

IN THE DISTRICT COURT
OF LANCASTER COUNTY, NEBRASKA

STATE OF NEBRASKA, ex rel.
MICHAEL T. HILGERS,
ATTORNEY GENERAL,

Plaintiff,

v.

RESIDEO TECHNOLOGIES, INC.,
a Delaware Corporation, **RESIDEO**
LLC a Delaware Limited Liability
Company,

Defendants.

Case No: CI25-4459

**FINAL CONSENT
JUDGMENT**

NOW, this matter is before the Court on the Parties' Agreement to Entry of Final Consent Judgment (hereinafter "Agreement"), incorporated herein and attached hereto as **Exhibit A**. The parties, as defined in the Agreement, include Plaintiff State of Nebraska, ex rel. Michael T. Hilgers, Attorney General, and Defendants Resideo Technologies, Inc. and ADI Global Distribution LLC (formerly Resideo LLC) (collectively, "Resideo").

The Court has reviewed the Agreement and concludes good cause has been shown to enter this Final Consent Judgment approving the Agreement.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED that the Agreement executed as of August 20, 2026, between the State of Nebraska, ex rel. Michael T. Hilgers, Attorney General, and Resideo, attached hereto, is hereby approved and the terms and conditions are incorporated as if set forth fully herein.

SO ORDERED this 21st day of August, 2026.

BY THE COURT:

Ryan Post

Hon. Ryan S. Post
District Judge

Prepared and submitted by:

/s/ Derek T. Bral

Derek T. Bral, #26767
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Attorney for Plaintiff

Approved as to form and content
by:

/s/ Marnie A. Jensen

Marnie A. Jensen, #22380
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Attorney for Resideo Technologies,
Inc. and Resideo LLC

EXHIBIT A

IN THE DISTRICT COURT
OF LANCASTER COUNTY, NEBRASKA

STATE OF NEBRASKA, ex rel.
MICHAEL T. HILGERS,
ATTORNEY GENERAL,

Plaintiff,

v.

RESIDEO TECHNOLOGIES, INC.,
a Delaware Corporation, and RESIDEO
LLC, a Delaware Limited Liability
Company,

Defendants.

Case No.: CI25-4459

AGREEMENT TO ENTRY OF FINAL CONSENT JUDGMENT

Plaintiff, the State of Nebraska, ex rel. Michael T. Hilgers, Nebraska Attorney General, by and through the undersigned attorneys (“Attorney General,” “State,” or “Plaintiff”), has filed a Complaint against Defendants Resideo Technologies, Inc. (“Resideo”) and ADI Global Distribution LLC (formerly Resideo LLC formerly Ademco Inc.) (hereinafter, “ADI”) (collectively “Defendants”), in Lancaster County (Nebraska) District Court, Case No. CI 25-4459 (the “Lawsuit”), requesting an injunction and other relief in this matter pursuant to the Consumer Protection Act, Neb. Rev. Stat. § 59-1601 *et seq.* (hereinafter “Consumer Protection Act”) and the Uniform Deceptive Trade Practices Act, Neb. Rev. Stat. § 87-301 *et seq.* (hereinafter “Uniform Deceptive Trade Practices Act”) alleging Defendants committed violations of the aforementioned Acts through the marketing and sale of ADI security and smart-home solutions.

WHEREAS, Plaintiff and Defendants now wish to amicably resolve the issues raised in the Complaint, and **NOW THEREFORE**, upon the consent of the Parties hereto, **IT IS HEREBY AGREED AS FOLLOWS:**

Plaintiff, by its counsel, and Defendants, by their counsel, have consented to the entry by the court of a final consent judgment approving this Agreement to Entry of Final Consent

Judgment (hereinafter “Agreement”) without trial or adjudication of any issue of fact or law, and without admission of any wrongdoing or admission of any violations of law, including violations of the Consumer Protection Act and the Uniform Deceptive Trade Practices Act.

PARTIES

1. Michael T. Hilgers is the duly elected, qualified, and acting Attorney General of the State of Nebraska. The Nebraska Attorney General is responsible for enforcement of Nebraska consumer protection laws, including, but not limited to, the Consumer Protection Act and the Uniform Deceptive Trade Practices Act.
2. Defendant Resideo Technologies, Inc. is a Delaware corporation located at 16100 N. 71st Street, Suite 550, Scottsdale, Arizona.
3. Defendant ADI Global Distribution LLC (formerly Resideo LLC, formerly Ademco Inc.) is a Delaware limited liability company located at 275 Broadhollow Road, Suite 400, Melville, NY 11747.
4. Plaintiff and Defendants shall be collectively referred to as “the Parties” throughout this Agreement.
5. The State of Nebraska has sued both Resideo and ADI. ADI is a business segment within Resideo that purchases and sells Hikvision products in the State of Nebraska.
6. In July of 2025, Resideo announced its intention to separate the ADI business into a separate standalone publicly traded company prior to December 31, 2026 (the “Separation”). Resideo currently expects the Separation to occur in the third quarter of 2026. Following the consummation of the Separation, ADI will be solely responsible for its obligations under the settlement agreement.

