

the Settlement is 19.6¢ per damaged share² before deduction of Court-awarded attorneys' fees and expenses. A Class Member's actual recovery will be a proportion of the Net Settlement Fund determined by that claimant's Recognized Claim as compared to the total Recognized Claims of all Class Members who submit acceptable Proofs of Claim. An individual Class Member may receive more or less than this average amount. See the Plan of Allocation beginning on page 10 for more information on your Recognized Claim.

Statement of Potential Outcome of Case

The parties vigorously disagree about both liability and damages and do not agree on the average amount of damages per share that would be recoverable if Plaintiffs were to have prevailed on each claim alleged. The Action has been actively litigated over eight years and was subjected to motions to dismiss that were appealed to the U.S. Court of Appeals and to the U.S. Supreme Court. The Claims remaining in the case were the subject of Defendants' Motion for Summary Judgment. The District Court granted Defendants' Motion for Summary Judgment on most claims that were not previously dismissed but denied the motion as to two alleged misstatements concerning the demand for Tellabs TITAN 5500 product.

The issues on which the parties disagree include, but are not limited to: (a) the truth or falsity of certain statements about 1) Tellabs' financial results for the fourth quarter of 2000 and the full year 2000; 2) demand for Tellabs' TITAN 5500 product; 3) Tellabs' projections of earnings and revenues for 2001; and 4) the availability and shipping of the TITAN 6500 system; (b) the materiality of those statements; (c) the effect, if any, of those statements on Tellabs' common stock price; and (d) Defendants' state of mind (*scienter*) when the statements were made.

The Defendants continue to deny that they are liable to the Plaintiffs or the Class and deny that Plaintiffs or the Class have suffered any damages, and the Settlement is not any admission of wrongdoing or liability.

Statement of Attorneys' Fees and Costs Sought

Plaintiffs' Counsel, in addition to having invested more of their time than the amount of the Settlement, have already incurred approximately \$1.45 million of expenses in the pursuit of this litigation over the last eight years. In view of the amount of expenses they have incurred they are limiting their fee request so that the total of the fees AND the litigation expenses do not exceed 40% of the Settlement Amount. Accordingly, Plaintiffs' Counsel are moving the Court to award attorneys' fees and litigation expenses in the total amount of forty percent (40%) of the Gross Settlement Fund from this Settlement, which would limit their fees to approximately 20.3% of the Settlement Amount. The requested fees and expenses would amount to an average of 7.8¢ per damaged share in total for fees and expenses. The Action was commenced in 2002, and over the past eight years Plaintiffs' Counsel have expended very substantial amounts of time and effort in the prosecution of this litigation on a contingent fee basis, and have advanced the expenses of the litigation, in the expectation that if they were successful in obtaining a recovery for the Settlement Class they would be paid from such recovery. Plaintiffs' Lead Counsel are also moving the Court to award reimbursement of up to \$10,000, in total, to one or more of the Class Representatives for their reasonable costs and expenses (including lost wages) directly relating to their representation of the Class.

Further Information

Further information regarding the Action and this Notice may be obtained by contacting Plaintiffs' Lead Counsel: Richard H. Weiss, Esq., Milberg LLP, One Penn Plaza, New York, New York 10119-0165, Telephone (212) 594-5300.

Reasons for the Settlement

For the plaintiffs, the principal reason for the Settlement is the benefit offered to be provided to the Class now, in view of the remaining risks and recent legal rulings, including the District Court's summary judgment rulings and its order striking in large part the opinions of plaintiffs' liability expert. This benefit must be compared to the risk that no recovery at all might be achieved after a trial. Even if Plaintiffs were successful at trial, any Plaintiffs' verdict would be subjected to further appeals. And there was no assurance that at trial Plaintiffs would win, or if they did, that any recovery would be larger than the amount obtained in the proposed Settlement. The Settlement was entered after mediation proceedings.

For the Defendants, who deny all allegations of wrongdoing or liability whatsoever, the principal reason for the Settlement is to eliminate the expense, risks, and uncertain outcome of the Action.

[END OF COVER PAGE]

² An allegedly damaged share might have been traded more than once during the Class Period, and the indicated average recovery would be the total for all purchasers of that share.

WHAT THIS NOTICE CONTAINS
Table of Contents

	Page
SUMMARY OF SETTLEMENT NOTICE.....	1
Statement of Plaintiff Recovery	1
Statement of Potential Outcome of Case.....	2
Statement of Attorneys’ Fees and Costs Sought.....	2
Further Information	2
Reasons for the Settlement.....	2
BASIC INFORMATION	3
1. Why did I get this notice package?.....	3
2. What is this lawsuit about?.....	4
3. Why is this a class action?.....	4
4. Why is there a settlement?.....	5
WHO IS IN THE SETTLEMENT.....	6
5. How do I know if I am part of the settlement?.....	6
6. Are there exceptions to being included?.....	7
7. What if I am still not sure if I am included?.....	7
THE SETTLEMENT BENEFITS — WHAT YOU GET	7
8. What does the settlement provide?.....	7
9. How much will my payment be?.....	7
HOW YOU GET A PAYMENT — SUBMITTING A PROOF OF CLAIM FORM.....	7
10. How can I get a payment?.....	7
11. When would I get my payment?.....	7
12. What am I giving up to get a payment?.....	7
THE LAWYERS REPRESENTING THE CLASS	8
13. Do I have a lawyer in this case?.....	8
14. How will the lawyers and Class Representatives be compensated for their time and expenses?.....	8
OBJECTING TO THE SETTLEMENT	9
15. How do I tell the Court that I do not like the proposed settlement?.....	9
THE COURT’S SETTLEMENT FAIRNESS HEARING.....	9
16. When and where will the Court decide whether to approve the proposed settlement?.....	9
17. Do I have to come to the hearing?.....	9
18. May I speak at the hearing?.....	10
IF YOU DO NOTHING	10
19. What happens if I do nothing at all?.....	10
GETTING MORE INFORMATION	10
20. Are there more details about the proposed settlement?.....	10
21. How do I get more information?	10
PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS.....	10
SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES	12

BASIC INFORMATION

1. Why did I get this notice package?

You or someone in your family may have purchased shares of Tellabs, Inc. common stock during the period from December 11, 2000 through June 19, 2001, inclusive (the “Class Period”). You may recall that a Notice of Pendency of Class Action (the “Notice of Pendency”) dated February 9, 2010 was previously distributed, which alerted Class Members to the fact that this Action was proceeding on behalf of people and entities who purchased Tellabs common stock during the Class Period. The Notice of Pendency described the Action and provided Class Members with an opportunity to exclude themselves from the Class by May 10, 2010. If you excluded yourself from the Class, you are not a Class Member, you will not be affected by the Action and you may not participate in the Settlement.

