equal to the sum of (i) the principal amount of the Notes delivered within 180 days of the effective date of such Sale and Lease-Back Transaction to the Trustee for retirement and cancellation and (ii) the principal amount of other Funded Indebtedness voluntarily retired by an Issuer within such 180-day period, excluding retirements of the Notes and other Funded Indebtedness as a result of conversions or pursuant to mandatory sinking fund or mandatory prepayment provisions.

Events of Default

With respect to a particular series of the Notes, an "Event of Default" will mean any one or more of the following events that has occurred and is continuing:

- default in the payment of any installment of interest upon any of the Notes of such series as and when the same shall become due and payable, and continuance of such default for a period of 30 days;
- default in the payment of all or any part of the principal of or premium, if any, on any of the Notes of such series as and when the same shall become due and payable either at maturity, upon redemption, by declaration or otherwise;
- default in the performance, or breach, of any covenant or agreement of an Issuer in respect of the Notes of such series (other than a default or breach that is specifically

dealt with elsewhere), and continuance of such default or breach for a period of 90 days after the date on which there has been given, by registered or certified mail, to such Issuer by the Trustee or to such Issuer and the Trustee by the holders of at least 25% in principal amount of the outstanding Notes of such series issued under the applicable Indenture affected thereby, a written notice specifying such default or breach and requiring it to be remedied and stating that the notice is a "Notice of Default" under the applicable Indenture;

- a court having jurisdiction in the premises shall enter a decree or order for relief in respect of an Issuer in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee or sequestrator or similar official of an Issuer or for any substantial part of its property or ordering the winding up or liquidation of its affairs, and such decree or order shall remain unstayed and in effect for a period of 90 consecutive days;
- an Issuer shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consent to the entry of an order for relief in an involuntary case under any such law, or consent to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee or sequestrator or similar official of an Issuer or for any substantial part of its property, or make any general assignment for the benefit of creditors; or
- any other Event of Default provided in the supplemental indenture or resolution of the Board of Directors under which the Notes of such series is issued or in the form of security for such series.

If an Event of Default shall have occurred and be continuing in respect of the Notes of a series, in each and every case, unless the principal of all the Notes of the series shall have already become due and payable, either the Trustee or the holders of not less than 25% in aggregate principal amount of the Notes of such series then outstanding, by notice in writing to the Issuers and, if given by such holders, to the Trustee may declare the unpaid principal of all the Notes of that series to be due and payable immediately.

The holders of a majority in aggregate principal amount of Notes of any series, by written notice to the Issuers and the Trustee may waive any existing default in the performance of any of the covenants contained in the applicable Indenture or established with respect to such series and its consequences, except a default in the payment of the principal of, premium, if any, or interest on, any of the Notes of that series as and when the same shall become due by the terms of such Notes. Upon any such waiver, the default covered thereby and any Event of Default arising therefrom shall be deemed to be cured for all purposes of the applicable Indenture.

The holders of a majority in aggregate principal amount of the outstanding Notes of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to such series; provided, however, that such direction shall not be in conflict with any rule of law or with the applicable Indenture or be unduly prejudicial to the rights of holders of securities of any other outstanding series of debt securities. Subject to the terms of the applicable Indenture, the Trustee shall have the right to decline to follow any such direction if the Trustee in good faith shall determine that the proceeding so directed would involve the Trustee in personal liability.

No holder of Notes of any series shall have any right to institute any suit, action or proceeding in equity or at law under the applicable Indenture or to appoint a receiver or trustee, or to seek any other remedies under the applicable Indenture unless:

- such holder previously shall have given to the Trustee written notice of an Event of Default and the continuance thereof specifying such Event of Default;
- the holders of not less than 25% in aggregate principal amount of the Notes of such series then outstanding shall have made written request upon the Trustee to institute such action, suit or proceeding in its own name as trustee;
- such holder or holders shall have offered to the Trustee such indemnity and security reasonably satisfactory to it as it may require against the costs, expenses and liabilities to be incurred therein or thereby;
- the Trustee, for 60 days after its receipt of such written notice, request and offer of indemnity and security reasonably satisfactory to it, shall have failed to institute any such action, suit or proceeding; and
- during such 60 day period, the holders of a majority in principal amount of the Notes of that series do not give the Trustee a direction inconsistent with such request.

The right of any holder to receive payment of principal of, and premium, if any, and interest on such security or to institute suit for the enforcement of any such payment shall not be impaired or affected without the consent of such holder.

The following additional event shall be established and shall constitute an "Event of Default" under the applicable Indenture with respect a series of the Notes so long as any of the Notes of such series remain outstanding:

- an event of default shall happen and be continuing with respect to an Issuer's Indebtedness for borrowed money (other than Non-Recourse Indebtedness) under any indenture or other instrument evidencing or under which an Issuer shall have a principal amount outstanding (such amount with respect to original issue discount bonds or zero coupon notes, bonds or debentures or similar securities based on the accreted amount determined in accordance with United States generally accepted accounting principles and as of the date of the most recently prepared consolidated balance sheet of such Issuer) in excess of $100,000,000, and such event of default shall involve the failure to pay the principal of such Indebtedness on the final maturity date thereof after the expiration of any applicable grace period with respect thereto, or such Indebtedness shall have been accelerated so that the same shall have become due and payable prior to the date on which the same would otherwise have become due and payable, and such acceleration shall not be rescinded or annulled within ten Business Days after notice thereof shall have been given by the Trustee to such Issuer or by the holders of at least 25% in aggregate principal amount of outstanding Notes of such series to the Trustee and such Issuer.

However, this additional Event of Default is subject to the following:

- if such event of default under such indenture or instrument shall be remedied or cured by such Issuer or waived by the requisite holders of such Indebtedness, then the event of default under the applicable Indenture by reason thereof shall be deemed likewise to have been thereupon remedied, cured or waived without further action upon the part of either the Trustee or any of the holders; and
- subject to certain duties, responsibilities and rights of the Trustee under the applicable Indenture, the Trustee shall not be charged with knowledge of any such event of default

unless written notice thereof shall have been given to the Trustee by such Issuer, by the holder or an agent of the holder of any such Indebtedness, by the Trustee then acting under any indenture or other instrument under which such default shall have occurred, or by the holders of not less than 25% in the aggregate principal amount of outstanding Notes of such series.

Modification of an Indenture and the Security Documents

The Trustee or the collateral agent, as applicable, and the Issuers may from time to time and at any time amend the Indenture and the Security Documents (subject to the provisions of the Security Documents) or enter into an indenture or indentures supplemental to any Indenture without the consent of any holders of any series of Notes for one or more of the following purposes:

- to cure any ambiguity, defect or inconsistency in the Indenture or Security Documents;
- to add an additional obligor on the debt securities or to add a guarantor of any outstanding debt securities or to evidence the succession of another Person to an Issuer, or successive successions, and the assumption by the successor Person of the covenants, agreements and obligations of an Issuer, pursuant to provisions in the Indenture concerning consolidation, merger, Delaware LLC Division, or sale of assets;
- to provide for uncertificated debt securities in addition to or in place of certificated debt securities;
- to add to the covenants of the Issuers for the benefit of the holders of any outstanding debt securities issued under the Indenture or to surrender any of the Issuers' rights or powers under the applicable Indenture;
- to add any additional Events of Default for the benefit of the holders of any outstanding debt securities issued under the Indenture;
- to change or eliminate any of the provisions of the Indenture, provided that any such change or elimination shall not become effective with respect to any outstanding debt securities created prior to the execution of such supplemental indenture which is entitled to the benefit of such provision;
- to secure the Notes or any guarantee thereof;
- to make any other change that does not adversely affect the rights of any holder of outstanding debt securities in any material respect;
- to issue additional debt securities, including additional notes (see "—Additional Notes"); provided that such additional debt securities have the same terms as, and are deemed part of the same securities as, the applicable debt securities to the extent required under the applicable Indenture; or
- to evidence and provide for the acceptance of appointment by a successor trustee with respect to the debt securities and to add to or change any of the provisions of the Indenture as shall be necessary to provide for or facilitate the administration of the trust by more than one trustee.

In addition, under the Indentures, with the written consent of the holders of not less than a majority in aggregate principal amount of the debt securities of each series at the time outstanding that is affected, the Issuers when authorized by board resolutions, and the Trustee, from time to time and at any time may amend the Indenture and the Security Documents (subject to the provisions of the Security Documents) or enter into an indenture or indentures to

supplement any Indenture. However, the following changes may only be made with the consent of each holder of outstanding debt securities affected:

- extend a fixed maturity of or any installment of principal of any debt securities of any series or reduce the principal amount thereof or reduce the amount of principal of any original issue discount security that would be due and payable upon declaration of acceleration of the maturity thereof;
- reduce the rate of or extend the time for payment of interest on any debt security of any series;
- reduce the premium payable upon the redemption of any debt security;
- make any debt security payable in currency other than that stated in the debt security;
- impair the right to institute suit for the enforcement of any payment on or after the fixed maturity thereof or, in the case of redemption, on or after the redemption date; or
- reduce the percentage of debt securities, the holders of which are required to consent to any such supplemental indenture or indentures.

A supplemental indenture that changes or eliminates any covenant, Event of Default or other provision of any Indenture that has been expressly included solely for the benefit of one or more particular series of securities, if any, or which modifies the rights of the holders of securities of such series with respect to such covenant, Event of Default or other provision, shall be deemed not to affect the rights under the Indentures of the holders of securities of any other series.

It will not be necessary for the consent of the holders to approve the particular form of any proposed supplement, amendment or waiver, but it shall be sufficient if such consent approves the substance of it.

Information Concerning the Trustee

In case an Event of Default with respect to the securities of a series has occurred (that has not been cured or waived), the Trustee shall exercise with respect to securities of that series such of the rights and powers vested in it by the applicable Indenture, and use the same degree of care and skill in their exercise, as a prudent Person would exercise or use under the circumstances in the conduct of his or her own affairs. None of the provisions contained in the Indentures shall require the Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or liability is not assured to it under the terms of the Indentures or indemnity and security reasonably satisfactory to it against such risk is not assured.

The Trustee may resign with respect to one or more series of debt securities by giving a written notice to the Issuers and to the holders of that series of debt securities. The holders of a majority in principal amount of the outstanding debt securities of a particular series may remove the Trustee by notifying the Issuers and the Trustee. The Issuers may remove the Trustee if:

- the Trustee has or acquires a "conflicting interest," within the meaning of Section 310(b) of the Trust Indenture Act, and fails to comply with the provisions of Section 310(b) of the Trust Indenture Act;

- the Trustee fails to comply with the eligibility requirements provided in an Indenture and fails to resign after written request therefor by the Issuers or by any such holder in accordance with the Indenture; or
- the Trustee becomes incapable of acting, or is adjudged to be bankrupt or insolvent, or commences a voluntary bankruptcy proceeding, or a receiver of the Trustee or of its property is appointed or consented to, or any public officer takes charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation.

If the Trustee resigns or is removed or if the office of the Trustee is otherwise vacant, the Issuers will appoint a successor trustee in accordance with the provisions of the applicable Indenture.

A resignation or removal of the Trustee and appointment of a successor trustee shall become effective only upon the successor trustee's acceptance of the appointment as provided in the applicable Indenture.

Payment and Paying Agents

The interest installment on any security that is payable, and is punctually paid or duly provided for, on the fixed date on which an installment of interest with respect to securities of that series is due and payable, shall be paid to the Person in whose name such security (or one or more predecessor securities) is registered at the close of business on the regular record date for such interest installment.

The Issuers, upon written notice to the Trustee, may appoint one or more paying agents, other than the Trustee, for all or any series of the Notes. The notes of a particular series will be surrendered for payment at the office of the paying agents designated by the Issuers. If the Issuers do not designate such an office, the corporate trust office of the Trustee will serve as the office of the paying agent for such series. The Issuers or any of their Subsidiaries may act as paying agent upon written notice to the Trustee.

All funds paid by the Issuers to a paying agent or the Trustee for the payment of the principal of, premium, if any, or interest on the Notes which remains unclaimed for at least one year after such principal, premium, if any, or interest has become due and payable will be repaid to the Issuers and the holder of the Notes thereafter may look only to the Issuers for payment thereof.

Governing Law

The Indentures and any debt securities issued thereunder shall be deemed to be a contract made under the internal laws of the State of New York, and for all purposes shall be construed in accordance with the laws of the State of New York without regard to conflicts of laws principles that would require the application of any other law.

Defeasance and Discharge of Obligations

The Issuers' obligations with respect to any series of the Notes will be discharged and shall cease to be of further effect upon compliance with the conditions under the caption "Covenant Defeasance" if, with respect to all Notes of that particular series that have not been previously delivered to the Trustee for cancellation or that have not become due and payable as described

below, such notes have been paid by the Issuers by depositing irrevocably with the Trustee, in trust, funds or governmental obligations, or a combination thereof, sufficient, in the opinion of a nationally recognized firm of certified public accountants, to pay at maturity or upon redemption all such outstanding Notes of that series, such deposit to include:

- principal;
- premium, if any;
- interest due or to become due to such date of maturity or date fixed for redemption, as the case may be; and
- all other payments due under the terms of the applicable Indenture with respect to the debt securities of such series.