PLAINTIFF’S ALLEGATIONS AND DEFENDANTS’ DENIAL

7. Plaintiff alleges that through ADI, Defendants have deceptively marketed security products that themselves have major security vulnerabilities, including deceptive statements and material omissions when advertising and selling products manufactured by Hangzhou Hikvision Digital Technology Co., Ltd. (collectively with its relevant affiliates, “Hikvision”) and Zhejiang Dahua Technology Co., Ltd. (collectively with its relevant affiliates, “Dahua”).

8. Defendants deny Plaintiff's allegations and deny that they have violated the Consumer Protection Act or the Uniform Deceptive Trade Practices Act through the marketing and sale of ADI security and smart-home solutions, including as they relate to Hikvision and Dahua.

APPLICATION

9. The provisions of this Agreement apply to Defendants, doing business under their corporate or limited liability company names, under any other business name, or in the name of any owners, principals, directors, officers, agents, representatives, salespersons, employees, instructors, independent contractors, affiliates, successors, transferees, assignees, and all persons acting in concert or participation with Defendants, directly or indirectly, through any corporate device, partnership, association, or other business entity, over which Plaintiff has jurisdiction.

INJUNCTIVE RELIEF

10. Defendants have already ceased selling Dahua-manufactured products in Nebraska, including any products marketed or sold under a third-party brand, and will continue their cessation of such sales, subject to Paragraph twelve (12) below.
11. Defendants will cease selling Hikvision-manufactured products in Nebraska, including any products marketed or sold under a third-party brand, as of the date of dismissal of this action and will continue their cessation of such sales, subject to Paragraph twelve (12) below.
12. In the event that Hikvision or Dahua video surveillance products are subsequently determined by the United States federal government, including but not limited to Congress, the Federal Communications Commission, or other relevant federal agencies, to no longer pose a risk to national security or data privacy, or are determined to be compliant with the National Defense Authorization Act ("NDAA") or otherwise removed from any NDAA-related restrictions or prohibitions, or are otherwise removed from or subject to modification of any applicable federal restrictions or prohibitions, the requirements set forth in Paragraphs ten (10) and eleven (11) shall be deemed satisfied and shall no longer apply, absent a written agreement of the Parties to the contrary.

PAYMENT AND REMEDIATION PROGRAM

13. Defendants shall pay four hundred thousand dollars (\$400,000.00) to Plaintiff within seven (7) days after the date of court approval of this Agreement via certified check.
14. Payment made pursuant to paragraph thirteen (13) shall be made as follows: (1) two hundred thousand dollars (\$200,000.00) into the State Settlement Trust Fund to be used for a consumer remediation program administered by the Plaintiff for the benefit of eligible consumers who purchased Hikvision or Dahua video surveillance products, with any unclaimed funds to be transferred to the State Settlement Cash Fund upon completion of the remediation program; and (2) two hundred thousand dollars (\$200,000.00) into the State Settlement Cash Fund to be used for attorney's fees and other costs of investigation, future consumer protection or privacy enforcement, consumer education, litigation, to defray the costs of the inquiry leading hereto, or for other uses permitted by state law at the sole discretion of the Nebraska Attorney General.
15. The Parties acknowledge that the payments described in this section are not a fine or penalty, or payment in lieu thereof.

GENERAL PROVISIONS

16. This Agreement constitutes a complete settlement and release by the Plaintiff of all civil claims and causes of action against Defendants arising out of the conduct alleged in this Agreement that existed as of the date of court approval of this Agreement and that could have been asserted by the Plaintiff under the Consumer Protection Act or the Uniform Deceptive Trade Practices Act. This does not affect a consumer's private right of action, or the Plaintiff's right to bring any and all contempt actions, or other actions arising out of violation of this Agreement, should any occur in the future.
17. Nothing in this Agreement shall be construed so as to limit or bar any other person or entity from pursuing any and all available legal remedies against Defendants; nor is it the intent of the Parties hereto that this Agreement shall create or support a cause of action against Defendants by non-parties to this Agreement.
18. Nothing contained herein shall be construed as relieving Defendants of the obligation to comply with any and all federal, state and local laws, regulations or rules, nor shall any of

the provisions of this Agreement be deemed a waiver or permission to engage in any act or practice prohibited by law, regulation or rule. This Agreement is subject to all applicable federal, state and local laws, regulations and rules.