The Court directed that this Settlement Notice be sent to Class Members because they have a right to know about the proposed Settlement of this class action lawsuit, and about their right to object to the Settlement or any of its terms, before the Court decides whether to approve the Settlement. If the Court approves the Settlement, and after objections and appeals, if any, are resolved, an administrator appointed by the Court will make the payments that the Settlement allows to Class Members who submit acceptable Proofs of Claim by **September 2, 2011**.

This package explains the Action, the Settlement, Class Members' legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the Northern District of Illinois, Eastern Division, and the case is known as *Makor Issue & Rights, Ltd., et al. v. Tellabs, Incorporated, et al.*, Case No. 02-C-4356. This case was assigned to United States District Judge Amy J. St. Eve. The people who are suing are called the "Plaintiffs." The company and the persons being sued -- Tellabs, Inc. ("Tellabs") and its officers and directors at the relevant time, Michael J. Birck, Richard C. Notebaert, Joan E. Ryan, and Brian Jackman -- are called the "Defendants."

2. What is this lawsuit about?

This Action alleges that Tellabs made misleading statements during the Class Period which artificially inflated the price of its common stock. The Action further alleges that investors who purchased Tellabs common stock at inflated prices were harmed if they held those shares after the truth became known and the artificial inflation was wholly or partially eliminated. The Complaint alleges that misleading statements were made in violation of section 10(b) of the Exchange Act and Rule 10b-5. The Action also alleges that the Individual Defendants are liable as controlling persons of Tellabs under Section 20(a) of the Exchange Act.

Tellabs is a global supplier of optical networking, broadband access, and voice-quality enhancement solutions to telecommunications carriers and internet service providers. Throughout the Class Period, Tellabs' common shares were actively traded on the NASDAQ National Market under the symbol "TLAB." Plaintiffs allege that from December 11, 2000 until June 19, 2001, Defendants made various false and misleading public statements falling into four categories. First, Plaintiffs allege that Tellabs made revenue and earnings projections for 2001 that were misleadingly optimistic and overstated. Second, Plaintiffs allege that Tellabs misrepresented its financial results for the fourth quarter of 2000 and full year 2000 by including revenues allegedly derived from "channel stuffing" and the shipment of unordered products. Third, Plaintiffs allege that Defendants made certain statements regarding continued demand for the TITAN 5500, Tellabs' most significant product, that were misleading. Fourth, Plaintiffs allege that Tellabs made certain statements regarding the TITAN 6500, a new product offering, that misrepresented its availability and demand for that product.

Plaintiffs have alleged that Tellabs' stock price was artificially inflated as a result of these alleged misstatements. Plaintiffs' damages expert has opined that a partially corrective disclosure occurred on April 6, 2001, when Tellabs' announced a downwards revision in its first quarter guidance, which Plaintiffs allege caused a decline in the alleged artificial inflation in Tellabs' stock price. Plaintiffs' damages expert has further opined that the full truth was revealed on June 19, 2001, when Tellabs announced a downwards revision to its second quarter guidance (which had already been downwardly revised once in April 2001), and which Plaintiffs allege caused the elimination of the alleged artificial inflation in Tellabs' stock price the next day.

The Defendants have denied all allegations of misconduct alleged by Plaintiffs, and deny having engaged in any wrongdoing whatsoever. They have further denied that the price of Tellabs' stock was ever artificially inflated.

Although Plaintiffs alleged that the four categories of statements described above were false and misleading, the District Court has entered a summary judgment in Defendants' favor on most of Plaintiffs' claims, including all claims relating to projections, financial results and the TITAN 6500. The District Court also granted summary judgment in favor of Defendants with respect to an alleged misstatement made on April 6, 2001 regarding demand. The District Court did not, however, grant Defendants' motion for summary judgment with respect to two statements relating to demand for the TITAN 5500, one made by a Tellabs' officer during an analyst teleconference after the close of trading on March 7, 2001 and the other made in Tellabs' 2000 Annual Report (issued on March 14, 2001). Instead, the District Court set these remaining claims for a trial to be held in September 2011. In a clarifying order, the District Court also ruled that summary judgment on all claims was entered against all Class Members who had purchased Tellabs stock prior to March 8, 2001, or who had also been members of the class certified in another lawsuit which had resulted in a verdict in favor of Tellabs (*Brieger v. Tellabs, Inc.*).

3. Why is this a class action?

In a class action, one or more people called class representatives (in this case Lead Plaintiff Makor Issues & Rights, Ltd. and Plaintiffs Nolan Howell and Richard LeBrun), sue on behalf of people who have similar claims. All these people are a class or class members. Bringing a case, such as this one, as a class action allows adjudication of many similar claims of persons and entities that might be economically too small to bring in individual actions. One court resolves the issues for all class members, except for those who exclude themselves from the class.

The Court has found that the elements necessary for a class action are satisfied here. The Court certified this Action to proceed as a class action by Memorandum Opinion and Order dated February 23, 2009. Notice of the Pendency of this Action as a Class Action (the "Notice of Pendency") was mailed to Class Period purchasers of Tellabs common stock and was published. The Court set a deadline of May 10, 2010 for any Class Member to request exclusion from the Class. No further exclusion requests are allowed.

4. Why is there a settlement?

This litigation has been vigorously prosecuted and defended over the course of eight years. The history of this litigation, summarized below, has provided the parties with a clear picture of the merits and risks of Plaintiffs' claims. The parties agreed to a mediation and after that mediation reached the proposed Settlement. The Class Representatives and Plaintiffs' Lead Counsel believe the proposed Settlement is fair, reasonable and adequate for the settlement of the Class's claims.

