

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

IN RE ALLOT COMMUNICATIONS LTD.
SECURITIES LITIGATION

CIVIL ACTION NO. 07-CV-03455 (RJH)

NOTICE OF PENDENCY

Judge: Hon. Richard J. Holwell

**NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT WITH ALL DEFENDANTS, MOTION
FOR ATTORNEYS' FEES, AND SETTLEMENT HEARING**

If you purchased or otherwise acquired the publicly-traded common stock of Allot Communications, Ltd. ("Allot") (trading symbol NASDAQ:ALLT) between November 15, 2006, and April 2, 2007, inclusive, you could get a payment from a class action settlement.¹

A federal court authorized this Notice. This is not a solicitation from a lawyer.

- The Settlement resolves a federal class action lawsuit alleging that Allot and certain of its officers and directors violated the federal securities laws by including materially untrue and/or misleading statements and/or omissions in Allot's prospectus and registration statement issued in connection with its November 15, 2006, initial public offering ("IPO").
- Defendants (as defined below) deny Lead Plaintiffs' allegations. The parties disagree on whether Defendants violated any federal securities laws, whether the alleged violations actually caused any damages to the Class Members, and on the average amount of damages per share that would be recoverable if Lead Plaintiffs prevailed on their claims.
- The federal court has certified for settlement purposes only a Class consisting of all Persons and entities who purchased or otherwise acquired the common stock of Allot between November 15, 2006, and April 2, 2007, inclusive.²
- The Settlement will provide a \$1,300,000 cash Settlement Fund for the benefit of investors ("Class Members") who purchased or otherwise acquired the common stock of Allot between November 15, 2006, and April 2, 2007, inclusive, and held them until at least after April 2, 2007. The average per-share benefit to Class Members from this settlement will be \$0.18 before deduction of Court-approved fees and expenses.
- The Court-appointed Lead Plaintiffs in this case are: the Chen Group, comprising individuals Shichao Chen, Cynthia Hober, and Robert Jonkheer; and the Dikla Mondial Mutual Fund ("Lead Plaintiffs"). The defendants are Allot, Yigal Jacoby, Rami Hadar, and Adi Sapir (the "Individual Defendants") (collectively, "Defendants").
- Your legal rights are affected whether you act or do not act. Read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM BY MARCH 28, 2011	The only way to get a payment in this Settlement.
EXCLUDE YOURSELF FROM THE LAWSUIT BY SUBMITTING AN OPT-OUT FORM BY APRIL 1, 2011	Get no payment pursuant to this Settlement. This is the only option that allows you to file or be a part of any other lawsuit against the Defendants and their affiliates involving the claims released by this Settlement.
OBJECT BY APRIL 1, 2011	Write a letter to the Court objecting to the Settlement. You must still file a claim if you want to receive payment from the Settlement.
GO TO A HEARING ON APRIL 29, 2011	Ask to speak in Court about the Settlement.
DO NOTHING	Get no payment from this Settlement. You will also be giving up your rights regarding all claims released by this Settlement and any other lawsuit as to the stock issued pursuant to the IPO.

¹ All capitalized terms not otherwise defined in this document shall have the meaning provided in the Stipulation and Agreement of Settlement, dated August 5, 2010.

² Excluded from the Class are the Defendants; any officers or directors of Allot during or after the Class Period; any corporation, trust, or other entity in which any Defendant has a controlling interest; and the members of the immediate families of Yigal Jacoby, Rami Hadar, and Adi Sapir and their successors, heirs, assigns, and legal representatives. Also excluded from the Class are those Persons who timely and validly request exclusion from the Class pursuant to the Notice of Pendency of Class Action and Proposed Settlement with all Defendants, Motion for Attorneys' Fees, and Settlement Hearing.

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and after any appeals by Class Members are resolved.

SUMMARY NOTICE

Statement of Class Recovery Under the Settlement

Pursuant to the Settlement described herein, a \$1,300,000 cash Settlement Fund has been established. Lead Plaintiffs estimate that there were approximately 7,164,000 million shares of Allot common stock traded during the Class Period that may have been damaged. Lead Plaintiffs estimate that the “average recovery per damaged share” of Allot common stock under the Settlement is \$0.18 before deduction of fees and expenses. A Class Member’s actual recovery will be a proportion of the Net Settlement Fund (defined below), determined by that Claimant’s recognized loss (*i.e.*, a claim proved by timely submission of a valid Proof of Claim and Release form) as compared to the total recognized losses of all Class Members. This proportional allocation is called “proration.” See the Plan of Allocation beginning on Page 6 for more information.