Notwithstanding the above, the Issuers may not be discharged from the following obligations, which will survive until such date of maturity or the redemption date for the applicable series of notes:

- to register the transfer or exchange of the Notes of such series;
- to execute and authenticate the notes;
- to replace stolen, lost or mutilated notes; and
- to appoint new trustees as required.

The Issuers also may not be discharged from the following obligations which will survive the satisfaction and discharge of the applicable series of Notes:

- to compensate and reimburse the Trustee in accordance with the terms of the applicable Indenture;
- to receive unclaimed payments held by the Trustee for at least one year after the date upon which the principal, if any, or interest on the Notes shall have respectively come due and payable and remit those payments to the holders if required;
- to withhold or deduct taxes as provided in the applicable Indenture.

Covenant Defeasance

Upon compliance with specified conditions, the Issuers will not be required to comply with some covenants contained in the applicable Indenture, and any omission to comply with the obligations will not constitute a default or Event of Default relating to the applicable series of Notes, or, if applicable, the Issuers' obligations with respect to the applicable series of Notes will be discharged. These conditions are:

- An Issuer or a Subsidiary Guarantor irrevocably deposits in trust with the Trustee or, at the option of the Trustee, with a trustee satisfactory to the Trustee and an Issuer or a Subsidiary Guarantor under the terms of an irrevocable trust agreement in form and substance satisfactory to the Trustee, funds or governmental obligations or a combination thereof sufficient, in the opinion of a nationally recognized firm of certified public accountants, to pay principal of, premium, if any, and interest on the outstanding securities of such series to maturity or redemption, as the case may be, and to pay all other amounts payable by it hereunder, provided that (A) the Trustee of the irrevocable trust shall have been irrevocably instructed to pay such funds or the proceeds of such governmental obligations to the Trustee and (B) the Trustee shall have been irrevocably instructed to apply such funds or the proceeds of such governmental obligations to the payment of principal, premium, if any, and interest with respect to the securities of such series;

- An Issuer or a Subsidiary Guarantor delivers to the Trustee an officer's certificate stating that all conditions precedent specified herein relating to defeasance or covenant defeasance, as the case may be, have been complied with, and an opinion of counsel to the same effect;
- No Event of Default shall have occurred and be continuing, and no event which with notice or lapse of time or both would become such an Event of Default shall have occurred and be continuing, on the date of such deposit;
- An Issuer or a Subsidiary Guarantor shall have delivered to the Trustee an opinion of counsel or a ruling received from the Internal Revenue Service to the effect that the holders of the securities of such series will not recognize income, gain or loss for federal income tax purposes as a result of such Issuer's or the Subsidiary Guarantor's exercise of such defeasance or covenant defeasance and will be subject to U.S. Federal income tax in the same amount and in the same manner and at the same times as would have been the case if such election had not been exercised;
- such defeasance or covenant defeasance shall not (i) cause the Trustee to have a conflicting interest for purposes of the Trust Indenture Act with respect to any securities or (ii) result in the trust arising from such deposit to constitute, unless it is registered as such, a regulated investment company under the Investment Company Act of 1940; and
- such defeasance or covenant defeasance shall be effected in compliance with any additional or substitute terms, conditions or limitations which may be imposed on an Issuer or a Subsidiary Guarantor pursuant to the applicable Indenture.

Additional Notes

We may, without the consent of the then existing holders of the Notes of a series, "re-open" the series and issue additional notes, which additional notes will have the same terms as the Notes offered hereby except for the issue price, issue date and under some circumstances, the first interest payment date. Additional notes issued in this manner will form a single series with the applicable series of the Notes offered hereby. We may also issue additional notes of a new series. All additional notes issued under the Indentures will be considered "Notes" for purposes thereof, with such changes as the context may imply.

Optional Redemption

2024 Notes

The 2024 Notes will be subject to redemption at the Issuers' option on any date prior to the maturity date, in whole or from time to time in part, in $1,000 increments (provided that any remaining principal amount thereof shall be at least the minimum authorized denomination thereof). The 2024 Notes will be redeemable at a redemption price equal to the greater of (i) 100% of the principal amount of the 2024 Notes to be redeemed and (ii) as determined by the Quotation Agent and delivered to the Trustee in writing, the sum of the present values of the remaining scheduled payments of principal and interest thereon due on any date after the date of redemption (excluding the portion of interest that will be accrued and unpaid to and including the date of redemption) discounted from their scheduled date of payment to the date of redemption (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Redemption Treasury Rate plus 50 basis points plus accrued and unpaid interest, if any, thereon to the date of redemption.

2026 Notes

The 2026 Notes will be subject to redemption at the Issuers' option on any date prior to the maturity date, in whole or from time to time in part, in $1,000 increments (provided that any remaining principal amount thereof shall be at least the minimum authorized denomination thereof). The 2026 Notes will be redeemable at a redemption price equal to the greater of (i) 100% of the principal amount of the 2026 Notes to be redeemed and (ii) as determined by the Quotation Agent and delivered to the Trustee in writing, the sum of the present values of the remaining scheduled payments of principal and interest thereon due on any date after the date of redemption (excluding the portion of interest that will be accrued and unpaid to and including the date of redemption) discounted from their scheduled date of payment to the date of redemption (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Redemption Treasury Rate plus 50 basis points plus accrued and unpaid interest, if any, thereon to the date of redemption.

Optional Redemption Definitions

"Adjusted Redemption Treasury Rate," with respect to any date of redemption, means the rate equal to the semiannual equivalent yield to maturity or interpolated (on a 30/360 day count basis) yield to maturity of the Comparable Redemption Treasury Issue, assuming a price for the Comparable Redemption Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Redemption Treasury Price for such date of redemption.

"Comparable Redemption Treasury Issue" means the United States Treasury security selected by the Quotation Agent as being the most recently issued United States Treasury note or bond as displayed by Bloomberg LP (or any successor service) on screens PXI through PX8 (or any other screens as may replace such screens on such service) that has a remaining term comparable to the remaining term of the Notes to be redeemed.

"Comparable Redemption Treasury Price," with respect to any date of redemption, means (i) the average of the Redemption Reference Treasury Dealer Quotations for such date of redemption, after excluding the highest and lowest such Redemption Reference Treasury Dealer Quotations (unless there is more than one highest or lowest quotation, in which case only one such highest and/or lowest quotation shall be excluded), or (ii) if the Quotation Agent obtains fewer than four such Redemption Reference Treasury Dealer Quotations, the average of all such Redemption Reference Treasury Dealer Quotations.

"Quotation Agent" means a Redemption Reference Treasury Dealer appointed as such agent by the Issuers.

"Redemption Reference Treasury Dealer" means four primary U.S. government securities dealers in the United States selected by the Issuers.

"Redemption Reference Treasury Dealer Quotations," with respect to each Redemption Reference Treasury Dealer and any date of redemption, means the average, as determined by the Quotation Agent, of the bid and offer prices at 11:00 a.m., New York City time, for the Comparable Redemption Treasury Issue (expressed in each case as a percentage of its principal amount) for settlement on the date of redemption quoted in writing to the Quotation Agent by such Redemption Reference Treasury Dealer on the third Business Day preceding such date of redemption.

Redemption Upon Changes in Withholding Taxes

The Issuers may redeem all, but not less than all, of the Notes under the following conditions:

- If there is an amendment to, or change in, the laws or regulations of Switzerland or the United States, as applicable, or any political subdivision thereof or therein having the power to tax (a "Taxing Jurisdiction"), or any change in the application or official interpretation of such laws, including any action taken by a taxing authority or a holding by a court of competent jurisdiction, regardless of whether such action or such holding is with respect to an Issuer;
- As a result of such amendment or change, an Issuer becomes, or there is a material probability that an Issuer will become, obligated to pay Additional Amounts, as defined below in "Payment of Additional Amounts," on the next payment date with respect to debt securities of such series;
- The obligation to pay Additional Amounts cannot be avoided through an Issuer's commercially reasonable measures;
- An Issuer delivers to the Trustee:
    - a certificate of such Issuer stating that the obligation to pay Additional Amounts cannot be avoided by such Issuer taking commercially reasonable measures available to it; and
    - a written opinion of independent legal counsel to such Issuer of recognized standing to the effect that such Issuer has, or there is a material probability that it will become obligated, to pay Additional Amounts as a result of a change, amendment, official interpretation or application described above and that such Issuer cannot avoid the payment of such Additional Amounts by taking commercially reasonable measures available to it; and
    - following the delivery of the certificate and opinion described in the previous bullet point, such Issuer provides notice of redemption not less than 30 days, but not more than 90 days, prior to the date of redemption. The notice of redemption cannot be given more than 90 days before the earliest date on which such Issuer would be otherwise required to pay Additional Amounts, and the obligation to pay Additional Amounts must still be in effect when the notice is given.

Upon the occurrence of each of the bullet points above, the Issuers may redeem the debt securities of such series at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest, if any, to the redemption date.

Notice of Redemption

Notice of any redemption will be mailed at least 30 days but not more than 90 days before the redemption date to the Trustee and each holder of notes of a series to be redeemed. If the Issuers elect to redeem a portion but not all of the Notes, the Trustee will select the Notes to be redeemed in accordance with a method determined by the Issuers and the rules and procedures of DTC, in such manner as complies with applicable legal and stock exchange requirements, if any.

Interest on such Notes or portions of Notes will cease to accrue on and after the date fixed for redemption, unless the Issuers default in the payment of such redemption price and accrued interest with respect to any such security or portion thereof.

If any date of redemption of any security is not a Business Day, then payment of principal and interest may be made on the next succeeding Business Day with the same force and effect as if made on the nominal date of redemption and no interest will accrue for the period after such nominal date.

Payment of Additional Amounts

Unless otherwise required by law, an Issuer will not deduct or withhold from payments made by such Issuer under or with respect to the guarantees on account of any present or future taxes, duties, levies, imposts, assessments or governmental charges of whatever nature imposed or levied by or on behalf of any Taxing Jurisdiction ("Taxes"). In the event that an Issuer is required to withhold or deduct any amount for or on account of any Taxes from any payment made under or with respect to the Notes, such Issuer, will pay such additional amounts ("Additional Amounts") so that the net amount received by each holder of Notes (including Additional Amounts) after such withholding or deduction will equal the amount that such holder would have received if such Taxes had not been required to be withheld or deducted.

Additional Amounts will not be payable with respect to a payment made to a holder of Notes or a holder of beneficial interests in global securities where such holder is subject to taxation on such payment by a relevant Taxing Jurisdiction for any reason other than such holder's mere ownership of the securities or for or on account of:

- any Taxes that are imposed or withheld solely because such holder or a fiduciary, settlor, beneficiary, or member of such holder if such holder is an estate, trust, partnership, limited liability company or other fiscally transparent entity, or a Person holding a power over an estate or trust administered by a fiduciary holder:
- is or was present or engaged in, or is or was treated as present or engaged in, a trade or business in the Taxing Jurisdiction or has or had a permanent establishment in the Taxing Jurisdiction;
- has or had any present or former connection (other than the mere fact of ownership of such securities) with the Taxing Jurisdiction imposing such taxes, including being or having been a citizen or resident thereof or being treated as being or having been a resident thereof;
- with respect to any withholding taxes imposed by the United States, is or was with respect to the United States a personal holding company, a passive foreign investment company, a controlled foreign corporation, a foreign tax exempt organization or corporation that has accumulated earnings to avoid United States federal income tax; or owns or owned 10% or more of the total combined voting power of all classes of stock of an Issuer;
- any estate, inheritance, gift, sales, transfer, excise or personal property Taxes imposed with respect to the securities, except as otherwise provided in the Indentures;
- any Taxes imposed solely as a result of the presentation of such Notes, where presentation is required, for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever is later, except to the extent that the beneficiary or holder thereof would have been entitled to the payment of Additional Amounts had such Notes been presented for payment on any date during such 30-day period;
- any Taxes imposed solely as a result of the failure of such holder or any other Person to comply with applicable certification, information, documentation or other reporting

requirements concerning the nationality, residence, identity or connection with the Taxing Jurisdiction of such holder, if such compliance is required by statute or regulation of the relevant Taxing Jurisdiction as a precondition to relief or exemption from such Taxes;

- with respect to withholding Taxes imposed by the United States, any such Taxes imposed by reason of the failure of such holder to fulfill the statement requirements of sections 871(h) or 881(c) of the Code;
- any Taxes that are payable by any method other than withholding or deduction by an Issuer or any paying agent from payments in respect of such securities;
- any Taxes required to be withheld by any paying agent from any payment in respect of any securities if such payment can be made without such withholding by at least one other paying agent;
- any combination of the above conditions.