Beginning on June 18, 2002, several securities fraud class actions were filed against Tellabs, Inc. ("Tellabs") and certain of its officers and directors. By Minute Order dated September 17, 2002, the Court consolidated these actions under the caption above. Plaintiff Makor Issues & Rights, Ltd. was designated Lead Plaintiff pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA") by Memorandum Opinion and Order of the Court on September 26, 2002. The Court approved Lead Plaintiff's selection of Milberg LLP as Lead Counsel for the Class.

On December 3, 2002, Plaintiffs filed their Consolidated Amended Class Action Complaint alleging violations of sections 10(b), 20(a), and 20A of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5. The Consolidated Amended Class Action Complaint alleged, among other things, that Tellabs and certain individual defendants, who were allegedly controlling officers and/or directors of Tellabs, made materially false and misleading statements and omissions about Tellabs to the investing public, thereby artificially inflating the price of the Tellabs common stock and damaging members of the Class.

In addition to Tellabs, the Consolidated Amended Class Action Complaint named Michael J. Birck, J. Thomas Gruenwald, Brian J. Jackman, John C. Kohler, Catherin Kozik, Richard C. Notebaert, Robert W. Pullen, Joan E. Ryan, William F. Souders, and John Vaughn as defendants. All of these defendants moved to dismiss the Consolidated Amended Class Action Complaint on January 17, 2003. Plaintiffs filed their opposition on March 14, 2003. On March 19, 2003, the Court granted Plaintiffs' motion voluntarily dismissing their claims against Vaughn. On April 18, 2003, the remaining defendants replied to Plaintiffs' opposition papers. By Memorandum Opinion and Order dated May 19, 2003, the Court dismissed the Consolidated Amended Class Action Complaint in its entirety, but without prejudice, allowing Plaintiffs to amend their claims. *Johnson v. Tellabs, Inc.*, 262 F. Supp. 2d 937, 939 (N.D. Ill. 2003).

On July 11, 2003, Plaintiffs filed their Second Consolidated Amended Class Action Complaint (the "Complaint"). The Complaint did not assert any claims against Gruenwald, Kozik, and Souders, leaving Tellabs and Birck, Jackman, Kohler, Notebaert, Pullen, and Ryan as the remaining defendants. The remaining defendants moved to dismiss the Complaint on August 27, 2003, Plaintiffs filed their opposition papers on October 3, 2003, and the defendants replied on November 5, 2003. By Memorandum Opinion and Order dated February 19, 2004, after determining that the Complaint failed to properly plead an underlying Rule 10b-5 violation, and reasoning that the remaining allegations were dependent on an underlying Rule 10b-5 violation, the Court granted defendants' motion to dismiss each count of the Complaint, with prejudice. *Johnson v. Tellabs, Inc.*, 303 F. Supp. 2d 941, 971 (N.D. Ill. 2004). By Order dated March 9, 2004, the Court clarified that its February 19, 2004 Memorandum Opinion and Order also dismissed the Complaint against Tellabs with prejudice.

On March 18, 2004, Plaintiffs appealed the dismissal of the Complaint. On July 19, 2006, the Seventh Circuit affirmed in part and reversed in part, holding that Plaintiffs sufficiently plead certain claims under Section 10(b) against Defendants Tellabs and Notebaert and properly plead control person liability claims under Section 20(a) against Birck, Jackman, Notebaert, and Ryan. *Tellabs, Inc. v. Makor Issues & Rights, Ltd.*, 437 F. 3d 588, 603-05 (7th Cir. 2006). The Court of Appeals took no position on Plaintiffs' Section 20A insider trading claims. *Id.* at 605. The Court of Appeals affirmed the dismissal of certain other claims.

On October 3, 2006, Defendants filed a petition with the United States Supreme Court to appeal the Seventh Circuit's decision, which was granted. On June 21, 2007, the United States Supreme Court reversed the Seventh Circuit's interpretation of what a plaintiff must allege with respect to the scienter (state of mind) requirement of a Section 10(b) claim and remanded the case for further review consistent with the Supreme Court's ruling. *Tellabs, Inc. v. Makor Issues & Rights, Ltd.*, 551 U.S. 308 (2007). On February 8, 2008, on remand from the Supreme Court, the Seventh Circuit adhered to its July 19, 2006 decision reversing in part the District Court's dismissal of the Complaint and remanded the case to the District Court. *Makor Issues & Rights, Ltd. v. Tellabs, Inc.*, 513 F.3d 702, 705 (7th Cir. 2008).

On March 17, 2008, Tellabs and Individual Defendants Birck, Jackman, Notebaert, and Ryan moved again to dismiss certain claims in the Complaint. Plaintiffs filed their response on April 14, 2008 and Defendants replied on April 29, 2008. On May 22, 2008, the Court granted in part and denied in part Defendants' further motion to dismiss the Complaint. As a result of the May 22, 2008 opinion, the Section 20A insider trading claims were dismissed.

On June 17, 2008, Defendants answered the Complaint. The Defendants denied Plaintiffs' claims and asserted certain defenses. In doing so, Defendants contend that they are not liable to Plaintiffs.

On August 11, 2008, Defendants moved for partial judgment on the pleadings as to certain aspects of the Complaint. Plaintiffs filed their opposition on September 9, 2008 and Defendants filed their reply on September 30, 2008. On January 12, 2009, the Court denied the motion as premature.

By Memorandum Opinion and Order dated February 23, 2009, the Court granted Plaintiffs' motion for class certification. The Court's Order also certified Nolan Howell, Richard LeBrun and Lead Plaintiff Makor Issues & Rights, Ltd. as Class Representatives and appointed Milberg LLP as Lead Class Counsel and Miller Law LLC as Liaison Counsel.

During the pendency of this Action, a lawsuit captioned *Don Brieger, et al. v. Tellabs, Inc., et al.*, No. 06 C 1882 (N.D. Ill.) (the "Brieger Action"), also proceeded. The *Brieger* Action involved some of the same factual allegations as this Action but was brought under the

Employee Retirement Income Security Act (“ERISA”), 29 U.S.C. §§1109 and 1132, on behalf of a class defined as “[a]ll persons who were participants or beneficiaries of the Tellabs, Inc. Profit Sharing and Savings Plan at any time between December 11, 2000 and July 1, 2003 and whose accounts included investments in Tellabs stock.” After completion of extensive discovery in the *Brieger* Action, and following denial of defendants’ motion for summary judgment, a bench trial of the claims in that case was held. On June 1, 2009, the court presiding over the *Brieger* Action issued an opinion and judgment finding in favor of all defendants on all claims that had been advanced in the *Brieger* Action, including all claims of misrepresentations.