Statement of Claims, Issues, Defenses, and Potential Outcome of Case

Lead Plaintiffs allege that the Defendants violated Sections 11 and 12(a)(2) of the Securities Act of 1933, and that the Individual Defendants also violated Section 15 of the Securities Act of 1933, by issuing or participating in the issuance of the prospectus and registration statement for Allot’s initial public offering of securities in November 2006. Lead Plaintiffs allege the prospectus and registration statement contained materially untrue or misleading statements or omissions regarding Allot’s business strategy, relationship with and support of channel partners, competitiveness, and ability to move into the Tier 1 Internet Service Provider market. Defendants moved to dismiss the Complaint. Defendants argued that Allot’s prospectus was not false or misleading, and that Lead Plaintiffs did not adequately allege any valid claim under the federal securities laws. The parties reached the settlement described in this Notice before the Court ruled on Defendants’ motions to dismiss the complaint.

At the time the settlement was reached, Lead Plaintiffs faced the possibility that the complaint would be dismissed in its entirety. Even if the complaint were not dismissed, Lead Plaintiffs also faced the possibility that the proposed class would not be certified or that some or all of the claims would be dismissed before trial. Had the case gone to trial, Defendants would have asserted that Allot’s IPO prospectus fully complied with federal securities laws and did not contain any false or misleading statements or omissions. Defendants would also contest: (1) the amount of damages, if any; (2) the extent to which the various statements that Lead Plaintiffs alleged were materially false or misleading influenced (if at all) the trading prices of Allot’s common stock at various times during the relevant time period; and (3) whether Lead Plaintiffs had standing to assert all the claims in the complaint. Thus, had this action continued, Lead Plaintiffs and the proposed Class faced the possibility that they would not obtain any recovery. This Settlement enables the Class to recover a percentage of the alleged damages as calculated by Co-Lead Counsel in conjunction with their consultants, without incurring any additional risk. As a result, Lead Plaintiffs and Co-Lead Counsel believe this settlement is a fair and reasonable recovery.

Statement of Attorneys’ Fees and Costs Sought

Co-Lead Counsel will move the Court to award attorneys’ fees in an amount not greater than one third (33¹/₃%) of the gross Settlement Fund and reimbursement of expenses incurred in connection with the prosecution of this action not to exceed \$100,000. The requested attorneys’ fees and expenses would amount to an average of not more than \$0.07 per damaged share in total for fees and expenses. See Questions 8-11 below for more information. Class Members are not personally liable for any such fees, expenses, or compensation.

Further Information

Further information regarding the Action and this Notice of Pendency of Class Action and Proposed Settlement With All Defendants, Motion for Attorneys’ Fees, and Settlement Hearing (the “Notice”) may be obtained by contacting Co-Lead Counsel: Lewis S. Kahn, Esq., Kahn Swick & Foti, LLC, 206 Covington Street, Madisonville, LA 70447, telephone: 504-455-1400 or Lionel Z. Glancy, Glancy, Binkow & Goldberg LLP, 1801 Avenue of the Stars, Suite 311, Los Angeles, CA 90067, telephone: 310-201-9150.

Reasons for the Settlement

For Lead Plaintiffs, the principal reason for the Settlement is the benefit to be provided to the Class now. This benefit must be compared to the risk that no recovery might be achieved if defendants’ motion to dismiss the lawsuit is granted or

after a contested trial and likely appeals, possibly years into the future. Lead Plaintiffs further considered, after conducting a substantial investigation into the facts of this case, the risks to proving liability and damages and, if successful in doing so, whether a larger judgment could ultimately be collected. For 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 litigation.

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

1. How can I get a payment?

To qualify for a payment, you must send in a Proof of Claim and Release form (“Claim Form”). A Claim Form is being circulated with this Notice. You may also get a Claim Form on the Internet at <http://www.gcginc.com>. Read the instructions carefully, fill out the Claim Form, include all the documents the form asks for, sign it, and mail it postmarked no later than March 28, 2011.

2. When would I get my payment?

The Court will hold a hearing on April 29, 2011, at 10 a.m., to decide whether to approve the settlement. If the Court approves the settlement, after that, there may be appeals by Class Members. Resolving appeals can take time, perhaps more than a year. It also takes time for all the Claim Forms to be processed.