Additional Amounts will not be payable to or for the account of any holder of securities or holder of a beneficial interest in such securities if such payment would not be subject to such withholding or deduction of Taxes but for the failure of such holder or holder of a beneficial interest in such securities to make a valid declaration of non-residence or other similar claim for exemption or to provide a certificate declaring its non-residence, if each Issuer were treated as a domestic corporation under United States federal income tax and if (x) the making of such declaration or claim or the provision of such certificate is required or imposed by statute, treaty, regulation, ruling or administrative practice of the relevant taxing authority as a precondition to an exemption from, or reduction in, the relevant Taxes, and (y) at least 90 days prior to the first payment date with respect to which each Issuer shall apply this paragraph, each Issuer shall have notified all holders of securities in writing that they shall be required to provide such declaration or claim.

Additional Amounts also will not be payable to any holder of securities or the holder of a beneficial interest in a global security that is a fiduciary, partnership, limited liability company or other fiscally transparent entity, or to such holder that is not the sole holder of such security or holder of such beneficial interests of such security, as the case may be. The exception, however, will apply only to the extent that a beneficiary or settlor with respect to the fiduciary, or a beneficial owner or member of the partnership, limited liability company or other fiscally transparent entity, would not have been entitled to the payment of an Additional Amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment.

In addition, no Additional Amounts will be paid on account of any taxes imposed or withheld pursuant to Sections 1471 through 1474 of the Code (or any amended or successor version that is substantively comparable) and any current or future regulations promulgated thereunder or official interpretations thereof.

At least 30 days prior to each date on which any payment under or with respect to the Notes of a series is due and payable, if an Issuer will be obligated to pay Additional Amounts with respect to such payment, such Issuer will deliver to the Trustee an officer's certificate stating the fact that such Additional Amounts will be payable, the amounts so payable and such other information as is necessary to enable the Trustee to pay such Additional Amounts to holders of such Notes on the payment date.

The foregoing provisions shall survive any termination or the discharge of an Indenture and shall apply to any jurisdiction in which an Issuer or any successor to such Issuer is organized or

is engaged in business for tax purposes or any political subdivisions or taxing authority or agency thereof or therein.

Whenever in this "Description of First-Priority Notes" there is mentioned, in any context, the payment of principal, premium, if any, redemption price, interest or any other amount payable under or with respect to the Notes, such mention includes the payment of Additional Amounts to the extent payable in the particular context.

Change of Control

If a Change of Control Triggering Event (as defined below) occurs, unless the Issuers have exercised their option to redeem the Notes, the Issuers shall be required to make an offer (a "Change of Control Offer") to each holder of the Notes to repurchase, at the holder's election, all or any part (equal to $1,000 or an integral multiple of $1,000 in excess thereof) of that holder's Notes on the terms set forth in the applicable Indenture. In a Change of Control Offer, the Issuers shall be required to offer payment in cash equal to 101% of the aggregate principal amount of Notes repurchased, plus accrued and unpaid interest, if any, on the Notes repurchased to the date of repurchase (a "Change of Control Payment"). Within 30 days following any Change of Control Triggering Event or, at the Issuers' option, prior to any Change of Control, but after public announcement of the transaction that constitutes or may constitute the Change of Control, a notice shall be mailed to the Trustee and to the holders of the Notes describing in reasonable detail the transaction that constitutes or may constitute the Change of Control Triggering Event and offering to repurchase such Notes on the date specified in the notice, which date shall be no earlier than 30 days and no later than 60 days from the date such notice is mailed (a "Change of Control Payment Date"). The notice shall, if mailed prior to the date of consummation of the Change of Control, state that the offer to purchase is conditioned on the Change of Control Triggering Event occurring on or prior to the Change of Control Payment Date.

Any exercise by a holder of its election to accept the Change of Control Offer shall be irrevocable. The Change of Control Offer may be accepted for less than the entire principal amount of a note, but in that event the principal amount of such note remaining outstanding after repurchase must be equal to $2,000 or an integral multiple of $1,000 in excess thereof.

The Issuers shall not be required to make a Change of Control Offer upon the occurrence of a Change of Control Triggering Event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by it and the third party purchases all Notes properly tendered and not withdrawn under its offer. In addition, the Issuers shall not repurchase any Notes if there has occurred and is continuing on the Change of Control Payment Date an Event of Default under the applicable Indenture, other than a default in the payment of the Change of Control Payment upon a Change of Control Triggering Event.

Notwithstanding the foregoing, we will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes.

For purposes of the Change of Control Offer provisions of the Notes, the following terms are applicable:

"Change of Control" means the occurrence of either of the following: (1) the sale, lease or transfer, in one or a series of related transactions, of all or substantially all the assets of the Issuers and their Subsidiaries, taken as a whole, to a Person other than any of the Permitted

Holders; or (2) the Company becomes aware (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) of the acquisition by any Person or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision), including any group acting for the purpose of acquiring, holding or disposing of securities (within the meaning of Rule 13d-5(b)(1) under the Exchange Act), other than any of the Permitted Holders, in a single transaction or in a related series of transactions, by way of merger, consolidation, amalgamation, Delaware LLC Division or other business combination or purchase of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act, or any successor provision), of more than 50% of the total voting power of the Voting Stock of the Company.

"Change of Control Triggering Event" means the occurrence of both a Change of Control and a Rating Event.

"Fitch" means Fitch Inc., and its successors.

"Investment Grade Rating" means a rating equal to or higher than BBB- (or the equivalent) by Fitch, Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P, and the equivalent investment grade credit rating from any replacement rating agency or rating agencies selected by the Issuers.

"Management Group" means the group consisting of the directors, executive officers and other management personnel of the Issuers or any direct or indirect parent of the Issuers, as the case may be, on the Issue Date together with (1) any new directors whose election by such Boards of Directors or whose nomination for election by the shareholders of the Issuers or any direct or indirect parent of the Issuers, as applicable, was approved by a vote of a majority of the directors of the Issuers or any direct or indirect parent of the Issuers, as applicable, then still in office who were either directors on the Issue Date or whose election or nomination was previously so approved and (2) executive officers and other management personnel of the Issuers or any direct or indirect parent of the Issuers, as applicable, hired at a time when the directors on the Issue Date together with the directors so approved constituted a majority of the directors of the Issuers or any direct or indirect parent of the Issuers, as applicable.

"Moody's" means Moody's Investors Service, Inc., and its successors.

"Permitted Holders" means, at any time, each of (i) the Sponsors, (ii) the Management Group, (iii) any Person that has no material assets other than the Capital Stock of the Company, any direct or indirect parent of the Company and other Permitted Holders and, directly or indirectly, holds or acquires 100% of the total voting power of the Voting Stock of the Company, and of which no other Person or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision), other than any of the other Permitted Holders, holds more than 50% of the total voting power of the Voting Stock thereof and (iv) any group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision) the members of which include any of the Permitted Holders specified in clauses (i), (ii) and (iii) above and that, directly or indirectly, hold or acquire beneficial ownership of the Voting Stock of the Company (a "Permitted Holder Group"), so long as (1) each member of the Permitted Holder Group has voting rights proportional to the percentage of ownership interests held or acquired by such member (or more favorable voting rights, in the case of any Permitted Holder) and (2) no Person or other "group" (other than Permitted Holders specified in clauses (i), (ii) and (iii) above) beneficially owns more than 50% on a fully diluted basis of the Voting Stock held by the Permitted Holder Group. Any Person or group whose acquisition of beneficial ownership constitutes a Change of Control in respect of

which a Change of Control Offer is made in accordance with the requirements of the applicable Indenture will thereafter, together with its Affiliates, constitute an additional Permitted Holder.

"Rating Agencies" means (1) each of Fitch, Moody's and S&P; and (2) if any of Fitch, Moody's or S&P ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of the Issuers' control, a "nationally recognized statistical rating organization" within the meaning of Section 3(62) of the Exchange Act selected by the Issuers (as certified by a resolution of the Issuers' Board of Directors) as a replacement agency for Fitch, Moody's or S&P, or all of them, as the case may be.

"Rating Event" means the rating on the applicable series of Notes is lowered by at least two of the three Rating Agencies and such Notes are rated below an Investment Grade Rating by at least two of the three Rating Agencies on any day during the period (which period shall be extended so long as the rating of such Notes is under publicly announced consideration for a possible downgrade by any of the Rating Agencies) commencing 60 days prior to the first public notice of the occurrence of a Change of Control or the Issuers' intention to effect a Change of Control and ending 60 days following consummation of such Change of Control.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors.

"Sponsors" means (i) one or more investment funds affiliated with Apollo Global Management, LLC and any of their respective Affiliates, including ADT and each of its Affiliates and Subsidiaries but excluding other portfolio companies (collectively, the "Apollo Sponsors"), and (ii) any Person that forms a group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision) with the Apollo Sponsors; *provided* that any Apollo Sponsor (x) owns a majority of the voting power and (y) controls a majority of the Board of Directors of the Company.

"Voting Stock" means, with respect to any specified "Person" as of any date, the Capital Stock of such Person that is at the time entitled to vote generally in the election of the Board of Directors of such Person.

Definitions

As used in the Notes and this prospectus, the following defined terms shall have the following meanings with respect to the Notes:

"ADT Notes" means the (i) $300 million aggregate principal amount of 5.250% Senior Notes due 2020, (ii) $1,000 million aggregate principal amount of 6.250% Senior Notes due 2021, (iii) $1,000 million aggregate principal amount of 3.500% Notes due 2022, (iv) $700 million aggregate principal amount of 4.125% Senior Notes due 2023, (v) $22 million aggregate principal amount of 4.875% Notes due 2042 and (vi) $728 million aggregate principal amount of 4.875% First-Priority Senior Secured Notes due 2032, in each case issued by The ADT Security Corporation.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

"Applicable Authorized Representative" means, with respect to any Common Collateral, (i) until the earlier of (x) the Discharge of First Lien Credit Agreement Obligations and (y) the Non-Controlling Authorized Representative Enforcement Date, the First Lien Credit Agreement Agent and (ii) from and after the earlier of (x) the Discharge of First Lien Credit Agreement Obligations and (y) the Non-Controlling Authorized Representative Enforcement Date, the Major Non-Controlling Authorized Representative.

"Applicable First Lien Agent" has the meaning given to such term in the First Lien/Second Lien Intercreditor Agreement. The collateral agent under the First Lien Credit Agreement is currently Barclays Bank PLC, as the First-Priority Collateral Agent.

"Applicable Second Lien Agent" has the meaning given to such term in the First Lien/Second Lien Intercreditor Agreement. The collateral agent under the Second Lien Notes is currently the Applicable Second Lien Agent.

"Attributable Debt," in connection with a Sale and Lease-Back Transaction, as of any particular time, means the aggregate of present values (discounted at a rate that, at the inception of the lease, represents the effective interest rate that the lessee would have incurred to borrow over a similar term the funds necessary to purchase the leased assets) of the obligations of the Issuers or any Principal Subsidiary for net rental payments during the remaining term of the applicable lease, including any period for which such lease has been extended or, at the option of the lessor, may be extended. The term "net rental payments" under any lease of any period shall mean the sum of the rental and other payments required to be paid in such period by the lessee thereunder, not including any amounts required to be paid by such lessee, whether or not designated as rental or additional rental, on account of maintenance and repairs, reconstruction, insurance, taxes, assessments, water rates or similar charges required to be paid by such lessee thereunder or any amounts required to be paid by such lessee thereunder contingent upon the amount of sales, maintenance and repairs, reconstruction, insurance, taxes, assessments, water rates or similar charges.

"Authorized Representative" means (i) in the case of obligations under the First Lien Credit Agreement or the secured parties under the First Lien Credit Agreement, the First Lien Credit Agreement Agent, (ii) in the case of obligations under the ADT Notes or the secured parties under the ADT Notes, the trustee in respect of the ADT Notes, (iii) in the case of Notes Obligations or the secured parties under the Notes, the Trustee and (iv) in the case of any other Series of First Priority Lien Obligations or secured parties under such Series of First Priority Lien Obligations, the Authorized Representative named for such Series in the applicable joinder to the First Lien/First Lien Intercreditor Agreement.

"Bankruptcy Code" means Title 11 of the United States Code, as amended, or any similar federal or state law for the relief of debtors.

"Board of Directors" means, as to any Person, the board of directors or managers, as applicable, of such Person or any direct or indirect parent of such Person (or, if such Person is a partnership, the board of directors or other governing body of the general partner of such Person) or any duly authorized committee thereof.

"Business Day" means a day other than a Saturday, Sunday or other day on which banking institutions are authorized or required by law to close in New York City or the place of payment.

"Capital Stock" means:

(1) in the case of a corporation, corporate stock or shares;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"Capitalized Lease Obligation" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) in accordance with United States generally accepted accounting principles; *provided* that obligations of the Issuers or their Restricted Subsidiaries, or of a special purpose or other entity not consolidated with the Issuers and their Restricted Subsidiaries, either existing on the Issue Date or created thereafter that (a) initially were not included on the consolidated balance sheet of the Reporting Entity as capital lease obligations and were subsequently recharacterized as capital lease obligations or, in the case of such a special purpose or other entity becoming consolidated with the Issuers and their Restricted Subsidiaries were required to be characterized as capital lease obligations upon such consolidation, in either case, due to a change in accounting treatment or otherwise, or (b) did not exist on the Issue Date and were required to be characterized as capital lease obligations but would not have been required to be treated as capital lease obligations on the Issue Date had they existed at that time, shall for all purposes not be treated as Capitalized Lease Obligations or Indebtedness.