Extensive discovery in this Action occurred and was completed, including numerous depositions. In addition, the parties submitted conflicting expert reports on issues of both liability and damages. Plaintiffs’ damages expert estimated per share damages in the amount of \$10.02 per share for those members of the class who made purchases of Tellabs’ stock from December 11, 2000 through April 5, 2001, and \$5.07 per share for those class members who made purchases of Tellabs’ stock from April 6 through June 19, 2001; with an average of \$8.09 in daily per share damages during the class period. Plaintiffs’ damages expert also stated that, with respect to the transactions made during the entire December 11, 2000 through June 19, 2001 Class Period, her “conservative estimate of total damages in this matter is \$1,262,669,239.” As indicated below, the Court subsequently entered Summary Judgment eliminating all claims on transactions made prior to March 8, 2001, and dismissed many of the claims on transactions made during the rest of the Class Period. Defendants’ damages expert criticized the methodologies utilized by Plaintiffs’ damages expert, and opined as to a lack of any adequately demonstrated loss causation, but did not offer any specific alternative damages calculations.

In light of certain conclusions reached by their damages expert, on October 16, 2010, Plaintiffs filed a notice of intent not to pursue further their claims based on statements concerning the TITAN 6500.

On November 25, 2009, Defendants moved to strike the opinions of plaintiffs’ liability expert. The Court held an evidentiary hearing on May 20, 2010. On June 23, 2010, the Court issued a Memorandum Opinion and Order granting Defendants’ motion in significant part.

On November 3, 2010 the Court ruled on Defendants’ Motion for Summary Judgment. As described earlier, the Court in large part granted summary judgment in Defendants’ favor but denied the motion with respect to two alleged misstatements which it set for trial. The Court also entered judgment against Plaintiffs and the Class with respect to claims based on purchases of the common stock of Tellabs from December 11, 2000 through March 7, 2001, and with respect to those Class Members who were also members of the class in the *Brieger* Action.

In light of the Court’s summary judgment rulings, a supplemental damages report was submitted on December 20, 2010 by Plaintiffs’ damages expert. The supplemental damages report stated that daily per share damages were \$10.26 per share for those persons purchasing Tellabs stock for the period of March 8 through April 5, 2001, and were \$5.02 per share for persons purchasing thereafter up through June 19, 2001. At a hearing in the Action, Defendants informed the Court and Plaintiffs that they intended to move to strike the opinions of Plaintiffs’ damages expert, and the Court established a schedule with respect to the filing of such an anticipated motion by Defendants.

Although the Court has dismissed many of the Plaintiffs’ claims, and has granted summary judgment on most of the remaining claims, the Court did not finally decide in favor of Plaintiffs or Defendants on all of Plaintiffs’ claims. Instead, both sides, with the assistance of former Chief Magistrate Judge of the U.S. District Court, Northern District of California, Edward A. Infante of JAMS, acting as a mediator, agreed to a settlement. The Lead Plaintiff, Class Representatives and their attorneys think the Settlement is best for the Class. That way, they avoid the risks, costs and delays of a trial, and possible appeals, and the people affected will get compensation.

WHO IS IN THE SETTLEMENT

To see if you will get money from this Settlement, you first have to decide if you are a Class Member

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

The Court decided in February 2009 that everyone who fits the following description, except for certain exclusions, discussed in Question 6 below, is a Class Member:

All persons who purchased the common stock of Tellabs, Inc. during the period from December 11, 2000 through June 19, 2001, inclusive (the “Class”).

NOTE: After the Class was certified, and following its ruling on Defendants’ Motion for Summary Judgment, the Court, on November 23, 2010, ordered that summary judgment was entered against Plaintiffs and Class Members with respect to claims “based on purchases of the common stock of Defendant Tellabs, Inc. from December 11, 2000 through March 7, 2001,” and that those claims would not be part of any trial. This did not exclude anyone from the Class, but restricted or eliminated some Class Members’ claims. The November 23, 2010 Order is not a “final” order and Plaintiffs retain the right to appeal such Order. Accordingly, while the Settlement covers the entire Class, those claims based on purchases from December 11, 2000 through March 7, 2001 are severely discounted in the Settlement’s Plan of Allocation.

NOTE FURTHER: Following its ruling on Defendants’ Motion for Summary Judgment, the Court, on November 23, 2010, also ordered that summary judgment was entered against those Class Members who were also members of the class certified in the *Brieger* Action, and that their claims would not be part of any trial. The class certified in *Brieger v. Tellabs, Inc.* was defined as “All persons who were participants or beneficiaries of the Tellabs, Inc. Profit Sharing and Savings Plan at any time between December 11, 2000 and July 1, 2003

and whose accounts included investments in Tellabs stock.” The November 23, 2010 Order is not a “final” order and Plaintiffs retain the right to appeal such Order. Accordingly, while the Settlement covers the entire Class, those claims based on purchases by Class Members who were also members of the class in the *Brieger* Action are severely discounted in the Settlement’s Plan of Allocation.

6. Are there exceptions to being included?

Yes, excluded from the Class are:

Defendants; the subsidiaries and affiliates of Tellabs; the officers and directors of Tellabs or its subsidiaries and affiliates, at all relevant times; members of the immediate family of any excluded person; the legal representatives, heirs, successors, and assigns of any excluded person; and any entity in which any excluded person has or had a controlling interest. Also excluded from the Class are those persons and entities who requested exclusion pursuant to the Notice of Pendency.

If one of your mutual funds purchased shares of Tellabs common stock during the Class Period, that alone does not make you a Class Member. You are a Class Member only if you directly purchased shares of Tellabs common stock during the Class Period. Check your investment records or contact your broker to see if you purchased Tellabs common stock during the Class Period.

If you **sold** Tellabs common stock during the Class Period, that alone does not make you a Class Member. You are a Class Member only if you **purchased** your shares of Tellabs common during the Class Period.

NOTE: As discussed in the February 9, 2010 Notice of Pendency, the Court previously Ordered that any putative Class Member who wanted to be excluded from the class could request to be excluded on or before May 10, 2010. No further exclusion requests are being allowed.

7. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can call 1-866-535-1626 or visit www.tellabssecuritieslitigation.com for more information. Or you can fill out and return the Proof of Claim form described in question 10, to see if you qualify.

THE SETTLEMENT BENEFITS — WHAT YOU GET

8. What does the settlement provide?

In exchange for the Settlement and dismissal of the Action, the Defendants have agreed to create a \$7,375,000 fund to be divided, after fees and expenses, among Class Members who send in valid Proof of Claim forms.

9. How much will my payment be?

Your share of the fund will depend on the total “Recognized Claims” represented by the valid Proof of Claim forms that Class Members send in, how many shares of Tellabs common stock you bought, when you purchased them, how much you paid for them, and whether you held them through the disclosures on April 6, 2001 and / or June 19, 2001, and if you sold them, when and for how much you sold them.

You can calculate your Recognized Claim in accordance with the formula shown below in the Plan of Allocation. It is unlikely that you will get a payment for all of your Recognized Claim. After all Class Members have sent in their Proof of Claim forms, the payment you get will be a portion of the Net Settlement Fund equal to your Recognized Claim divided by the total of everyone’s Recognized Claims. See the Plan of Allocation beginning on page 10 for more information on your Recognized Claim.

HOW YOU GET A PAYMENT — SUBMITTING A PROOF OF CLAIM FORM

10. How can I get a payment?

To qualify for a payment, you must send in a Proof of Claim form. A Proof of Claim form is being circulated with this Notice. You may also get a Proof of Claim form on the Internet at www.tellabssecuritieslitigation.com. Read the instructions carefully, fill out the Proof of Claim form, include all the documents the form asks for, sign it, and mail it postmarked no later than **September 2, 2011**.

11. When would I get my payment?

The Court will hold a hearing on **July 26, 2011**, to decide whether to approve the Settlement. If the Court approves the Settlement after that, there may be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. It also takes time for all the Proofs of Claim to be processed. Please be patient.

12. What am I giving up to get a payment?

If the Settlement is approved by the Court, then upon the “Effective Date,” you will release all “Released Claims” (as defined below) against the “Released Parties” (as defined below). The litigation will be dismissed with prejudice and you will also lose the right to appeal all adverse rulings by the District Court.

“Released Claims” means any and all claims, debts, demands, rights or causes of action or liabilities whatsoever (including, but not limited to, any claims for compensatory, punitive, or statutory damages, interest, attorneys’ fees, and any other costs, expenses or liability whatsoever), whether known or unknown (including Unknown Claims as defined herein), whether based on federal, state, local, statutory or common law or any other law, rule or regulation, whether legal, equitable, statutory or of any other type or form, whether brought in an individual, representative, class, derivative or any other capacity, whether fixed or contingent, liquidated or un-liquidated, that in any way relate to or arise out of or are in connection with the purchase or sale of any common stock of Tellabs during the Class Period, including, but not limited to, any event, act, failure to act, conduct, transaction, occurrence, statement, representation, disclosure, nondisclosure or omission occurring during the Class Period which was alleged, asserted or referred to in any of the complaints, other pleadings or other legal filings in the Action, or which could have been alleged or asserted in the Action in connection with the purchase or sale of any common stock of Tellabs during the Class Period.

“Released Parties” means any and all of the Defendants and other persons that were previously named as a defendant in the Action, their respective past or present subsidiaries, parents, affiliates, successors and predecessors, and each and all of their respective officers, directors, agents, employees, attorneys, advisors, investment advisors, auditors, accountants, insurers, legal representatives, heirs, successors in interest or assigns. The Released Parties other than Defendants are intended as third party beneficiaries of this Settlement with respect to the release of Released Claims.

“Unknown Claims” means any and all Released Claims against any Released Parties that any Plaintiff or Class Member does not know or suspect to exist in his, her or its favor as of the Effective Date, which if known by him, her or it might have affected his, her or its decision(s) with respect to the Settlement. With respect to any and all Released Claims, the parties stipulate and agree that upon the Effective Date, the Plaintiffs and each Class Member shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law or otherwise, which is similar, comparable, or equivalent to California Civil Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Under the Settlement, Plaintiffs and each Class Member acknowledge that each may hereafter discover facts in addition to or different from those that he, she, it or they now know or believe to exist or to be true with respect to the subject matter of the Released Claims but the Plaintiffs and Class Members shall each, upon the occurrence of the Effective Date and by operation of the Order and Final Judgment, be deemed to have fully, finally, and forever settled and released any and all Released Claims, including Unknown Claims. Plaintiffs acknowledge, and all other Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of Released Claims was separately bargained for and was a key element of the Settlement.

The “Effective Date” will occur when an Order entered by the Court approving the Settlement becomes final and not subject to appeal.

THE LAWYERS REPRESENTING THE CLASS

13. Do I have a lawyer in this case?

The Court ordered that the law firm of Milberg LLP in New York, NY will represent the Class as Lead Plaintiffs’ Counsel, and has appointed the firm of Miller Law LLC, in Chicago, Illinois, as Plaintiffs’ Liaison Counsel. You will not be separately charged for these lawyers. The Court will determine the amount of Plaintiffs’ Counsel’s fees and expenses, which will be paid from the Gross Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

14. How will the lawyers and Class Representatives be compensated for their time and expenses?

Over the eight years that this litigation has been pending, Plaintiffs’ Counsel have incurred approximately \$1,450,000 in litigation expenses, and have, on a contingent fee retention, invested over \$14.7 million worth of their billable time in the prosecution of this Action.

Plaintiffs’ Lead Counsel are moving the Court to award them an amount for both attorneys’ fees and litigation expenses incurred in connection with the prosecution of this Action, limited to a total of forty percent (40%) of the Gross Settlement Fund (i.e. \$2,950,000). The expenses incurred by Plaintiffs’ Counsel are estimated at \$1.45 million or approximately Nineteen Point Seven Percent (19.7%) of the Gross Settlement Fund. The remaining amount of the requested award would provide Plaintiffs’ Counsel with attorneys’ fees of approximately \$1.5 million or about Twenty Point Three percent (20.3%) of the Gross Settlement Fund. The requested attorneys’ fees represent far less than the amount Plaintiffs’ Counsel’s billable hourly fees, had the case not been pursued on a contingent-fee basis.