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

Unless you specifically exclude yourself, you will be treated as a member of this class action. This means that upon the Effective Date, you will relinquish all Released Claims against the Released Persons. These terms are defined below:

“Released Claims” collectively means all claims demands, rights, liabilities, and causes of action of every nature and description whatsoever, known or unknown, whether or not concealed or hidden, including “unknown claims” as defined in California Civil Code Section 1542 and other similar state laws, asserted or that might have been asserted, including, without limitation, claims arising under Sections 11, 12(a)(2) and 15 of the Securities Act of 1933, or claims arising under Sections 10(b) and 20(a) of the Exchange Act of 1934, or violations of any state or federal statutes, rules or regulations, or common law principles, by the Lead Plaintiffs or any Class Member against the Defendants and/or their Related Parties arising out of, relating to, or in connection with the purchase of Allot common stock from November 15, 2006, to April 2, 2007, inclusive. Released Claims shall also include any claims related to or arising from the institution, prosecution, or settlement of this Action asserted by Defendants or their Related Parties against Lead Plaintiffs, Members of the Class, or Co-Lead Counsel.

“Released Persons” means each and all of the Defendants and each and all of their Related Parties.

“Related Parties” means each Defendant and their respective past or present subsidiaries, parents, successors and predecessors, officers, directors, shareholders, partners, agents, employees, attorneys, advisors, investment advisors, insurers, and any person, firm, trust, corporation, officer, director, or other individual or entity in which any Defendant has a controlling interest or which is related to or affiliated with any of such persons, and the legal representatives, heirs, successors in interest, or assigns of such persons.

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

The Parties disagree on the amount of damages, if any, which would have been recoverable had Lead Plaintiffs prevailed on all Claims in this litigation. Lead Plaintiffs contend that the misrepresentations and omissions alleged in the Complaint were the direct cause of the artificial elevation and eventual decline in Allot’s stock price and caused Lead Plaintiffs and the Class to be damaged. Lead Plaintiffs further contend that the alleged stock decline is fully attributable to the alleged misrepresentations and omissions set forth in the Complaint. Defendants contend that they made no misrepresentations or omissions, but in all events the alleged misrepresentations and/or omissions set forth in the Complaint did not cause a decline in Allot’s stock price and, therefore, Lead Plaintiffs and the Class have not been damaged.

If you remain a Member of the Class, all of the Court’s orders will apply to you and legally bind you.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this Settlement, but you want to keep any right you may have to sue or continue to sue the Defendants and their Related Parties in some other lawsuit as to the Released Claims in this lawsuit, then you must take steps to remove yourself from this lawsuit. This is called excluding yourself from or “opting out” of the Class. If more than a certain percentage of Class Members opt out of or exclude themselves from the Class, Defendants may withdraw from and terminate the Settlement.

4. How do I exclude myself from the proposed settlement?

To exclude yourself from the Class, you must send a signed letter by mail stating that you “request exclusion from the Class in *In re Allot Communications, Ltd. Securities Litigation*, Civil Action No. 07-CV-03455(RJH).” Your letter should state the date(s), price(s), and number of shares of all your purchases and sales of Allot common stock during the Class Period. In addition, be sure to include your name, address, telephone number, and signature. You must mail your exclusion request postmarked no later than April 1, 2011 to:

Allot Communications, Ltd. Securities Litigation
c/o The Garden City Group, Inc.
Exclusions
PO Box 9349
Dublin, OH 43017-4249

You cannot exclude yourself by telephone or by email. If you ask to be excluded, you will not get any settlement payment and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit, and you may be able to sue (or continue to sue) the Defendants and their Related Parties in the future. If you exclude yourself, do not send in a Claim Form to ask for any money.

5. If I do not exclude myself from the settlement, can I sue the Defendants and their Related Parties later for the same alleged conduct?

No. Unless you exclude yourself, you give up any rights to sue the Defendants and their Related Parties for any and all Released Claims. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from *this* Class to continue your own lawsuit. Remember, the exclusion deadline is April 1, 2011.

6. If I exclude myself from the settlement, can I get money from the proposed settlement?

No, but you may exercise any right you may have to sue, continue to sue, or be part of a different lawsuit against the Defendants and the other Related Parties.