"CFC" means a "controlled foreign corporation" within the meaning of section 957(a) of the Code.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collateral" means all property subject or purported to be subject, from time to time, to a Lien under any Security Documents.

"Common Collateral" means, at any time, Collateral in which the holders of two or more Series of First Priority Lien Obligations (or their respective Authorized Representatives or the First-Priority Collateral Agent on behalf of such holders) hold a valid and perfected security interest at such time. If more than two Series of First Priority Lien Obligations are outstanding at any time and the holders of less than all Series of First Priority Lien Obligations hold a valid and perfected security interest in any Collateral at such time, then such Collateral shall constitute Common Collateral for those Series of First Priority Lien Obligations that hold a valid and perfected security interest in such Collateral at such time and shall not constitute Common Collateral for any Series which does not have a valid and perfected security interest in such Collateral at such time.

"Consolidated Net Worth" at any date means Total Assets less total liabilities, in each case appearing on the most recently prepared consolidated balance sheet of the Company as of the end of a fiscal quarter of the Company, prepared in accordance with United States generally accepted accounting principles as in effect on the date of the consolidated balance sheet.

"Consolidated Tangible Assets" at any date means Total Assets less all Intangible Assets appearing on the most recently prepared consolidated balance sheet of the Company as of the end of a fiscal quarter of the Company, prepared in accordance with United States generally accepted accounting principles as in effect on the date of the consolidated balance sheet.

"Controlling Secured Parties" means, with respect to any Common Collateral, the Series of First-Priority Secured Parties whose Authorized Representative is the Applicable Authorized Representative for such Common Collateral. The secured parties under the First Lien Credit Agreement are currently the Controlling Secured Parties.

"Delaware LLC Division" means the statutory division of any limited liability company into two or more Delaware limited liability companies pursuant to Section 18-217 of the Delaware Limited Liability Company Act.

"Discharge of First Lien Credit Agreement Obligations" for the purposes of the description of the First Lien/First Lien Intercreditor Agreement, means, with respect to any Common Collateral, the date on which the obligations under the First Lien Credit Agreement are no longer secured by such Common Collateral; provided that the Discharge of First Lien Credit Agreement Obligations shall not be deemed to have occurred in connection with a refinancing of the obligations under the First Lien Credit Agreement or an incurrence of future obligations under any First Lien Credit Agreement with additional First Priority Lien Obligations secured by such Common Collateral under an agreement relating to other First Priority Lien Obligations which has been designated in writing by the Company to the First-Priority Collateral Agent and each other Authorized Representative as the First Lien Credit Agreement for purposes of the First Lien/First Lien Intercreditor Agreement.

"Discharge of First Priority Lien Obligations" means, except to the extent otherwise provided in the First Lien/Second Lien Intercreditor Agreement with respect to the reinstatement or continuation of any First Priority Lien Obligation under certain circumstances, payment in full in cash or other immediately available funds of the principal of, and interest (including interest, fees, and expenses accruing on or after the commencement of an insolvency or liquidation proceeding, whether or not such interest, fees, or expenses would be allowed in the proceeding) accrued on all outstanding Indebtedness included in such First Priority Lien Obligations after or concurrently with the termination of all commitments to extend credit thereunder (other than, if applicable, pursuant to any secured cash management agreements or secured hedge agreements, in each case, as provided under the relevant documents or as to which reasonably satisfactory arrangements have been made with the relevant cash management banks or hedge banks, as applicable), the termination or delivery of cash collateral, backstop letters of credit or other credit support in respect of any outstanding letters of credit or letters of credit guarantees in an amount and manner in compliance with the applicable documents, and payment in full in cash or other immediately available funds of any other First Priority Lien Obligations that are due and payable or otherwise accrued and owing at or prior to the time such principal and interest are paid (other than in respect of contingent indemnification and expense reimbursement claims not then due); provided that (i) the Discharge of First Priority Lien Obligations shall not be deemed to have occurred if such payments are made with the proceeds of other First Priority Lien Obligations that constitute an exchange or replacement for or a refinancing of such obligations or First Priority Lien Obligations. In the event the First Priority Lien Obligations are modified and such First Priority Lien Obligations are paid over time or otherwise modified pursuant to Section 1129 of the Bankruptcy Code, such First Priority Lien Obligations shall be deemed to be discharged when the final payment is made, in cash or in the form of consideration otherwise provided for in the applicable plan of reorganization, in respect of such Indebtedness and any obligations pursuant to such new Indebtedness shall have been satisfied.

"Domestic Subsidiary" means a Restricted Subsidiary that is not a Foreign Subsidiary.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Excluded Subsidiary" has the meaning given to such term in the First Lien Credit Agreement as in effect on the date hereof.

"First Lien Credit Agreement" means the Eighth Amended and Restated First Lien Credit Agreement, to be on or around the date the Transactions are consummated, among Prime Security Services Holdings, LLC, as Holdings, the Company, as Borrower, the lenders party thereto, and Barclays Bank PLC, as administrative agent and collateral agent, as amended, restated, supplemented, waived, replaced (whether or not upon termination, and whether with the original lenders or otherwise), restructured, repaid, refunded, refinanced or otherwise modified from time to time, including any agreement or indenture extending the maturity thereof, refinancing, replacing or otherwise restructuring all or any portion of the Indebtedness under such agreement or agreements or indenture or indentures or any successor or replacement agreement or agreements or indenture or indentures or increasing the amount loaned or issued thereunder or altering the maturity thereof, as amended, supplemented, modified, extended, restructured, renewed, refinanced, restated, replaced or refunded in whole or in part from time to time.

"First Lien Credit Agreement Agent" means the administrative agent under the First Lien Credit Agreement.

"First-Priority Collateral Agent" means Barclays Bank PLC, in its capacity as collateral agent for the First-Priority Secured Parties, together with its successors and permitted assigns (or if such Person is no longer the First-Priority Collateral Agent, such agent or trustee as is designated as "First-Priority Collateral Agent" under the documents governing the First Priority Lien Obligations).

"First Priority Lien Obligations" means, collectively, the Notes Obligations, the obligations under the First Lien Credit Agreement and the ADT notes and any other Indebtedness or obligations of the Issuers and their Restricted Subsidiaries that are equally and ratably secured with the obligations under First Lien Credit Agreement, the ADT Notes and the Notes, or any of the foregoing to the extent such other indebtedness and obligations were added to the Security Documents in accordance with them.

"First-Priority Secured Parties" has the meaning given to such term in the First Lien/First Lien Intercreditor Agreement.

"Foreign Subsidiary" means a Restricted Subsidiary not organized or existing under the laws of the United States of America or any state thereof or the District of Columbia.

"FSHCO" means any Subsidiary that owns no material assets other than the Equity Interests of one or more Foreign Subsidiaries that are CFCs and/or of one or more FSHCOs.

"Full Redemption" means the redemption of the Second Lien Notes pursuant to the conditional notice of redemption issued on March 18, 2019, and the simultaneous discharge of the obligations with respect thereto and to the indenture governing the Second Lien Notes in accordance with the terms thereof.

"Funded Indebtedness" means any Indebtedness maturing by its terms more than one year from the date of the determination thereof, including any Indebtedness renewable or extendible at the option of the obligor to a date later than one year from the date of the determination thereof.

"guarantee" means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation, letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness or other obligations. The amount of any guarantee shall be deemed to be an amount equal to the stated or determinable amount of the Indebtedness in respect of which such guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith.

"Indebtedness" means, without duplication, the principal amount (such amount being the face amount or, with respect to original issue discount bonds or zero coupon notes, bonds or debentures or similar securities, determined based on the accreted amount as of the date of the most recently prepared consolidated balance sheet of the Company and its Subsidiaries as of the end of a fiscal quarter of the Company prepared in accordance with United States generally accepted accounting principles as in effect on the date of such consolidated balance sheet) of (i) all obligations for borrowed money, (ii) all obligations evidenced by debentures, notes or other similar instruments, (iii) all obligations in respect of letters of credit or bankers acceptances or similar instruments or reimbursement obligations with respect thereto (such instruments to constitute Indebtedness only to the extent that the outstanding reimbursement obligations in respect thereof are collateralized by cash or cash equivalents reflected as assets on a balance sheet prepared in accordance with United States generally accepted accounting principles), (iv) all obligations to pay the deferred purchase price of property or services, except (A) trade and similar accounts payable and accrued expenses, (B) employee compensation, deferred compensation and pension obligations, and other obligations arising from employee benefit programs and agreements or other similar employment arrangements, (C) obligations in respect of customer advances received and (D) obligations in connection with earnout and holdback agreements, in each case in the ordinary course of business, (v) all obligations as lessee to the extent capitalized in accordance with United States generally accepted accounting principles and (vi) all Indebtedness of others consolidated in such balance sheet that is guaranteed by the Issuers or any of their Subsidiaries or for which the Issuers or any of their Subsidiaries are legally responsible or liable (whether by agreement to purchase Indebtedness of, or to supply funds or to invest in, others).

"Intangible Assets" means the amount (if any) stated under the heading "Goodwill and Other Intangible assets, net" or under any other heading of intangible assets separately listed, in each case on the face of such consolidated balance sheet.

"Issue Date" means the date on which the Notes are originally issued.

"lien" or "Lien" means a mortgage, pledge, security interest, lien or encumbrance.

"Material Real Property" shall mean any parcel or parcels of real property located in the United States now or hereafter owned in fee by any Issuer or any Subsidiary Guarantor and having a fair market value (on a per-property basis) of at least $5,000,000; provided, that "Material Real Property" shall not include (i) any real property in respect of which an Issuer or a Subsidiary Guarantor does not own the land in fee simple or (ii) any real property which an Issuer or a Subsidiary Guarantor leases to a third party.

"Mortgaged Properties" means the Material Real Property owned in fee by any Issuer or any Subsidiary Guarantor encumbered by a Mortgage to secure the Notes Obligations. For the avoidance of doubt, the Mortgaged Properties securing the Notes Obligations shall be the same as the Mortgaged Properties securing the First Priority Lien Obligations.

"Mortgages" means, collectively, the mortgages, trust deeds, deeds of trust, deeds to secure debt, assignments of leases and rents, and other security documents delivered with respect to Mortgaged Properties, as amended, supplemented or otherwise modified from time to time.

"Non-Controlling Secured Parties" means, with respect to any Common Collateral, the First-Priority Secured Parties which are not Controlling Secured Parties with respect to such Common Collateral.

"Non-Recourse Indebtedness" means Indebtedness upon the enforcement of which recourse may be had by the holder(s) thereof only to identified assets of the Issuers or any of their Subsidiaries and not to such entity personally (subject to, for the avoidance of doubt, customary exceptions contained in non-recourse financings to the non-recourse nature of the obligations thereunder).

"Notes Obligations" means obligations in respect of the Notes, the Indentures and the Subsidiary Guarantees and the Security Documents (including interest, fees, and expenses accruing on or after the filing of any petition in bankruptcy or for reorganization relating to the Issuers or any Guarantor, whether or not a constituting an allowed claim in such proceedings).

"Officer's Certificate" means a certificate signed on behalf of the Issuers by an officer of each Issuer, who is the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer of such Issuer, which meets the requirements set forth in the indenture.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"Principal Property" means any U.S. manufacturing, processing or assembly plant or any U.S. warehouse or distribution facility of an Issuer or any of its Subsidiaries that is used by any Domestic Subsidiary of such Issuer and (A) is owned by an Issuer or any Subsidiary of any Issuer on the date hereof, (B) the initial construction of which has been completed after the date hereof, or (C) is acquired after the date hereof, in each case, other than any such plants, facilities, warehouses or portions thereof, that in the opinion of the Board of Directors of the Company, are not collectively of material importance to the total business conducted by the Company and its Subsidiaries as an entirety, or that has a net book value (excluding any capitalized interest expense), on the date hereof in the case of clause (A) of this definition, on the date of completion of the initial construction in the case of clause (B) of this definition or on the date of acquisition in the case of clause (C) of this definition, of less than 2.0% of Consolidated Tangible Assets on the consolidated balance sheet of the Company as of the applicable date.

"Principal Subsidiary" means any Subsidiary of the Issuers that owns or leases a Principal Property.

"Restricted Subsidiary" means, with respect to any Person, any Subsidiary of such Person other than an Unrestricted Subsidiary of such Person. Unless otherwise indicated in this "Description of First-Priority Notes," all references to Restricted Subsidiaries shall mean Restricted Subsidiaries of the Issuers.

"Sale and Lease-Back Transaction" means an arrangement with any Person providing for the leasing by an Issuer or a Principal Subsidiary of any Principal Property whereby such Principal Property has been or is to be sold or transferred by such Issuer or a Principal Subsidiary to such Person other than an Issuer or any of its Subsidiaries; provided, however, that the foregoing shall not apply to any such arrangement involving a lease for a term, including renewal rights, for not more than three years.