19. Defendants understand that this Agreement shall not be construed as an approval of or sanction by the Plaintiff of the Defendants' business practices, nor shall the Defendants represent the Agreement as such approval. The Parties further understand and agree that any failure by the Plaintiff to take any action in response to any information submitted pursuant to this Agreement shall not be construed to be an approval of or sanction of any representations, acts, or practices of the Defendants, nor shall any inaction by the Plaintiff be considered a waiver by the Plaintiff of any rights under this Agreement or the law.
20. If any portion, provision, or part of this Agreement is held to be invalid, unenforceable or void for any reason whatsoever, that portion shall be severed from the remainder and shall not affect the validity or enforceability of the remaining provisions, portions or parts.
21. In the event any law, regulation or order is enacted, adopted or issued by the federal government, the State of Nebraska or any of its agencies, any relevant local government or a court of competent jurisdiction with respect to any issue specifically covered by this Agreement, the requirements of such law, regulation or order, after written notice by Defendants to the Plaintiff, shall replace any provision contained herein so that compliance with such law, regulation or order shall be deemed compliance with this Agreement.
22. Defendants shall generate, retain and make readily available to Plaintiff for inspection, upon reasonable notice and without the necessity of a subpoena, civil investigative demand or other legal process, all material records and documents reasonably necessary to document compliance with this Agreement.
23. This Agreement is made and entered into without trial, finding of fact or conclusions of law by a court. This Agreement does not constitute evidence against or an admission by Defendants of any issues of fact or any violations of law in the past or that Defendants have engaged in any inappropriate activities or other wrongdoing, and shall not be used in a manner inconsistent with these terms.

24. The Parties acknowledge and represent that: (a) each Party has read this Agreement in its entirety and fully understands all of its terms and conditions and the ramifications and consequences thereof; (b) each Party unconditionally consents to the terms of this Agreement; (c) each Party has either consulted with or had ample opportunity to consult with legal counsel of their choosing prior to executing this Agreement; (d) each Party has freely and voluntarily signed this Agreement; and (e) the consideration received by each Party as described in this Agreement is adequate.
25. The Parties acknowledge and agree that this Agreement contains the entire understanding of the Parties and supersedes and forever terminates all prior and contemporaneous representations, promises, agreements, understandings, and negotiations, whether oral or written, with respect to its subject matter. The Parties further agree that this Agreement may only be amended, modified, or supplemented by a duly executed writing signed by each Party to this Agreement.
26. The Parties agree that they may execute this Agreement in any number of counterparts, each of which shall be deemed an original hereof, but which together shall constitute one and the same instrument and agreement, and that facsimile or electronically-transmitted signatures may be attached to this Agreement and shall be binding on such party as an original signature.
27. Any notices, statements, or other written documents required by this Agreement shall be provided by first class mail and/or emailed to the intended recipient at the addresses set forth below, unless a different address is specified in writing by the Party changing such address:

- a. For Plaintiff:

Derek T. Bral
Assistant Attorney General
Consumer Protection Bureau
Nebraska Attorney General's Office
2115 State Capitol Building
Lincoln, NE 68509
derek.bral@nebraska.gov

With a copy to:

ago.consumerstaff@nebraska.gov

b. For Defendants:

Deirdre Hill, General Counsel
ADI Global Distribution LLC
275 Broadhollow Road
Suite 400
Melville, NY 11747

With a copy to :

Marnie Jensen
Partner
Husch Blackwell
14606 Branch Street
Suite 200
Omaha, NE 68154-5241
marnie.jensen@huschblackwell.com

WHEREFORE, each undersigned representative of the Plaintiff and Defendants certifies that he or she is fully authorized to enter into the terms and conditions of this Agreement and legally bind such Party to its terms. The following signatures are affixed hereto as of the dates written below in agreement hereof.

JOINTLY APPROVED AND SUBMITTED FOR ENTRY:

FOR PLAINTIFF:

STATE OF NEBRASKA, ex rel.
MICHAEL T. HILGERS,
Attorney General

By: Michael T. Hilgers, No. 24483
Attorney General

By:  Date: August 20, 2026

Derek T. Bral, No. 26767
Assistant Attorney General
Consumer Protection Bureau
Nebraska Attorney General's Office
2115 State Capitol Building

Lincoln, NE 68509
derek.bral@nebraska.gov

Counsel for the State of Nebraska

FOR DEFENDANTS:

By:  _____ Date: August 4, 2026

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Partner
Husch Blackwell
14606 Branch Street
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Omaha, NE 68154-5241
marnie.jensen@huschblackwell.com

Counsel for Defendants

RESIDEO TECHNOLOGIES, INC.

By:  _____ Date: 8/12/2026
[Insert Name/Title] *SVP G.C.
Corp Sec.*

ADI GLOBAL DISTRIBUTION LLC (Formerly RESIDEO LLC)

By:  _____ Date: 8/5/26

Jeannine Lane, SVP, General Counsel, Corporate Secretary and Chief Compliance Officer