IF YOU DO NOTHING

7. What happens if I do nothing at all?

The judgment of the Court will be binding upon you 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 Related Parties about the Released Claims in this case, ever again. To share in the Net Settlement Fund, you must submit a Claim Form (see Question 1). To start, continue, or be a part of any other lawsuit against the Defendants and the other Related Parties about the Released Claims in this case, you must exclude yourself from this Class (see Question 4).

THE LAWYERS REPRESENTING CLASS MEMBERS

8. Do I have a lawyer in this case?

The Court ordered that the law firms of Kahn Swick & Foti, LLC and Glancy Binkow & Goldberg LLP represent all Class Members. These firms are called Co-Lead Counsel. You will not be separately charged for these lawyers. The Court will determine the amount of Co-Lead 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.

9. How will Co-Lead Counsel be paid?

Co-Lead Counsel will move the Court to award plaintiff’s counsel’s attorneys’ fees from the gross Settlement Fund in a total amount not greater than one third (33¹/₃%) of the gross Settlement Fund and reimbursement of their expenses in an amount no greater than \$100,000 plus interest on such expenses may be sought.

10. How will the Lead Plaintiffs be paid?

Co-Lead Counsel will move the Court to award reimbursement to the Lead Plaintiffs for reasonable time, costs, and expenses incurred directly related to representation of the Class, in an amount up to \$1,500 per Lead Plaintiff, plus any

interest on such expenses at the same rate and for the same periods as earned by the Settlement Fund (until paid), as may be awarded by the Court.

11. How will the notice costs and expenses be paid?

Co-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. The Claims Administrator's fees and expenses will be paid out of the gross Settlement Fund and are estimated to be approximately \$125,000.

OBJECTING TO THE SETTLEMENT

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

12. How do I object to the Settlement?

If you are a Class Member, you can object to the Settlement or any of its terms, the proposed Plan of Allocation, and/or the application by Co-Lead Counsel for an award of fees and expenses. You may write to the Court setting out your objection(s) or you may retain a lawyer at your expense to file an objection for you. Your objection should state reasons why you think the Court should not approve any or all of the settlement terms or arrangements. The Court will consider your objection in connection with its determination of whether to approve the settlement.

You (or a lawyer acting on your behalf) must object in writing by sending a signed letter stating that you object to the proposed settlement in *In re Allot Communications, Ltd. Securities Litigation*, Civil Action No. 07-CV-03455(RJH). Your objection must include a cover page identifying this case name and number and naming the hearing date of April 29, 2011, at 10 a.m. in Courtroom 17B. Be sure to include your name, address, telephone number, and signature; identify the date(s), price(s), and number of shares of all purchases and sales of Allot common stock you made during the Class Period; and state the reasons why you object to the settlement. Your objection must be postmarked on or before April 1, 2011, to the Court; Kahn Swick & Foti, LLC, on behalf of the Lead Plaintiffs; and Counsel for the Defendants at the following addresses:

COURT:

Clerk of the Court
United States District Court for the
Southern District of New York
Daniel Patrick Moynihan
U.S. Courthouse
500 Pearl Street
New York, NY 10007

FOR LEAD PLAINTIFF:

Lewis S. Kahn
KAHN SWICK & FOTI, LLC
206 Covington Street
Madisonville, Louisiana 70447

***Co-Lead Counsel for Lead Plaintiffs
and the Class***

FOR DEFENDANTS:

Nina F. Locker
Rodney Strickland
WILSON SONSINI GOODRICH &
ROSATI, P.C.
650 Page Mill Road
Palo Alto, CA 94304-1050

***Attorneys for Defendants Allot
Communications Network, Ltd., Yigal
Jacoby, Rami Hadar, and Adi Sapir***

You do not need to go to the Settlement Hearing to have your written objection considered by the Court.

At the Settlement Hearing, any Class Member who has not previously submitted a request for exclusion from the Class may appear and be heard, to the extent allowed by the Court, to state any objection to the settlement, the Plan of Allocation, or Co-Lead Counsel's motion for an award of attorneys' fees and reimbursement of expenses. Any such objector may appear in person or arrange, at that objector's expense, for a lawyer to represent the objector at the Settlement Hearing. If you or your representative intend to appear in person but have not submitted a written objection postmarked by April 1, 2011, it is recommended that you give advance notice to Co-Lead Counsel for the Class and/or counsel for Defendants of your intention to attend the hearing in order to object and the basis for your objection. You may contact them at the addresses provided above.