"Second Lien Notes" means the Issuer's 9.250% Second-Priority Senior Secured Notes due 2023.

"Second Lien Secured Parties" means the Persons holding any Second Priority Lien Obligations, including the Applicable Second Lien Agent.

"Second Priority Lien Obligations" means, collectively, the Second Lien Notes and other Indebtedness of the Issuers and the Restricted Subsidiaries that is secured on a junior basis to the obligations under the First Lien Credit Agreement, the ADT Notes or the Notes, or any of the foregoing.

"Security Documents" means the security agreements, pledge agreements, collateral assignments, Mortgages and related agreements and joinders thereto, as amended, supplemented, restated, renewed, refunded, replaced, restructured, repaid, refinanced or otherwise modified from time to time, creating the security interests in the Collateral in favor of the First-Priority Collateral Agent for the benefit of the Trustee and the holders of the Notes as contemplated by the Indentures, the First Lien/First Lien Intercreditor Agreement and the First Lien/Second Lien Intercreditor Agreement.

"Series" means (a) with respect to the First-Priority Secured Parties, each of (i) the "Secured Parties" as defined in the First Lien Credit Agreement (or an equivalent provision thereof), (ii) the holders of the Notes and the Trustee (each in their capacity as such), (iii) the holders of the ADT Notes and the trustee in respect of the ADT Notes (each in their capacity as such), (iv) the holders of the other First Priority Lien Obligations and (v) any additional First-Priority Secured Parties that become subject to the First Lien/First Lien Intercreditor Agreement after the Issue Date that are represented by a common Authorized Representative (in its capacity as such for such additional First-Priority Secured Parties) and (b) with respect to any First Priority Lien Obligations, each of (i) the Obligations under the First Lien Credit Agreement, (ii) the Notes Obligations, (iii) the obligations under the ADT Notes, (iv) the obligations under any other First Priority Lien Obligations and (v) the obligations under any other First Priority Lien Obligations incurred after the Issue Date pursuant to any applicable agreement, which pursuant to any joinder agreement, are to be represented under the First Lien/First Lien Intercreditor Agreement by a common Authorized Representative (in its capacity as such for such other First Priority Lien Obligations).

"Subsidiary" means, with respect to any Person, (1) any corporation, association or other business entity (other than a partnership, joint venture or limited liability company) of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time of determination owned or controlled, directly or indirectly, by such

Person or one or more of the other Subsidiaries of that Person or a combination thereof, and (2) any partnership, joint venture or limited liability company of which (x) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (y) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"Subsidiary Guarantee" means any guarantee of the obligations of the Issuers under the Indentures and the Notes by any Subsidiary Guarantor in accordance with the provisions of the Indentures.

"Subsidiary Guarantor" means any Subsidiary that incurs a Subsidiary Guarantee; provided that upon the release or discharge of such Person from its Subsidiary Guarantee in accordance with the Indentures, such Subsidiary ceases to be a Subsidiary Guarantor.

"Total Assets" means the total consolidated assets of the Issuers and the Restricted Subsidiaries, as shown on the most recent balance sheet of the Issuers, calculated on a pro forma basis after giving effect to any subsequent acquisition or disposition of a Person or business.

"Transactions" has the meaning ascribed to such term in this offering memorandum.

"Unrestricted Subsidiary" means any Subsidiary of the Company that is designated as an "Unrestricted Subsidiary" (or any comparable term) under any other Indebtedness of the Company or any of its Subsidiaries.

"Wholly Owned Restricted Subsidiary" is any Wholly Owned Subsidiary that is a Restricted Subsidiary.

"Wholly Owned Subsidiary" of any Person means a Subsidiary of such Person 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares or shares required pursuant to applicable law) shall at the time be owned by such Person or by one or more Wholly Owned Subsidiaries of such Person.

CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES

The following is a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of the Unsecured Notes by U.S. Holders and Non-U.S. Holders (each as defined below and collectively referred to as "Holders") of the Unsecured Notes. The discussion below is based upon the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), applicable Treasury regulations, rulings, administrative pronouncements and judicial decisions as of the date hereof, all of which are subject to change or differing interpretations at any time with possible retroactive effect. We have not requested, and do not intend to request, a ruling from the Internal Revenue Service (the "IRS") with respect to any of the U.S. federal income tax consequences described below, and as a result no assurance can be given that the IRS will agree with the views expressed in this summary, or that a court will not sustain any challenge by the IRS in the event of litigation.

This discussion is not a complete analysis or listing of all of the possible tax consequences of the acquisition, ownership and disposition of the Unsecured Notes and does not address all tax consequences that might be relevant to particular Holders in light of their personal circumstances. In particular, this summary deals only with Holders that acquire the Unsecured Notes pursuant to this offering at the issue price set forth on the cover of this information memorandum and will hold the Unsecured Notes as "capital assets" (generally, property held for investment) within the meaning of Section 1221 of the Code. This summary does not include any description of the tax laws of any state, local or non-U.S. government that may be applicable to a particular Holder and does not consider any aspects of U.S. federal tax law other than income taxation. This summary does not address U.S. federal alternative minimum tax consequences. In addition, this summary does not apply to Holders that may be subject to special tax rules, such as dealers, brokers or traders in securities or currencies, financial institutions, mutual funds or "financial services entities," banks, thrifts, insurance companies, regulated investment companies, real estate investment trusts, expatriates, tax-exempt entities, entities or arrangements treated for U.S. federal income tax purposes as partnerships, S-corporations, passive foreign investment companies or corporations that accumulate earnings to avoid U.S. federal income tax, retirement plans or other tax-deferred accounts, persons that hold Unsecured Notes as a part of a hedge, straddle, conversion transaction, constructive sale or other arrangement involving more than one position, U.S. expatriates, persons that are required to report income no later than when such income is reported in an "applicable financial statement" and investors who receive Unsecured Notes as compensation. This summary also does not address tax consequences to Holders (as defined below) as a result of using a "functional currency" that is not the U.S. dollar.

For purposes of this discussion, a "U.S. Holder" is a beneficial owner of the Unsecured Notes that is: (a) an individual who is a citizen or resident of the United States for U.S. federal income tax purposes; (b) a corporation (or other business entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or any state thereof or the District of Columbia; (c) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (d) a trust (A) if a court within the United States can exercise primary supervision over its administration, and one or more U.S. persons have the authority to control all of its substantial decisions or (B) that has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person for U.S. federal income tax purposes. The term "Non-U.S. Holder" means a beneficial owner of Unsecured Notes that, for U.S. federal income tax purposes, is an individual, corporation, estate or trust and is not a U.S. Holder or a partnership (or other entity treated as a partnership for U.S. federal income tax purposes).

If an entity treated as a partnership for U.S. federal income tax purposes holds Unsecured Notes, the tax treatment of a partner in or other owner of the entity will generally depend upon the status of the partner or other owner and the activities of the entity. A partner in or other owner of such an entity is urged to consult its tax advisor regarding the tax consequences of acquiring, owning and disposing of the Unsecured Notes.

The discussion set out below is intended only as a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of the Unsecured Notes. Holders are urged to consult their tax advisors as to the tax consequences of the acquisition, ownership and disposition of the Unsecured Notes, including the application to their particular situation of the tax consequences discussed below, as well as the application of other federal tax laws and state, local or non-U.S. tax laws. The discussion set out below is based on the laws and regulations in force and interpretations thereof as of the date hereof, and are subject to changes occurring after the date hereof.

Unsecured Notes Subject to Contingencies

In certain circumstances (see "Description of Unsecured Notes—Change of Control" and "Description of Unsecured Notes—Payment of Additional Amounts"), we may be obligated to pay Holders additional amounts in excess of stated interest or principal on the Unsecured Notes. It is possible that our obligation to make additional payments on the Unsecured Notes could implicate the provisions of Treasury regulations relating to "contingent payment debt instruments." If the Unsecured Notes were characterized as contingent payment debt instruments, Holders might, among other things, be required to accrue interest income at a higher rate than the stated interest rate on the Unsecured Notes and to treat any gain recognized on the sale or other disposition of an Unsecured Note as ordinary income rather than as capital gain.

We intend to take the position that the likelihood of additional payments on the Unsecured Notes is remote, and thus, that the Unsecured Notes should not be treated as contingent payment debt instruments. Our determination that these contingencies are remote is binding on a Holder unless it discloses its contrary position in the manner required by applicable Treasury regulations. Our determination, however, is not binding on the IRS, and if the IRS were to challenge this determination, a Holder might be required to include in gross income an amount of ordinary interest income on the Unsecured Notes in excess of the stated interest, and a Holder might be required to treat income realized on the taxable disposition of an Unsecured Note as ordinary income rather than capital gain. In the event a contingency occurs, it would affect the amount and timing of income recognized by a Holder. If any contingent amounts are in fact paid, a Holder will be required to recognize such amounts as income.

The remainder of this disclosure assumes that our determination that the contingencies are remote is correct. The Treasury regulations applicable to contingent payment debt instruments have not been the subject of authoritative interpretation, however, and the scope of the Treasury regulations is not certain. Holders are urged to consult their tax advisors regarding the possible application of the contingent payment debt instrument rules to the Unsecured Notes.

Tax Consequences for U.S. Holders

Payments of Interest

Each payment of qualified stated interest on an Unsecured Note (including any amount withheld as backup withholding tax) will generally be taxable to a U.S. Holder as ordinary interest income at the time it accrues or is received, in accordance with such U.S. Holder's method of accounting for U.S. federal income tax purposes.

Original Issue Discount

General

An Unsecured Note with a term that exceeds one year will be treated as issued with original issue discount ("OID") if the "stated redemption price at maturity" of the Unsecured Note exceeds its "issue price" by more than the *de minimis* amount (such amount, "*de minimis* OID") of less than ¼ of 1 percent of the "stated redemption price at maturity" multiplied by the number of complete years to maturity from the issue date. The "stated redemption price at maturity" of the Unsecured Notes may exceed the "issue price" of the Unsecured Notes by more than a *de minimis* amount, in which case, the Unsecured Notes will therefore constitute discount notes issued with OID. Following is a summary of the OID rules and their application to the Unsecured Notes.

If a substantial amount of Unsecured Notes in an issue is issued for money, the "issue price" of an Unsecured Note in the issue is the first price at which a substantial amount of the Unsecured Notes is sold for money (ignoring sales to bond houses, brokers or similar persons acting in the capacity of underwriters, placement agents or wholesalers). A U.S. Holder may obtain the issue price of an Unsecured Note by contacting us at the address set forth under "Summary—Overview." The "stated redemption price at maturity" of an Unsecured Note generally is the sum of all payments provided by the Unsecured Note other than "qualified stated interest" payments. Generally, an interest payment on an Unsecured Note is "qualified stated interest" if it is one of a series of stated interest payments on an Unsecured Note that are unconditionally payable at least annually at a single fixed rate, with certain exceptions for lower rates paid during some periods, applied to the outstanding principal amount of the Unsecured Note. Interest is considered unconditionally payable only if reasonable legal remedies exist to compel timely payment or the Unsecured Note otherwise provides terms and conditions that make the likelihood of late payment (other than a late payment that occurs within a reasonable grace period) or non-payment a remote contingency. Interest is payable at a single fixed rate only if the rate appropriately takes into account the length of the interval between payments. Thus, if the interval between payments varies during the term of an Unsecured Note, the value of the fixed rate on which a payment is based generally must be adjusted to reflect a compounding assumption consistent with the length of the interval preceding the payment.

Unsecured Notes that have *de minimis* OID generally will be treated as not having OID unless a U.S. Holder elects to treat all interest on the Unsecured Note as OID. See "—Election to Treat All Interest as Original Issue Discount (Constant Yield Method)."

Because the Unsecured Notes may be issued with OID, a U.S. Holder may be required to include OID in gross income for U.S. federal income tax purposes as it accrues (regardless of its method of accounting), which may be in advance of receipt of the cash attributable to that income. OID accrues under the constant yield method, based on a compounded yield to maturity, as described below. Accordingly, a U.S. Holder generally would be required to include in income increasingly greater amounts of OID in successive accrual periods.

The annual amounts of OID includible in income by a U.S. Holder will equal the sum of the "daily portions" of the OID with respect to an Unsecured Note for each day on which such U.S. Holder owns the Unsecured Note during the taxable year. Generally, a U.S. Holder determines the daily portions of OID by allocating to each day in an "accrual period" a pro rata portion of the OID that is allocable to that accrual period. The term "accrual period" means an interval of time with respect to which the accrual of OID is measured and which may vary in length over the term of an Unsecured Note provided that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs on either the first or last day of an accrual period.