The motion for attorneys’ fees will be submitted on behalf of Plaintiffs’ Lead Counsel and the following additional Plaintiffs’ Counsel: Miller Law LLC, 115 S. LaSalle Street, Suite 2910, Chicago, IL 60603 who is liaison counsel; and additional Plaintiffs’ Counsel Faruqi & Faruqi, LLP; 369 Lexington Ave., 10th Floor, New York, NY 10017, and Ademi & O’Reilly, LLP, 3620 East Layton Avenue, Cudahy, Wisconsin 53110. Milberg LLP has an agreement to share its fees with referring law firms Faruqi & Faruqi, LLP and Ademi & O’Reilly, LLP relating to the prosecution of the Action.

Plaintiffs’ Lead Counsel are also moving the Court to award reimbursement of up to \$10,000, in total to one or more of the Class Representatives for their reasonable costs and expenses (including lost wages) directly relating to their representation of the Class.

Plaintiffs' Lead Counsel, without further notice to the Class, will subsequently apply to the Court for payment of the Claims Administrator's fees and expenses incurred in connection with giving notice, administering the settlement and distributing the settlement proceeds to the members of the Class.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the settlement or some part of it.

15. How do I tell the Court that I do not like the proposed settlement?

If you are a Class Member you can object to the Settlement or any of its terms, the proposed Plan of Allocation, the application for reimbursements to the Lead Plaintiff and Class Representatives and/or the application by Plaintiffs' Counsel for an award of fees and expenses. You may write to the Court setting out your objection. You may give reasons why you think the Court should not approve any or all of the Settlement terms or arrangements. The Court will consider your views if you file a proper objection within the deadline identified, and according to the following procedures.

To object, you must send a signed letter stating that you object to the proposed settlement in the *Makor Issues & Rights, Ltd., et al. v. Tellabs, Inc., et al.* Securities Litigation, Case No. 02-C-4356. Be sure to include your name, address, telephone number, and your signature, identify the date(s), price(s), and number(s) of shares of all purchases and sales of Tellabs common stock you made during the Class Period, and state the reasons why you object to the Settlement. Your objection must be filed with the Court and served on all the following counsel on or before **July 7, 2011**:

COURT	PLAINTIFFS' LEAD COUNSEL	DEFENDANTS' COUNSEL
Clerk of the Court	Richard H. Weiss, Esq.	David F. Graham, Esq.
United States District Court for the Northern District of Illinois, Eastern Division	Milberg LLP	Sidley Austin LLP
Everett McKinley Dirksen Building, Room 2044	One Penn Plaza	One South Dearborn
219 South Dearborn Street	New York, NY 10119-0165	Chicago, IL 60603
Chicago, Illinois 60604		

You do not need to go to the Settlement Fairness Hearing to have your written objection considered by the Court. At the Settlement Fairness Hearing, any Class Member who has not previously submitted a request for exclusion from the Class and who has complied with the procedures set out in this question 15 and question 18 below for filing with the Court and providing to the counsel for Plaintiffs and Defendants a statement of an intention to appear at the Settlement Fairness Hearing may also appear and be heard, to the extent allowed by the Court, to state any objection to the Settlement, the Plan of Allocation, Plaintiffs' Lead Counsel's motion for an award of attorneys' fees and reimbursement of expenses or the application for reimbursements to the Lead Plaintiff and Class Representatives. Any such objector may appear in person or arrange, at that objector's expense, for a lawyer to represent the objector at the Hearing.

THE COURT'S SETTLEMENT FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the proposed settlement. You may attend and you may ask to speak, but you do not have to.

16. When and where will the Court decide whether to approve the proposed settlement?

The Court will hold a Settlement Fairness Hearing at **9:00 a.m. on Tuesday, July 26, 2011**, at the United States District Court for the Northern District of Illinois, Eastern Division, Everett McKinley Dirksen Building, Room 2044, 219 South Dearborn Street, Chicago, Illinois 60604. At this hearing the Court will consider whether the Settlement is fair, reasonable and adequate. At the Settlement Fairness Hearing, the Court also will consider the proposed Plan of Allocation for the proceeds of the Settlement, the application of Plaintiffs' Lead Counsel for attorneys' fees and reimbursement of expenses and the application for reimbursements to the Lead Plaintiff and Class Representatives. The Court will take into consideration any written objections filed in accordance with the instructions at question 15. The Court also may listen to people who have properly indicated, within the deadline identified above, an intention to speak at the hearing; but decisions regarding the conduct of the hearing will be made by the Court. See question 18 for more information about speaking at the hearing. The Court may also decide how much to pay to Plaintiffs' Counsel. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take.

You should be aware that the Court may change the date and time of the Settlement Fairness Hearing. Thus, if you want to come to the hearing, you should check with Plaintiffs' Lead Counsel before coming to be sure that the date and/or time has not changed.

17. Do I have to come to the hearing?

No. Plaintiffs' Counsel will answer questions the Court may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you filed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not required. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

18. May I speak at the hearing?

If you object to the Settlement, you may ask the Court for permission to speak at the Settlement Fairness Hearing. To do so, you must include with your objection (see question 15 above) a statement stating that it is your “Notice of Intention to Appear in the *Makor Issues & Rights, Ltd., et al. v. Tellabs, Inc., et al. Securities Litigation*, Case No. 02-C-4356.” Persons who intend to object to the Settlement, the Plan of Allocation, counsel’s application for an award of attorneys’ fees and expenses and/or the application for reimbursements to the Lead Plaintiff and Class Representatives and desire to present evidence at the Settlement Fairness Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Settlement Fairness Hearing. Unless otherwise ordered by the Court, you cannot speak at the hearing if you have not provided written notice of your intention to speak at the Settlement Fairness Hearing by the deadline identified, and in accordance with the procedures described in question 15 above.

IF YOU DO NOTHING

19. What happens if I do nothing at all?

If you do nothing, you will get no money from this Settlement and you will be precluded from starting a lawsuit, continuing with a lawsuit, or being part of any other lawsuit against the Defendants and the other Released Parties about the Released Claims in this case, ever again. To share in the Net Settlement Fund you must submit a Proof of Claim form (see question 10).

GETTING MORE INFORMATION

20. Are there more details about the proposed settlement?

This notice summarizes the proposed Settlement. More details are in a Stipulation and Agreement of Settlement dated April 1, 2011 (the “Stipulation”). You can get a copy of the Stipulation by writing to Richard H. Weiss, Esq., Milberg LLP, One Penn Plaza, New York, NY 10119-0165, or by visiting www.tellabssecuritieslitigation.com.

You also can call the Claims Administrator at 1-866-535-1626 toll free; write to Tellabs Securities Litigation, c/o Analytics, Incorporated, Claims Administrator, P.O. Box 2004, Chanhassen, MN 55317-2004; or visit the website www.tellabssecuritieslitigation.com, where you will find answers to common questions about the settlement, a Proof of Claim form, plus other information to help you determine whether you are a Class Member and whether you are eligible for a payment. Plaintiffs’ Counsel anticipate filing their papers in support of the Settlement, Plan of Allocation, their applications for an award of attorneys’ fees and expenses and reimbursements to the Lead Plaintiff and Class Representatives with the court and on the website by June 6, 2011.

21. How do I get more information?

For even more detailed information concerning the matters involved in this Action, you may refer to the pleadings, to the Stipulation, to the Orders entered by the Court and to the other papers filed in the Action, which may be inspected at the Office of the Clerk of the Court, United States District Court for the Northern District of Illinois, Eastern Division, Everett McKinley Dirksen Building, Room 2044, 219 South Dearborn Street, Chicago, Illinois 60604, during regular business hours.

PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS

The \$7,375,000 Cash Settlement Amount and the interest earned thereon shall be the Gross Settlement Fund. The Gross Settlement Fund, less all taxes, approved costs, fees and expenses (the “Net Settlement Fund”) shall be distributed to members of the Class who submit acceptable Proofs of Claim (“Authorized Claimants”).

The Claims Administrator shall determine each Authorized Claimant’s *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant’s “Recognized Claim.” The Recognized Claim formula is not intended to be an estimate of the amount of what a Class Member might have been able to recover after a trial; nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the settlement. The Recognized Claim formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants.

The following proposed Plan of Allocation reflects the fact that the District Court granted Summary Judgment against all claims based on purchases of Tellabs common stock made prior to the close of trading on March 7, 2001. This judgment is not “final” insofar as it could still be made the subject of an appeal. It is a condition of the proposed Settlement that all Class Period claims be released. In consideration of the extinguishment of any right to appeal the Court’s grant of Summary Judgment, the proposed Plan of Allocation therefore allocates a small amount to Class Members with respect to any Class Period purchases of Tellabs common stock during the Class Period but prior to the close of trading on March 7, 2001.

The proposed Plan of Allocation also reflects a discounting of the Recognized Claim for any Class Members here who were also members of the ERISA class certified in a separate action known as *Brieger v. Tellabs, Inc.*, Case No. 06-cv-1882 (N.D.Ill.).³ After trial, those

³ The class certified in *Brieger v. Tellabs, Inc.* was defined as “All persons who were participants or beneficiaries of the Tellabs, Inc. Profit Sharing and Savings Plan at any time between December 11, 2000 and July 1, 2003 and whose accounts included investments in Tellabs stock.”

persons' claims were finally determined and were dismissed with prejudice. The Court herein found that certain of the claims present in this Action were "collaterally estopped" (legally barred) with respect to persons who were also members of the *Brieger* class. That decision finding collateral estoppel is not "final" either, and could be made the subject of an appeal. In light of the Court's collateral estoppel and Summary Judgment decisions with respect to Class Members here who were also members of the *Brieger* class, Class Period transactions in the Tellabs, Inc. Profit Sharing and Savings Plan during the Class Period by persons or entities who were members of the ERISA class are being allowed, but at a severely discounted rate.

The Court did not dismiss Plaintiffs' claims based on (1) a statement made by one of Tellabs' officers in an analyst teleconference after the close of trading on March 7, 2001, and (2) a statement made in Tellabs' 2000 Annual Report (issued on March 14, 2001).

The following proposed Plan of Allocation generally reflects Plaintiffs' Damage Expert's original analysis that the price of Tellabs common stock during the period December 11, 2000 through at least March 7, 2001, included \$10.02 per share of artificial inflation resulting from the Defendants' alleged misrepresentations. Plaintiffs' Damage Expert's revised analysis, made following the Court's judgment dismissing claims based on purchases prior to March 8, 2001, contended that from March 8, 2001 through April 6, 2001 there was some \$10.26 per share of artificial inflation reflected in the price of Tellabs common stock. It is Plaintiffs' contention that this artificial inflation was partially eliminated when, on April 6, 2001 Tellabs announced disappointing first quarter results, and the price of Tellabs common stock dropped significantly. It is Plaintiffs' contention that \$5.24 of this drop was attributable to the elimination of artificial inflation. Plaintiffs contend that a remaining \$5.02 of artificial inflation per share was eliminated on June 19, 2001, when Tellabs announced substantially lowered second quarter guidance. The price of Tellabs common stock dropped significantly in response to the June 19, 2001 disclosure. That June 19, 2001 disclosure ended the Class Period.

"Recognized Claims" will be calculated for purposes of the Settlement as follows:

1. For shares of Tellabs common stock **purchased during the period December 11, 2000 through the Close of trading on March 7, 2001, inclusive**, (the Court has granted Summary Judgment against recovery on these purchases) and
 - A. Sold on or before the close of trading on April 6, 2001, an Authorized Claimant shall have no (\$0.00) "Recognized Claim";
 - B. Sold at a loss⁴ during the period April 7, 2001 through and including June 19, 2001, an Authorized Claimant's "Recognized Claim" shall mean **five percent (5%) of the lesser of: (a) \$4.95 per share, or (b) the purchase price paid (including commissions, etc.) less the sales proceeds received (net of commissions, etc.);**
 - C. Held for a loss as of the close of trading on June 19, 2001, an Authorized Claimant's "Recognized Claim" shall mean **five percent (5%) of the lesser of: (a) \$10.02 per share, or (b) the purchase price paid (including commissions, etc.) less \$16.04 per share.**⁵
2. For shares⁶ of Tellabs common stock **purchased during the period March 8, 2001 through the Close of trading on April 6, 2001, inclusive**, and
 - A. Sold on or before the close of trading on April 6, 2001, an Authorized Claimant shall have no (\$0.00) "Recognized Claim";
 - B. Sold at a loss during the period April 7, 2001 through and including June 19, 2001, an Authorized Claimant's "Recognized Claim" shall mean **the lesser of: (a) \$5.24 per share, or (b) the purchase price paid (including commissions, etc.) less the sales proceeds received (net of commissions, etc.);**
 - C. Held for a loss as of the close of trading on June 19, 2001, an Authorized Claimant's "Recognized Claim" shall mean **the lesser of: (a) \$10.26 per share, or (b) the purchase price paid (including commissions, etc.) less \$16.04 per share.**
3. For shares⁷ of Tellabs common stock **purchased during the period April 7, 2001 through the Close of trading on June 19, 2001, inclusive**, and
 - A. Sold on or before the close of trading on June 19, 2001, an Authorized Claimant shall have no (\$0.00) "Recognized Claim";
 - B. Held for a loss as of the close of trading on June 19, 2001, an Authorized Claimant's "Recognized Claim" shall mean **the lesser of: (a) \$5.02 per share, or (b) the purchase price paid (including commissions, etc.) less \$16.04 per share.**

NOTE: Except in the very unlikely event that Class Members submit so few Proofs of Claim that Class Members would be paid 100% of their Recognized Claims with respect to purchases of Tellabs common stock made after March 8, 2001, in no event will more than 5% of the Net Settlement Fund be allocated to Class Members with respect to Recognized Claims resulting from purchases of Tellabs common stock made before March 8, 2001.

⁴ Shares sold for more than their cost shall have no (zero) Recognized Claim.

⁵ \$16.04 per share was the value of the shares at the end of the Class Period.

⁶ Except for shares purchased by persons who were also members of the *Brieger* class. The Recognized Claim for shares purchased in the Tellabs, Inc. Profit Sharing and Savings Plan during the Class Period by persons who were also members of the *Brieger* class shall be only five percent (5%) of the amount otherwise calculated in this subsection 2.

⁷ Except for shares purchased by persons who were also members of the *Brieger* class. The Recognized Claim for shares purchased in the Tellabs, Inc. Profit Sharing and Savings Plan during the Class Period by persons who were also members of the *Brieger* class shall be only five percent (5%) of the amount otherwise calculated in this subsection 3.

In the event a Class Member has more than one purchase or sale of Tellabs common stock during the Class Period, all Class Period purchases and Class Period sales shall be matched on a Last In First Out (“LIFO”) basis. A purchase or sale of Tellabs common stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The grant by gift, devise or operation of law of Tellabs common stock during the Class Period shall not be deemed a purchase or sale of Tellabs common stock for the calculation of an Authorized Claimant’s Recognized Claim nor shall it be deemed an assignment of any claim relating to the purchase of such shares unless specifically provided in the instrument of gift or assignment. The receipt of Tellabs common stock during the Class Period in exchange for securities of any other corporation or entity shall not be deemed a purchase or sale of Tellabs common stock.

Each Authorized Claimant shall be allocated a *pro rata* share of the Net Settlement Fund based on his, her or its Recognized Claim as compared to the total Recognized Claims of all Authorized Claimants. A payment to an Authorized Claimant of less than \$10 in total will not be included in the calculation and will not be distributed to the Authorized Claimant.

Class Members who do not submit acceptable Proofs of Claim will not share in the settlement proceeds, but will nevertheless be bound by the Settlement and the Order and Final Judgment of the Court dismissing this Action.

Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement. If any funds remain in the Net Settlement Fund by reason of un-cashed distributions or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Class Members who are entitled to participate in the distribution of the Net Settlement Fund cash their distributions, any balance remaining in the Net Settlement Fund one (1) year after the initial distribution of such funds shall be re-distributed to Class Members who have cashed their initial distributions and who would receive at least \$10.00 from such re-distribution, after payment of any unpaid costs or fees incurred in administering the Net Settlement Fund for such re-distribution. If six months after such re-distribution, funds in excess of \$50,000 remain in the Cash Settlement Accounts, then such funds shall be further re-distributed to Authorized Claimants who have cashed their most recent re-distribution and who would receive at least \$10.00 from such further re-distribution, after payment of any unpaid costs or fees incurred in administering the Cash Settlement Accounts for such re-distribution. The redistributions shall continue until less than \$50,000 remains, after which such balance shall be contributed to non-sectarian, not-for-profit 501(c)(3) organization(s) to be mutually agreed and designated by Plaintiffs’ Lead Counsel and Tellabs, Incorporated.

Plaintiffs, Defendants, their respective counsel, and all other Released Parties shall have no responsibility for or liability whatsoever for the investment or distribution of the Settlement Fund, the determination, administration, calculation, or payment of any Proof of Claim, the performance or non-performance of the Claims Administrator, or the payment or withholding of taxes owed by the Settlement Fund, or any losses incurred in connection with any of the foregoing.

The Court has reserved jurisdiction to modify, amend, or alter the Plan of Allocation, without further notice, or to allow, disallow or adjust the claim of any Class Member on equitable grounds, to ensure a fair and equitable distribution of funds. No person shall have any claim against the Lead Plaintiffs or their counsel or any claims administrator or other agent designated by Lead Plaintiffs or their counsel, or against Defendants or their counsel, based on distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased common stock of Tellabs, Inc. during the period from December 11, 2000 through June 19, 2001, inclusive, for the beneficial interest of a person or organization other than yourself, the Court has directed that, ***if you have NOT already provided to the Claims Administrator the lists of your Tellabs beneficiaries in connection with the February 9, 2009 Notice of Pendency***, then, WITHIN SEVEN (7) DAYS OF YOUR RECEIPT OF THIS NOTICE, you either (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased Tellabs common stock during such time period or (b) request additional copies of this Settlement Notice and the Proof of Claim form, which will be provided to you free of charge, and within seven (7) days mail copies of the Settlement Notice and Proof of Claim forms directly to the beneficial owners of that Tellabs common stock. If you choose to follow alternative procedure (b), the Court has directed that, upon such mailing, you send a statement to the Claims Administrator confirming that the mailing was made as directed. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

Tellabs Securities Litigation
c/o Analytics, Incorporated, Claims Administrator
P.O. Box 2004
Chanhassen, MN 55317-2004
(866) 535-1626
www.tellabssecuritieslitigation.com

Dated: May 6, 2011

By Order of the Court
CLERK OF THE COURT