13. What is the difference between objecting to the Settlement and excluding myself from the Settlement?

Objecting is simply telling the Court that you do not like something about the proposed settlement and do not believe that it should be approved by the Court. You can object only if you remain in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S SETTLEMENT 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.

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

The Court will hold a Settlement Hearing at 10 a.m. on April 29, 2011, at the Daniel Patrick Moynihan United States Courthouse, 500 Pearl St., Courtroom 17B, New York, NY 10007-1312. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. At the Settlement Hearing, the Court also will consider the proposed Plan of Allocation for the proceeds of the Settlement and the application of Co-Lead Counsel for attorneys' fees and reimbursement of expenses. The Court will take into consideration any written objections mailed in accordance with the instructions in the answer to Question 12. The Court also will listen to people who seek to speak at the hearing, but decisions regarding the conduct of the hearing will be made by the Court. See Question 12 for more information about speaking at the hearing. The Court will also decide how much to pay to Co-Lead 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 Hearing. Thus, if you want to come to the hearing, you should check with Co-Lead Counsel before coming to be sure that the date and/or time has not changed.

GETTING MORE INFORMATION

15. Are there more details about the proposed settlement?

This Notice summarizes the proposed settlement. More details are contained in a Stipulation and Agreement of Settlement with Defendants dated August 5, 2010 (the "Stipulation"). You can get a copy of the Stipulation by writing to either Co-Lead Counsel at the addresses above.

You also can call the Claims Administrator toll-free at 1-800-231-1815; write to the Claims Administrator at Allot Communications, Ltd. Securities Litigation, c/o The Garden City Group, Inc., PO Box 9349, Dublin, Oh 43017-4249; or visit the website at <http://www.gcginc.com> where you will find a Claim Form, answers to common questions about the Settlement, and other information to help you determine whether you are a Class Member and whether you are eligible for a payment.

16. How do I get more information?

For more detailed information concerning the matters involved in this Action, you can inspect the pleadings, the Stipulation, the Orders entered by the Court, and the other papers filed in the Action at the office of the Clerk of the Daniel Patrick Moynihan United States Courthouse, 500 Pearl St., New York, NY 10007-1312, during regular business hours. You also may be able to access some or all of the documents on the Court's website. You may also contact Co-Lead Counsel.

PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS

This Plan of Allocation has been prepared by Lead Plaintiffs and Co-Lead Counsel. Defendants do not agree with the characterization that any damages were suffered by any Members of the Class.

The \$1,300,000 cash Settlement Amount and the interest earned thereon shall be the gross Settlement Fund. The gross Settlement Fund, less all taxes and approved costs, fees, and expenses (the "Net Settlement Fund") shall be distributed to Members of the Class who submit acceptable Claim Forms ("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 loss. The recognized loss formula is not intended to be an estimate of the amount 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 loss 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 allegations in the Class Action Complaint for Violation of Securities Laws (the "Complaint") that Defendants made materially untrue and misleading statements and omissions in the Registration Statement and Prospectus in connection with the Company's November 15, 2006, IPO, resulting in violations

of Sections 11, 12, and 15 of the Securities Act of 1933. The Complaint alleges that these misrepresentations resulted in the artificial inflation of the prices of the Company's publicly traded common stock during the Class Period from November 15, 2006, to April 2, 2007, inclusive. In addition, the Plan of Allocation reflects the release of claims associated with the Securities Exchange Act of 1934 under Rule 10(b)-5. Defendants deny that they did anything wrong. Defendants have no involvement in or responsibility for the Plan of Allocation.

Each Authorized Claimant shall be paid based on the percentage of the Net Settlement Fund that each Authorized Claimant's recognized loss bears to the total of the recognized losses of all Authorized Claimants (the "Pro Rata Share").

Shares with recognizable losses are those shares of Allot common stock purchased from November 15, 2006, through April 2, 2007, inclusive, and held at least until after April 2, 2007.

Plan of Allocation

1. If claims are received for all eligible shares, the average per-share benefit after deduction of court-awarded fees and expenses would be \$0.09. A damaged share may have been traded more than once during the Class Period, and the indicated average recovery will be the total for all purchasers of that share.
2. Recognized losses are available for publicly traded shares of Allot common stock purchased from November 15, 2006, through and including April 2, 2007, however:
 - i. Shares purchased on or after November 15, 2006, and sold prior to April 2, 2007, have a recognized loss of zero;
 - ii. Shares purchased after April 2, 2007, have a recognized loss of zero.
3. For all purchasers of Allot Communications, Ltd. common stock, who held such stock on April 2, 2007, recognized loss per share is the lesser of:
 - i. \$2.04;
 - ii. The price paid less \$7.61;
 - iii. The price paid less the price received if sold prior to final judgment; and
 - iv. \$12.00 less the price received if sold prior to final judgment.