The amount of OID allocable to an accrual period will be the excess of (i) the product of (x) the "adjusted issue price" of the Unsecured Note at the beginning of the accrual period and (y) its "yield to maturity" over (ii) the aggregate amount of any qualified stated interest payments allocable to the accrual period. The adjusted issue price of an Unsecured Note at the beginning of the first accrual period is its issue price, and, on any day thereafter, it is the sum of the issue price and the amount of OID previously includible in the gross income of any holder, reduced by the amount of any payment (other than a payment of qualified stated interest) previously made on the Unsecured Note. If an interval between payments of qualified stated interest on an Unsecured Note contains more than one accrual period, then, when a U.S. Holder determines the amount of OID allocable to an accrual period, such U.S. Holder must allocate the amount of qualified stated interest payable at the end of the interval, including any qualified stated interest that is payable on the first day of the accrual period immediately following the interval, pro rata to each accrual period in the interval. In addition, a U.S. Holder must increase the adjusted issue price at the beginning of each accrual period in the interval by the amount of any qualified stated interest that has accrued prior to the first day of the accrual period but that is not payable until the end of the interval. If all accrual periods are of equal length except for either an initial shorter accrual period or an initial and a final shorter accrual period, a U.S. Holder can compute the amount of OID allocable to the initial accrual period using any reasonable method; however, the OID allocable to the final accrual period will always be the difference between the amount payable at maturity (other than a payment of qualified stated interest) and the adjusted issue price at the beginning of the final accrual period.

Election to Treat All Interest as Original Issue Discount (Constant Yield Method)

A U.S. Holder may elect to include in gross income all interest that accrues on its Unsecured Note using the constant yield method described above under "—General," with the modifications described below. For purposes of this election, interest will include qualified stated interest, OID, *de minimis* OID and unstated interest. If a U.S. Holder make this election for its Unsecured Note, then, when such U.S. Holder applies the constant yield method: the issue price of its Unsecured Note will equal its cost; the issue date of such U.S. Holder's Note will be the date such U.S. Holder acquired it; and no payments on the Unsecured Note will be treated as payments of qualified stated interest. Generally, this election will apply only to the Unsecured Note for which a U.S. Holder makes it. A U.S. Holder may not revoke an election to apply the constant yield method to all interest on an Unsecured Note without the consent of the IRS.

Sale, Exchange or Retirement of the Unsecured Notes

Upon the sale, retirement or other disposition of an Unsecured Note, a U.S. Holder will recognize gain or loss in an amount equal to the difference between the sum of cash plus the fair market value of any property received (other than any amounts allocated to accrued but unpaid stated interest, which will be taxable as ordinary interest income to the extent not previously so taxed) and such U.S. Holder's adjusted tax basis in the Unsecured Note. A U.S. Holder's adjusted tax basis in an Unsecured Note will generally be equal to the cost of the Unsecured Note, increased by the amount of any OID previously include in income and decreased by any payment previously received other than qualified stated interest payments. Any gain or loss will be capital gain or loss and will be a long-term capital gain or loss if the U.S. Holder's holding period for the Unsecured Notes exceeds one year at the time of the sale, exchange, retirement or other taxable disposition of the Unsecured Note. If the holding period for the Unsecured Note is one year or less at the time of the sale, exchange, retirement or other taxable disposition of the Unsecured Note, any capital gain or loss generally will be treated as short-term capital gain or loss. Long-term capital gains recognized by non-corporate U.S. Holders (including individuals) are generally eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Additional Tax on Passive Income

Certain U.S. Holders that are individuals, estates or trusts and whose income exceeds certain thresholds are required to pay an additional 3.8 percent tax on, among other things, interest income and capital gains from the sale or other disposition of notes, subject to certain limitations and exceptions. U.S. Holders are urged to consult their tax advisors regarding the effect, if any, of this tax on their ownership and disposition of the Unsecured Notes.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to certain payments of principal of, and interest and accruals of OID on, or Unsecured Note, and any proceeds of the disposition of or Unsecured Note before maturity, to a U.S. Holder other than certain exempt recipients, such as corporations. A U.S. Holder may also be subject to backup withholding (currently at the rate of 24%) with respect to payments of interest and the gross proceeds received pursuant to a disposition unless the U.S. Holder is (i) a corporation or other exempt recipient and, when required, establishes this exemption or (ii) provides its correct taxpayer identification number, certifies that it is not currently subject to backup withholding tax and otherwise complies with applicable requirements of the backup withholding tax rules. A U.S. Holder that does not provide its correct taxpayer identification number may be subject to penalties imposed by the IRS. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a U.S. Holder can be refunded or credited against the U.S. Holder's U.S. federal income tax liability, if any; provided, that the required information is furnished to the IRS in a timely manner. U.S. Holders are urged to consult their tax advisors regarding the application of backup withholding to their particular situation, the availability of an exemption from backup withholding and the procedure for obtaining such an exemption, if available.

Tax Consequences for Non-U.S. Holders

Payments of Interest

Subject to the discussion below concerning backup withholding ("—Information Reporting and Backup Withholding") and any application of FATCA (as defined below, "—FATCA"), payments of interest on or Unsecured Note (including OID) to a Non-U.S. Holder that are not effectively connected with such Non-U.S. Holder's conduct of a trade or business within the United States generally will not be subject to U.S. federal income tax or any withholding tax, if:

- such Non-U.S. Holder does not own, actually or constructively, for U.S. federal income tax purposes, 10% or more of the total combined voting power of all classes of our voting stock;
- such Non-U.S. Holder is not, for U.S. federal income tax purposes, a controlled foreign corporation related, directly or indirectly, to us through stock ownership under applicable rules of the Code;
- such Non-U.S. Holder is not a bank receiving interest described in Section 881(c)(3)(A) of the Code; and
- the certification requirement, as described below, is fulfilled with respect to the beneficial owner of the Unsecured Note.

The certification requirement referred to above will be fulfilled if either (A) a Non-U.S. Holder provides to us or our paying agent an IRS Form W-8BEN or IRS Form W-8BEN-E (or successor form), signed under penalties of perjury, that includes its name and address and a certification as to its non-U.S. status, or (B) a securities clearing organization, bank or other

financial institution that holds customers' securities in the ordinary course of its trade or business holds the Unsecured Note on behalf of the beneficial owner and provides a statement to us or our paying agent, signed under penalties of perjury, in which the organization, bank or financial institution certifies that it has received an IRS Form W-8BEN or IRS Form W-8BEN-E (or successor form) from the non-U.S. beneficial owner or from another financial institution acting on behalf of such beneficial owner and furnishes us or our paying agent with a copy thereof and otherwise complies with the applicable IRS requirements. Other methods might be available to satisfy the certification requirements described above, depending on the Non-U.S. Holder's particular circumstances.

The gross amount of payments of interest that do not qualify for the exception from withholding described above (the "portfolio interest exemption") will be subject to U.S. withholding tax at a rate of 30% unless (A) a Non-U.S. Holder provides a properly completed IRS Form W-8BEN or IRS Form W-8BEN-E (or successor form) claiming an exemption from or reduction in withholding under an applicable tax treaty, or (B) such interest is effectively connected with such Non-U.S. Holder's conduct of a trade or business within the United States and such Non-U.S. Holder provides a properly completed IRS Form W-8ECI (or successor form).

Income or Gain Effectively Connected with a U.S. Trade or Business

If a Non-U.S. Holder is engaged in a trade or business in the United States and if interest on the Unsecured Note or gain realized on the disposition of the Unsecured Note is effectively connected with the conduct of such trade or business, such Non-U.S. Holder generally will be subject to regular U.S. federal income tax on the interest or gain on a net basis in the same manner as if such Non-U.S. Holder were a U.S. Holder, unless an applicable treaty provides otherwise. In addition, if a Non-U.S. Holder is a foreign corporation, such Non-U.S. Holder may also be subject to a branch profits tax on its earnings and profits for the taxable year, subject to certain adjustments, at a rate of 30% unless reduced or eliminated by an applicable tax treaty. Even though such effectively connected income is subject to income tax, and may be subject to the branch profits tax, it is not subject to withholding tax if such Non-U.S. Holder satisfies the certification requirements described above.

Sale, Exchange or Disposition of the Unsecured Notes

Subject to the discussion below concerning backup withholding and any application of FATCA (as defined below), a Non-U.S. Holder of an Unsecured Note generally will not be subject to U.S. federal income tax on gain realized on the sale, exchange or other taxable disposition of such Note (other than gain that represents accrued but unpaid interest not previously included in income, in which case the rules regarding interest would apply) unless:

- such Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition, and certain other conditions are met; or
- such gain is effectively connected with such Non-U.S. Holder's conduct of a trade or business within the United States.

Information Reporting and Backup Withholding

Unless certain exceptions apply, we must report annually to the IRS and to any Non-U.S. Holder any interest paid to such Non-U.S. Holder during the taxable year. Copies of these information returns may also be made available under the provisions of a specific treaty or other agreement to the tax authorities of the country in which a Non-U.S. Holder resides.

Under current U.S. federal income tax law, backup withholding tax will not apply to payments of interest by us or our paying agent on an Unsecured Note if the certifications described above under "—Payments of Interest" are received, provided that we or our paying agent, as the case may be, do not have actual knowledge or reason to know that the payee is a U.S. person.

The gross proceeds from a sale, exchange or other disposition of an Unsecured Note by a Non-U.S. Holder made to or through a foreign office of a foreign broker generally will not be subject to backup withholding or information reporting. However, if such broker is for U.S. federal income tax purposes: a U.S. person; a controlled foreign corporation; a foreign person 50% or more of whose gross income is effectively connected with a U.S. trade or business for a specified three-year period; or a foreign partnership with certain connections to the United States, then information reporting will be required unless the broker has in its records documentary evidence that the beneficial owner is not a U.S. person and certain other conditions are met or the beneficial owner otherwise establishes an exemption. Backup withholding at the applicable rate, currently 24%, may apply to any payment that such broker is required to report if the broker has actual knowledge or reason to know that the payee is a U.S. person. Payments to or through the U.S. office of a broker will be subject to backup withholding and information reporting unless the beneficial owner certifies, under penalties of perjury, that it is not a U.S. person, or otherwise establishes an exemption. Backup withholding is not an additional tax. A Non-U.S. Holder may obtain a refund or a credit against such Non-U.S. Holder's U.S. federal income tax liability of any amounts withheld under the backup withholding rules provided the required information is timely furnished to the IRS. Non-U.S. Holders are urged to consult their own tax advisors regarding the application of the information reporting and backup withholding rules in their particular situations, the availability of an exemption therefrom, and the procedure for obtaining such an exemption, if available.

FATCA. Pursuant to the Foreign Account Tax Compliance Act ("*FATCA*"), foreign financial institutions (which include most foreign hedge funds, private equity funds, mutual funds, securitization vehicles and any other investment vehicles) and certain other foreign entities must comply with information reporting rules with respect to their U.S. account holders and investors or confront a withholding tax on U.S. source payments made to them (whether received as a beneficial owner or as an intermediary for another party). More specifically, a foreign financial institution or other foreign entity that does not comply with the FATCA reporting requirements will generally be subject to a 30% withholding tax with respect to any "withholdable payments." For this purpose, withholdable payments include generally U.S.-source payments otherwise subject to nonresident withholding tax (e.g., U.S.-source interest) and, subject to the following two sentences, also include the entire gross proceeds from the sale or other disposition of any debt instruments of U.S. issuers. The U.S. Department of the Treasury recently released proposed regulations which, if finalized in their present form, would eliminate the U.S. federal withholding tax applicable to the gross proceeds of a sale or disposition of debt instruments. In its preamble to the proposed regulations, the U.S. Treasury stated that taxpayers may generally rely on the proposed regulations until final regulations are issued.

Non-U.S. Holders are urged to consult their tax advisors to determine the effect of U.S. federal, state, local and non-U.S. income tax laws, as well as treaties, with regard to an investment in the Unsecured Notes, including any reporting requirements.

BOOK-ENTRY, DELIVERY AND FORM

The Unsecured Notes offered hereby are being offered and sold to persons reasonably believed to be QIBs in reliance on Rule 144A ("Rule 144A Notes"). Unsecured Notes offered hereby also may be offered and sold in offshore transactions in reliance on Regulation S ("Regulation S Notes"). Except as set forth below, Unsecured Notes will be issued in registered, global form in minimum denominations of $2,000 and integral multiples of $1,000 in excess of $1,000. Unsecured Notes offered hereby will be issued at the closing of this offering only against payment in immediately available funds.

Rule 144A Notes initially will be represented by one or more notes in registered, global form without interest coupons (collectively, the "Rule 144A Global Notes"). Regulation S Notes initially will be represented by one or more temporary notes in registered, global form without interest coupons (collectively, the "Regulation S Temporary Global Notes"). The global notes will be deposited upon issuance with the trustee as custodian for DTC, in New York, New York, and registered in the name of DTC or its nominee, in each case for credit to an account of a direct or indirect participant in DTC as described below. Through and including the 40th day after the later of the commencement of this offering and the closing of this offering (such period through and including such 40th day, the "Restricted Period"), beneficial interests in the Regulation S Temporary Global Notes may be held only through the Euroclear System ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream") (as indirect participants in DTC), unless transferred to a person that takes delivery through a Rule 144A Global Note in accordance with the certification requirements described below. After the expiration of the Restricted Period, the Regulation S Temporary Global Notes will be exchanged for one or more permanent notes in registered, global form without interest coupons (collectively, the "Regulation S Permanent Global Notes" and, together with the Regulation S Temporary Global Notes, the "Regulation S Global Notes"; the Regulation S Global Notes and the Rule 144A Global Notes collectively being the "Global Notes") upon delivery to the trustee of certification of compliance with the transfer restrictions applicable to the Unsecured Notes and pursuant to Regulation S as provided in the indenture governing the Unsecured Notes. Beneficial interests in the Rule 144A Global Notes may not be exchanged for beneficial interests in the Regulation S Global Notes at any time except in the limited circumstances described below. See "—Exchanges between Regulation S notes and Rule 144A notes."

Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Notes may not be exchanged for notes in certificated form except in the limited circumstances described below. See "—Exchange of Book-Entry Notes for Certificated Notes." Except in the limited circumstances described below, owners of beneficial interests in the Global Notes will not be entitled to receive physical delivery of Certificated Notes (as defined herein).

Rule 144A Notes (including beneficial interests in the Rule 144A Global Notes) will be subject to certain restrictions on transfer and will bear a restrictive legend as described under "Notice to Investors." In addition, transfers of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream), which may change from time to time.

Initially, the trustee will act as paying agent and registrar. The Unsecured Notes may be presented for registration of transfer and exchange at the offices of the registrar.

Certain Procedures

The following description of the operations and procedures of DTC, Euroclear and Clearstream are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to change by them from time to time. We take no responsibility for these operations and procedures and urge investors to contact the system or their participants directly to discuss these matters.

DTC has advised us that DTC is a limited-purpose trust company created to hold securities for its participating organizations (collectively, the "Participants") and to facilitate the clearance and settlement of transactions in those securities between Participants through electronic book-entry changes in accounts of its Participants. The Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (collectively, the "Indirect Participants").

Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through the Participants or the Indirect Participants. The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the Participants and Indirect Participants.

DTC has also advised us that, pursuant to procedures established by it, (i) upon deposit of the Global Notes, DTC will credit the accounts of Participants designated by the initial purchasers with portions of the principal amount of the Global Notes and (ii) ownership of such interests in the Global Notes will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to other owners of beneficial interests in the Global Notes).

Investors in the Global Notes may hold their interests therein directly through DTC, if they are Participants in such system, or indirectly through organizations (including Euroclear and Clearstream) which are Participants in such system. All interests in a Global Note, including those held through Euroclear or Clearstream, may be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream may also be subject to the procedures and requirements of such systems. The laws of some states require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a Global Note to such persons will be limited to that extent. Because DTC can act only on behalf of Participants, which in turn act on behalf of Indirect Participants and certain banks, the ability of a person having beneficial interests in a Global Note to pledge such interests to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

Except as described below, owners of interests in the Global Notes will not have Unsecured Notes registered in their names, will not receive physical delivery of Unsecured Notes in certificated form and will not be considered the registered owners or "holders" thereof under the indenture governing the Unsecured Notes for any purpose.

Payments in respect of the principal of, premium, if any, and interest on a Global Note registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered holder under the indenture governing the Unsecured Notes. Under the terms of the

indenture governing the Unsecured Notes, we and the trustee will treat the persons in whose names the Unsecured Notes, including the Global Notes, are registered as the owners thereof for the purpose of receiving such payments and for any and all other purposes whatsoever. Consequently, neither we, the trustee nor any of our or the trustee's agents has or will have any responsibility or liability for (i) any aspect of DTC's records or any Participant's or Indirect Participant's records relating to or payments made on account of beneficial ownership interest in the Global Notes, or for maintaining, supervising or reviewing any of DTC's records or any Participant's or Indirect Participant's records relating to the beneficial ownership interests in the Global Notes or (ii) any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants. DTC has advised us that its current practice, upon receipt of any payment in respect of securities, such as the Unsecured Notes (including principal and interest), is to credit the accounts of the relevant Participants with the payment on the payment date, in amounts proportionate to their respective holdings in the principal amount of beneficial interest in the relevant security as shown on the records of DTC unless DTC has reason to believe it will not receive payment on such payment date. Payments by the Participants and the Indirect Participants to the beneficial owners of Unsecured Notes will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants and will not be the responsibility of DTC, the trustee or us. Neither we nor the trustee will be liable for any delay by DTC or any of its Participants or indirect Participants in identifying the beneficial owners of the Unsecured Notes, and we and the trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Except for trades involving Euroclear and Clearstream participants, interests in the Global Notes are expected to be eligible to trade in DTC's Same-Day Funds Settlement System and secondary market trading activity in such interests will, therefore, settle in immediately available funds, subject in all cases to the rules and procedures of DTC and its Participants. See "—Same-Day Settlement and Payment." Subject to the transfer restrictions set forth under "Notice to Investors," transfers between Participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds, and transfers between participants in Euroclear and Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the Unsecured Notes described herein, crossmarket transfers between the Participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depositary; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Global Note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositaries for Euroclear or Clearstream.

DTC has advised us that it will take any action permitted to be taken by a holder of Unsecured Notes only at the direction of one or more Participants to whose account DTC has credited the interests in the Global Notes and only in respect of such portion of the aggregate principal amount of the Unsecured Notes as to which such Participant or Participants has or

have given such direction. However, if there is an event of default under the indenture governing the Unsecured Notes, DTC reserves the right to exchange the Global Notes for legended Unsecured Notes in certificated form, and to distribute such Unsecured Notes to its Participants.

DTC, Euroclear and Clearstream are under no obligation to perform or continue to perform the foregoing procedures to facilitate transfers of interests in the Regulation S Global Notes and in the Rule 144A Global Notes among Participants in DTC, and such procedures may be discontinued at any time. Neither we nor the trustee nor any of our or their respective agents will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Exchange of Book-Entry Notes for Certificated Notes

A Global Note is exchangeable for definitive Unsecured Notes in registered certificated form ("Certificated Notes") if (i) DTC (x) notifies us that it is unwilling or unable to continue as depositary for the Global Notes and we thereupon fail to appoint a successor depositary or (y) has ceased to be a clearing agency registered under the Exchange Act, or (ii) there shall have occurred and be continuing a default or event of default with respect to the Unsecured Notes. In addition, beneficial interests in a Global Note may be exchanged for Certificated Notes upon request but only upon prior written notice given to the trustee by or on behalf of DTC in accordance with the indenture governing the Unsecured Notes, and in accordance with the certification requirements set forth in the indenture governing the Unsecured Notes. In all cases, Certificated Notes delivered in exchange for any Global Note or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by or on behalf of DTC (in accordance with its customary procedures) and will bear the applicable restrictive legend referred to in "Notice to Investors," unless we determine otherwise in compliance with applicable law.

Exchanges between Regulation S Notes and Rule 144A Notes

Prior to the expiration of the Restricted Period, beneficial interests in the Regulation S Global Note may be exchanged for beneficial interests in the Rule 144A Global Note only if such exchange occurs in connection with a transfer of the Unsecured Notes pursuant to Rule 144A and the transferor first delivers to the trustee a written certificate (in the form provided in the indenture governing the Unsecured Notes) to the effect that the Unsecured Notes are being transferred to a person who the transferor reasonably believes to be a qualified institutional buyer within the meaning of Rule 144A, purchasing for its own account or the account of a qualified institutional buyer in a transaction meeting the requirements of Rule 144A and in accordance with all applicable securities laws of the states of the United States and other jurisdictions. Beneficial interests in a Rule 144A Global Note may be transferred to a person who takes delivery in the form of an interest in the Regulation S Global Note, whether before or after the expiration of the Restricted Period, only if the transferor first delivers to the trustee a written certificate (in the form provided in the indenture governing the Unsecured Notes) to the effect that such transfer is being made in accordance with Rule 903 or 904 of Regulation S or Rule 144 (if available).

Transfers involving an exchange of a beneficial interest in the Regulation S Global Note for a beneficial interest in a Rule 144A Global Note or vice versa will be effected in DTC by means of an instruction originated by the trustee through the DTC Deposit/Withdraw at Custodian system. Accordingly, in connection with any such transfer, appropriate adjustments will be made to

reflect a decrease in the principal amount of the Regulation S Global Note and a corresponding increase in the principal amount of the Rule 144A Global Note or vice versa, as applicable. Any beneficial interest in one of the Global Notes that is transferred to a person who takes delivery in the form of an interest in the other Global Note will, upon transfer, cease to be an interest in such Global Note and will become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interest in such other Global Note for so long as it remains such an interest. The policies and practices of DTC may prohibit transfers of beneficial interests in the Regulation S Global Note prior to the expiration of the Restricted Period.

Certifications by Holders of the Regulation S Temporary Global Notes

A holder of a beneficial interest in the Regulation S Temporary Global Notes must provide Euroclear or Clearstream, as the case may be, with a certificate in the form required by the indenture certifying that the beneficial owner of the interest in the Regulation S Temporary Global Note is either a non-U.S. person or a U.S. person that has purchased such interest in a transaction that is exempt from the registration requirements under the Securities Act, and Euroclear or Clearstream, as the case may be, must provide to the trustee (or the paying agent if other than the trustee) a certificate in the form required by the indenture, prior to any exchange of such beneficial interest for a beneficial interest in the Regulation S Permanent Global Notes.

Same-Day Settlement and Payment

Payments in respect of the Unsecured Notes represented by the Global Notes (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by the Global Note holder. With respect to any Unsecured Notes in certificated form, we will make all payments of principal, premium, if any, and interest, by wire transfer of immediately available funds to the accounts specified by the holders thereof or, if no such account is specified, by mailing a check to each such holder's registered address. The Unsecured Notes represented by the Global Notes are expected to be eligible to trade in DTC's Same-Day Funds Settlement System, and any permitted secondary market trading activity in such Unsecured Notes will, therefore, be required by DTC to be settled in immediately available funds.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a Global Note from a Participant in DTC will be credited, and any such crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement processing day (which must be a business day for Euroclear and Clearstream) immediately following the settlement date of DTC. DTC has advised us that cash received in Euroclear or Clearstream as a result of sales of interests in a Global Note by or through a Euroclear or Clearstream participant to a Participant in DTC will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream cash account only as of the business day for Euroclear or Clearstream following DTC's settlement date.

NOTICE TO INVESTORS

The issuance and sale of the Unsecured Notes have not been registered under the Securities Act or any other applicable securities laws and, unless so registered, the Unsecured Notes may not be offered, sold, pledged or otherwise transferred within the United States or to or for the account of any U.S. person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws. The Unsecured Notes are being offered and issued, only (a) in the United States to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A), or QIBs, in a private transaction in reliance upon an exemption from the registration requirements of the Securities Act and (b) outside the U.S. to persons other than U.S. persons in reliance upon Regulation S.

Each purchaser of the Unsecured Notes will be deemed to represent, warrant, and agree as follows (terms used in this paragraph that are defined in Rule 144A or Regulation S under the Securities Act are used herein as defined therein):

(1) It (A) (i) is a QIB and (ii) is acquiring the Unsecured Notes for its own account or for the account of a QIB or (B) is not a U.S. person and is acquiring the Unsecured Notes in an offshore transaction pursuant to Regulation S.

(2) It understands that the Unsecured Notes are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act, that the Unsecured Notes have not been and will not be registered under the Securities Act and that (A) if in the future it decides to offer, resell, pledge or otherwise transfer any of the Unsecured Notes, such Unsecured Notes may be offered, resold, pledged or otherwise transferred only (i) in the United States to a person whom the seller reasonably believes is a QIB in compliance with Rule 144A, (ii) outside the United States in a transaction complying with the provisions of Rule 904 under the Securities Act, (iii) pursuant to an exemption from registration under the Securities Act, including the exemption provided by Rule 144 (if available and provided that prior to such transfer, the trustee is furnished with an opinion of counsel acceptable to the Issuer that such transfer is in compliance with the Securities Act), (iv) pursuant to an effective registration statement under the Securities Act or (v) to us or any of our subsidiaries, in each of cases (i) through (v) in accordance with any applicable securities laws of any State of the United States, and that (B) it will, and each subsequent holder is required to, notify any subsequent purchaser of the Unsecured Notes from it of the resale restrictions referred to in clause (A) above.

(3) It understands that the Unsecured Notes will, unless otherwise agreed by the Issuer and the holder thereof, bear a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE HOLDER:

(1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE "SECURITIES ACT") (A "QIB") OR (B) IT IS NOT A U.S. PERSON, IS NOT ACQUIRING THIS SECURITY FOR THE ACCOUNT OR FOR THE BENEFIT OF A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT,

(2) AGREES THAT IT WILL NOT WITHIN ONE YEAR AFTER THE LATER OF (X) ORIGINAL ISSUANCE OF THIS SECURITY AND (Y) THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) RESELL OR OTHERWISE TRANSFER THIS SECURITY EXCEPT (A) TO THE ISSUER OR ANY SUBSIDIARY THEREOF, (B) TO A PERSON WHOM THE HOLDER REASONABLY BELIEVES IS A QIB IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, (C) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 UNDER THE SECURITIES ACT, (D) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), (E) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (PROVIDED THAT PRIOR TO SUCH TRANSFER, THE TRUSTEE IS FURNISHED WITH AN OPINION OF COUNSEL ACCEPTABLE TO THE ISSUER THAT SUCH TRANSFER IS IN COMPLIANCE WITH THE SECURITIES ACT) OR (F) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND, IN EACH CASE, IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, AND

(3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY OR AN INTEREST HEREIN IS TRANSFERRED (OTHER THAN A TRANSFER PURSUANT TO CLAUSE (2)(D) OR (2)(F) ABOVE) A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

IN CONNECTION WITH ANY TRANSFER OF THIS SECURITY OR ANY INTEREST HEREIN WITHIN THE TIME PERIOD REFERRED TO ABOVE, THE HOLDER MUST CHECK THE APPROPRIATE BOX SET FORTH ON THE REVERSE HEREOF RELATING TO THE MANNER OF SUCH TRANSFER AND SUBMIT THIS CERTIFICATE TO THE TRUSTEE. AS USED HEREIN THE TERMS "OFFSHORE TRANSACTION," "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANING GIVEN TO THEM BY RULE 902 OF REGULATION S UNDER THE SECURITIES ACT.

(4) If you are an acquirer in a transaction that occurs outside the United States within the meaning of Regulation S, you acknowledge that until the expiration of the "40-day distribution compliance period" within the meaning of Rule 903 of Regulation S, any offer or sale of these Unsecured Notes shall not be made by you to a U.S. person or for the account or benefit of a U.S. person within the meaning of Rule 902 under the Securities Act, except in compliance with applicable securities laws.

(5) It (a) is able to act on its own behalf in the transactions contemplated by this offering memorandum, (b) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its prospective investment in the Unsecured Notes, and (c) (or the account for which it is acting) has the ability to bear the economic risks of its prospective investment in the Unsecured Notes and can afford the complete loss of such investment.

(6) It acknowledges that (a) none of us, the initial purchasers or any person acting on behalf of any of the foregoing has made any statement, representation, or warranty, express or implied, to it with respect to the Issuer or the offer or sale of any Notes, other than the information we have included in this offering memorandum, and (b) any information it desires concerning the Issuer, the Unsecured Notes or any other matter relevant to its decision to acquire the Unsecured Notes (including a copy of the offering memorandum) is or has been made available to it.

(7) Either (A) it is not and is not using the assets of (i) an employee benefit plan as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), which is subject to Title I of ERISA, or any entity whose underlying assets include the assets of such employee benefit plans, (ii) a plan, an account or an arrangement subject to Section 4975 of the Code, or an entity whose underlying assets are considered to include the assets of such plan, account or arrangement, (iii) a governmental, church, non-U.S. or other plan which is subject to provisions under any federal, state, local, non-U.S. or other laws or regulations that are similar to the foregoing provisions of ERISA or the Code ("Similar Law") or (B) its acquisition, holding, disposition or transfer of a Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental, church, non-U.S. or other plan, a similar violation under any applicable Similar Law), and none of the Issuers, the initial purchasers nor any of their respective affiliates is its fiduciary in connection with the acquisition and holding of an Unsecured Note.

(8) It acknowledges that the trustee will not be required to accept for registration of transfer any Unsecured Notes acquired by it, except upon presentation of evidence satisfactory to the Issuer and the trustee that the restrictions set forth herein have been complied with.

(9) It acknowledges that we, the initial purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agrees that if any of the acknowledgments, representations or agreements deemed to have been made by its purchase of the Unsecured Notes are no longer accurate, it shall promptly notify us and the initial purchasers. If it is acquiring the Unsecured Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgments, representations, and agreements on behalf of each account.

PLAN OF DISTRIBUTION

Subject to the terms and conditions set forth in the purchase agreement (the "Purchase Agreement") among the Issuers, the guarantors and Deutsche Bank Securities Inc. and Barclays Capital Inc., as representatives of the several initial purchasers, we have agreed to sell to the initial purchasers, and the initial purchasers have agreed to purchase from us, severally and not jointly, all of the Unsecured Notes.

The Purchase Agreement provides that the obligations of the initial purchasers to pay for and accept delivery of the Unsecured Notes are subject to, among other conditions, the delivery of certain legal opinions by counsel.

The initial purchasers have agreed to resell the Unsecured Notes (a) in the United States to persons who they reasonably believe are QIBs in reliance on Rule 144A and (b) outside the United States to non-U.S. persons in offshore transactions in compliance with Regulation S, in each case, under the Securities Act. See "Notice to Investors." The Unsecured Notes will initially be offered at the price indicated on the cover page hereof. After the initial offering of the Unsecured Notes, the offering price and other selling terms of the Unsecured Notes may from time to time be varied by the initial purchasers. The initial purchasers reserve the right to reject an order of Unsecured Notes in whole or in part.

The Purchase Agreement provides that we will indemnify the initial purchasers against certain liabilities, including liabilities under the Securities Act, and will contribute to payments that the initial purchasers may be required to make in respect thereof.

We and the guarantors have agreed that we will not, directly or indirectly, offer, sell, issue, contract to sell, pledge or otherwise dispose of any dollar-denominated debt securities issued or guaranteed by us and having a maturity of more than one year from the date of issue or any securities convertible into or exchangeable or exercisable for any of such debt securities, or publicly disclose the intention to make any such offer, sale, issuance, pledge or disposition, other than the First-Priority Notes, without the prior written consent of Deutsche Bank Securities Inc. on behalf of the initial purchasers, for a period of 60 days after the date of this offering memorandum.

The offer and sale of Unsecured Notes have not been and will not be registered under the Securities Act and the Unsecured Notes may not be offered or sold except as set forth above. Prior to the offering, there has been no active market for the Unsecured Notes. As a result, we cannot assure you that the initial prices at which the Unsecured Notes will sell in the market after this offering will not be lower than the initial offering price or that an active trading market for the Unsecured Notes will develop and continue after completion of this offering. We do not intend to apply for listing of the Unsecured Notes on any national securities exchange or for inclusion of the Unsecured Notes on any automated dealer quotation system. The initial purchasers have advised us that they presently intend to make a market in the Unsecured Notes as permitted by applicable laws and regulations. The initial purchasers are not obligated, however, to make a market in the Unsecured Notes and any such market making may be discontinued at any time at the sole discretion of the initial purchasers. In addition, market-making activities will be subject to the limits imposed by the Exchange Act, and may be limited. Accordingly, no assurance can be given as to the liquidity of, or trading markets for, the Unsecured Notes.

We expect that delivery of the Unsecured Notes will be made against payment therefor on or about , 2019 which will be the business day following the date of pricing of the Unsecured Notes, or "T+ ." Under Rule 15c6-1 of the Exchange Act, trades in the

secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Unsecured Notes on the date of pricing or the next succeeding business days will be required, by virtue of the fact that the Unsecured Notes initially will settle in T+ , to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of Unsecured Notes who wish to trade Unsecured Notes on the date of pricing or the next succeeding business days should consult their own advisors.

In connection with sales outside the United States, the initial purchasers have agreed that they will not offer, sell or deliver the Unsecured Notes to, or for the account or benefit of, United States persons (1) as part of their distribution at any time or (2) otherwise prior to 40 days after the closing of the offering. The initial purchasers will send to any dealer to whom they sell Unsecured Notes during such period a confirmation or other notice setting forth the restrictions on offers and sales of the Unsecured Notes within the United States or to, or for the account or benefit of, United States persons.

Notice to Prospective Investors in the European Economic Area ("EEA")

The Unsecured Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II;

(ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the Directive 2003/71/EC (as amended, the "Prospectus Directive").

Consequently no key information document required by the PRIIPs Regulation for offering or selling the Unsecured Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Unsecured Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation. This offering memorandum has been prepared on the basis that any offer of Unsecured Notes in any member state of the EEA will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of Unsecured Notes. This offering memorandum is not a prospectus for the purposes of the Prospectus Directive.

Notice to Prospective Investors in the United Kingdom

Each Initial Purchaser has represented and agreed that:

(1) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Market Act 200 (the "FSMA")) received by it in connection with the issue or sale of any Unsecured Notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and

(2) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Unsecured Notes in, from or otherwise involving the United Kingdom.

Notice to Prospective Investors in Switzerland

This offering memorandum does not constitute an issue prospectus pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations and the Unsecured Notes will not be listed on the SIX Swiss Exchange. Therefore, this offering memorandum may not comply with the disclosure standards of the listing rules (including any additional listing rules or prospectus schemes) of the SIX Swiss Exchange. Accordingly, the Unsecured Notes may not be offered to the public in or from Switzerland, but only to a selected and limited circle of investors who do not subscribe to the Unsecured Notes with a view to distribution. Any such investors will be individually approached by the initial purchasers from time to time.

Notice to Prospective Investors in the Dubai International Financial Centre

This offering memorandum relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority ("DFSA"). This offering memorandum is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this offering memorandum nor taken steps to verify the information set forth herein and has no responsibility for the offering memorandum. The Unsecured Notes to which this offering memorandum relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Unsecured Notes offered should conduct their own due diligence on the Unsecured Notes. If you do not understand the contents of this offering memorandum you should consult an authorized financial advisor.

Notice to Prospective Investors in Canada

The Unsecured Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Unsecured Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the initial purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Stabilization

In connection with the offering, certain persons participating in the offering may engage in transactions that stabilize, maintain or otherwise affect the price of the Unsecured Notes.

Specifically, the initial purchasers may bid for and purchase Unsecured Notes in the open markets to stabilize the price of the Unsecured Notes. The initial purchasers may also overallot the offering, creating a syndicate short position, and may bid for and purchase Unsecured Notes in the open market to cover the syndicate short position. In addition, the initial purchasers may bid for and purchase Unsecured Notes in market making transactions and impose penalty bids. These activities may stabilize or maintain the respective market price of the Unsecured Notes above market levels that may otherwise prevail. The initial purchasers are not required to engage in these activities, and may end these activities at any time.

Other Relationships

The initial purchasers or any of their respective affiliates from time to time has provided in the past and may provide in the future investment banking, commercial lending and financial advisory services to us and our affiliates in the ordinary course of business for which they have received, or may in the future receive, customary fees, expenses and commissions. In the ordinary course of its various business activities, the initial purchasers or one of their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for its own account and for the accounts of its customers, and such investment and securities activities may involve securities and/or instruments of the Issuers and/or Company. The initial purchasers or their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

An affiliate of Barclays Capital Inc. acts as administrative agent under the First Lien Credit Agreement and certain of the initial purchasers and/or their respective affiliates are lenders, agents and/or arrangers under the First Lien Credit Agreement and, as consideration therefor, have received or will receive customary fees and expenses in connection with the First Lien Credit Agreement (including in connection with the Credit Agreement Amendment). Certain of the initial purchasers and/or their respective affiliates may hold loans under the First Lien Term Facility, and therefore such initial purchasers or their affiliates may receive a portion of the proceeds of this offering that are being used to prepay a portion of the First Lien Term Facility. Deutsche Bank Securities Inc. and/or its affiliate will act as dealer manager in connection with the Tender Offer. Certain of the initial purchasers and/or their respective affiliates may hold the Prime Notes, and to the extent such notes are repurchased pursuant to the Tender Offer or redeemed pursuant to the Redemption, such initial purchasers or their affiliates may receive a portion of the proceeds of this offering that are being used to repurchase and/or redeem the Prime Notes. The initial purchasers and/or their respective affiliates will also serve as initial purchasers for the First-Priority Notes offering and, as consideration therefor, will receive customary fees and expenses in connection therewith.

LEGAL MATTERS

The validity of the Unsecured Notes offered hereby will be passed upon for us by Paul, Weiss, Rifkind, Wharton & Garrison LLP, New York, New York. Certain legal matters in connection with the offering of the Unsecured Notes will be passed upon for the initial purchasers by Cahill Gordon & Reindel LLP, New York, New York.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The financial statements as of December 31, 2018 and 2017 and for each of the three years in the period ended December 31, 2018, incorporated by reference in this offering memorandum, have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report.

We have not authorized any dealer, salesperson or other person to give any information or represent anything to you other than the information contained in this offering memorandum. You must not rely on unauthorized information or representations.

This offering memorandum does not offer to sell or ask for offers to buy any of the securities in any jurisdiction where it is unlawful, where the person making the offer is not qualified to do so, or to any person who cannot legally be offered the securities.

The information in this offering memorandum is current only as of the date on its cover, and may change after that date. For any time after the cover date of this offering memorandum, we do not represent that our affairs are the same as described or that the information in this offering memorandum is correct—nor do we imply those things by delivering this offering memorandum or selling securities to you.

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$1,250,000,000

PRIME SECURITY SERVICES BORROWER, LLC
PRIME FINANCE INC.

$1,250,000,000 % Senior Unsecured Notes due 2027

PRELIMINARY OFFERING MEMORANDUM

Deutsche Bank Securities
Barclays
Citigroup
RBC Capital Markets

Mizuho Securities
Citizens Capital Markets
Credit Suisse
ING
Raymond James

, 2019