The statutory requirements for damages calculations provide that should you sell currently-held Company common stock between the filing of your Proof of Claim and the date of final judgment at a per-share price greater than \$7.61, you are required to contact the Court-appointed claims administrator and update your filed proof of claim information.

In the event a Class Member has more than one purchase or sale of Company common stock, all purchases and sales shall be matched on a first in, first out (FIFO) basis. Class Period sales will be matched against purchases in chronological order. A purchase or sale of Company common stock shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. The receipt or grant by gift, devise, or operation of law of Company common stock during the Class Period shall not be deemed a purchase or sale of Company common stock for the calculation of an Authorized Claimant's recognized loss, 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 Company 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 Company common stock.

To the extent a Claimant had a gain from his, her, or its overall transactions in Company common stock during the Class Period, the value of the recognized loss will be zero. To the extent that a Claimant suffered an overall loss on his, her, or its overall transactions in Company common stock during the Class Period, but that loss was less than the recognized loss calculated above, then the recognized loss shall be limited to the amount of the actual loss. There shall be no recognized loss on short sales of Company common stock during the Class Period, however, any recognized gains with respect to short sales shall be offset against recognized losses on other transactions.

The following defined terms shall be used to describe the process the Claims Administrator shall use to determine whether a Claimant had a gain or suffered a loss in overall transactions in Company common stock during the Class Period: the "Total Purchase Amount" is the total amount paid by the Claimant for all Company common stock purchased during the Class Period less commissions and fees; the "Sales Proceeds" means the amount received for sales of shares of Company common stock sold by the Claimant during the Class Period less commissions and fees; and "Holding Value" means the monetary value assigned to the shares of Company common stock purchased by the Claimant during the Class Period and still held by the Claimant at the end of the Class Period.

The difference between the Total Purchase Amount and the sum of Sales Proceeds and Holding Value will be deemed a Claimant's gain or loss on his, her, or its overall transactions in Company common stock during the Class Period.

Each Authorized Claimant shall be allocated a *pro rata* share of the Net Settlement Fund based on his, her, or its recognized loss as compared to the total recognized losses of all Authorized Claimants.

Class Members who do not submit acceptable Claim Forms will not share in the settlement proceeds. Class Members who do not either submit a request for exclusion or submit an acceptable Claim Form 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 for those claims with *Pro Rata* Shares of \$10.00 or more after the Court has finally approved the settlement. If any funds remain in the Net Settlement Fund by reason of uncashed 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 year after the initial distribution of such funds shall be redistributed to Class Members who have cashed their initial distributions and who would receive at least \$10.00 from such redistribution, after payment of any unpaid costs or fees incurred in administering the Net Settlement Fund for such redistribution. If after six months after such redistribution any funds shall remain in the Net Settlement Fund, then such balance shall be contributed to one or more nonsectarian, not-for-profit, 501(c)(3) organizations designated by Co-Lead Counsel.

Lead Plaintiffs, Defendants, their respective counsel, and all other Related Parties shall have no responsibility for or liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Fund, or the Plan of Allocation; the determination, administration, calculation, or payment of any claim or nonperformance of the Claims Administrator; the payment or withholding of taxes owed by the Settlement Fund; or any losses incurred in connection therewith.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased common stock of Allot (CUSIP#M0854Q 10 5; ticker symbol NASDAQ:ALLT) from November 15, 2006, to April 2, 2007, inclusive, for the beneficial interest of a person or organization other than yourself, the Court has directed that **WITHIN TEN 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 Allot common stock during such time period, or (b) request additional copies of this Notice and the Claim Form, which will be provided to you free of charge, and within ten days mail the Notice and Claim Form directly to the beneficial owners of that Allot 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:

Allot Communications, Ltd. Securities Litigation
c/o The Garden City Group, Inc.
PO Box 9349
Dublin, OH 43017-4249

If you choose to mail the Notice and Claim Form yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and Claim Form and which would not have been incurred but for the obligation to forward the Notice and Claim Form, upon submission of appropriate documentation to the Claims Administrator.

DATED: December 27, 2010

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK