

3. This Notice is not an admission by Defendants or an expression of any opinion of the Court concerning the merits of the Action or a finding by the Court that the claims asserted by Plaintiffs in this case are valid. This Notice is intended merely to advise you of the pendency of the Action and of your rights in connection with it. Defendants have denied Plaintiffs' claims and asserted several defenses, and contend that they are not liable to Plaintiffs. The Class definition may be subject to change by the Court pursuant to Rule 23.

DESCRIPTION AND STATUS OF THE LITIGATION

4. 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.
5. 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 Weiss Bershad Hynes & Lerach LLP (now known as Milberg LLP) as Lead Counsel for the Class.
6. 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 in Tellabs' public reports and documents disseminated to the investing public, thereby artificially inflating the price of the Tellabs common stock and damaging members of the Class.
7. 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).
8. 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.
9. 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 claim against Defendant Birck. *Id.* at 605. The Court of Appeals affirmed the dismissal of certain other claims.

10. 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).
11. 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 claim against Birck was dismissed.
12. 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.
13. 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.
14. By Memorandum Opinion and Order dated February 23, 2009, the Court granted Plaintiffs' motion for class certification. The Court's Order also certified Richard J. LeBrun, Nolan Howell, and Lead Plaintiff Makor Issues & Rights, Ltd. as Class Representatives and appointed Milberg LLP and Lead Class Counsel and Miller Law LLC as Liaison Counsel.
15. In light of the various previous court rulings and proceedings, some of which have narrowed the scope of the claims, Plaintiffs' remaining claims allege that, in violation of section 10(b) of the Exchange Act and Rule 10b-5, Tellabs and Individual Defendant Richard C. Notebaert (Tellabs' Chief Executive Officer during the relevant time period) made a series of misrepresentations that fall into four categories: 1) statements regarding Tellabs's financial results for the fourth quarter of 2000; 2) statements regarding demand for Tellabs's TITAN 5500 product; 3) statements regarding the availability of Tellabs's TITAN 6500 system; and 4) projections of Tellabs's earnings and revenues during 2001. Plaintiffs also contend that Notebaert and three other Individual Defendants — Michael J. Birck (a founder of the company and Chairman of its Board of Directors during the relevant time period), Brian J. Jackman (a member of Tellabs' Board of Directors and President of Global Systems and Technology and Executive Vice President during the relevant time period), and Joan E. Ryan (an Executive Vice President and Chief Financial Officer during the relevant time period) — are liable as control persons of Tellabs under section 20(a) of the Exchange Act. Plaintiffs allege that Defendants' misrepresentations resulted in the artificial inflation of Tellabs stock price during the Class Period and that Plaintiffs suffered injury in that they purchased Tellabs common stock at these artificially inflated prices and thereafter the price of Tellabs common stock fell as the market learned the alleged truth.
16. Pursuant to the PSLRA, discovery, and all other proceedings in the case, were automatically stayed during the pendency of Defendants' motions to dismiss. Fact discovery, including the depositions of Defendants and witnesses with relevant information, was complete as of June 30, 2009. Since early 2008, Defendants have produced approximately 820,000 pages of documents. Plaintiffs have obtained another more than 20,000 pages from a number of third parties, including Tellabs' distributors, customers, analysts, and others. Expert discovery also has been completed. The Court has not yet scheduled a trial in the Action.
17. On October 16, 2009, Plaintiffs filed a Notice of Intent Not to Pursue Certain Allegations Further in This Action. In that notice, Plaintiffs informed the Court that, having completed fact and expert discovery, they have determined not to pursue further their allegations that certain statements concerning the TITAN 6500 were false or misleading.

18. On November 24, 2009, Defendants filed a motion for summary judgment in their favor on all remaining claims. The Court has yet to rule on this motion.

YOUR RIGHTS AS A CLASS MEMBER

19. If you purchased Tellabs common stock during the Class Period, you may be a member of the Class. If you are a member of the Class, you have the right to decide whether to remain a member of the Class. If you choose to remain a member of the Class, you need do nothing at this time. You will automatically be included in the Class unless you request exclusion in accordance with the procedure set forth in paragraph 22 below. Your decision has important consequences:
- If you choose to remain in the Class, you will be bound by all orders and judgments in this Action, whether favorable or unfavorable, past, present, or future. If the Defendants prevail, you may not pursue a lawsuit on your own with regard to any of the issues decided in this Action. If any money is awarded to the Class, either through a settlement with Defendants or through a judgment of the Court, you may be entitled to your share of that award. Your interests are being represented by the representatives for the Class and their counsel. You will not be personally responsible for attorneys' fees or costs, unless you hire your own individual attorney. Lead Counsel for the Class have agreed to represent the Class on a contingent fee basis, which means that they will be awarded fees and costs only if they succeed in obtaining money from one or more Defendants. Any attorneys' fees will be awarded by this Court from the settlement or judgment, if any, they obtain on behalf of the Class.
 - If you choose to be excluded from the Class, you will not be bound by any judgment in this Action, nor will you be entitled to share in any recovery in this Action, should any recovery be obtained, but you may individually pursue any legal rights you may have against any of the Defendants.
20. Class Members may be entitled to recover damages on the claims asserted. This Notice, however, is not intended to suggest any likelihood that Plaintiffs or members of the Class will be entitled to recover any such damages. If there is a recovery, Class Members may be entitled to share in the proceeds, less such costs, expenses and attorneys' fees as the Court may allow out of any such recovery.
21. If there is a recovery, you will be required to prove your membership in the Class by documenting your purchases and sales of Tellabs common stock and resulting damages. ***Please be sure to keep your records of your transactions in Tellabs common stock.***

HOW TO BE EXCLUDED FROM THE CLASS

22. You will automatically be considered a member of the Class unless you request exclusion. Any member of the Class may request not to be bound by these proceedings. To exclude yourself from the Class, you must send a signed letter by mail stating that you "request exclusion from the Class in Makor Issues & Rights, Ltd., et al. v. Tellabs, Inc., et al., Case No. 02 C 4356." Be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request, postmarked no later than **May 10, 2010**, to:

Tellabs Securities Litigation
EXCLUSIONS
c/o Analytics Incorporated
Notice Administrator
P.O. Box 2004
Chanhassen, MN 55317-2004

You cannot exclude yourself by telephone or by e-mail. If your request for exclusion is timely mailed pursuant to the procedure explained above, you will not be bound by any judgment in this Action, nor will you be entitled to share in any recovery in this Action, should any recovery be obtained, but you may individually pursue any legal rights you may have against any of the Defendants.

23. If you do not request exclusion from the Class by **May 10, 2010**, in accordance with the procedure set forth in paragraph 22 above, you will be considered a Class Member, and you will be bound by any final judgment in this Action.
24. Do not request exclusion if you wish to participate in this Action as a Class Member.

LEAD ATTORNEYS FOR THE CLASS

25. As a member of the Class, you will be represented by Lead Counsel for the Class, who are:

Richard H. Weiss
MILBERG LLP
One Penn Plaza
New York, NY 10119-0165
(212) 594-5300

26. By remaining in the Class, you will not subject yourself to any direct obligations to pay the costs of the litigation. In the event there is any recovery by the Class in this Action, all costs and expenses of the Action, including attorneys' fees, will be paid from that recovery, subject to approval by the Court.

ADDITIONAL INFORMATION

27. This Notice gives only a summary of the lawsuit and the claims asserted by Plaintiffs. For more detailed information, you may contact Lead Counsel or examine the official court records of this lawsuit during the regular business hours of the Office of the Clerk of 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.
28. If you have any questions about this Notice or the Action, you may consult Lead Counsel for the Class. **PLEASE DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION OR ADVICE.**

PLEASE KEEP YOUR ADDRESS CURRENT

29. To assist the Court and the parties in maintaining accurate lists of Class Members, you are requested to mail notice of any changes in your address to:

Tellabs Securities Litigation
ADDRESS UPDATES
c/o Analytics Incorporated
Notice Administrator
P.O. Box 2004
Chanhassen, MN 55317-2004

30. If this Notice was sent to you at your current address, you do not have to do anything further to receive further notices concerning this Action. If it was forwarded to you by the postal service, or if it was otherwise sent to you at an address which is not current, you should immediately contact the Notice Administrator to provide your correct address. If the Notice Administrator does not have your correct address, you might not receive notice of important developments in this class action lawsuit and you might not receive your share of any money that may be recovered for the benefit of the Class.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

31. If you purchased common stock of Tellabs, Inc.¹ during the period from December 11, 2000 through June 19, 2001, inclusive, for the beneficial interest of a person or entity other than yourself, the Court has ordered that you shall, **WITHIN SEVEN (7) DAYS OF YOUR RECEIPT OF THIS NOTICE**, either (a) provide to the Notice Administrator identified below the name and last known address of each person or entity for whom or which you purchased Tellabs common stock during such time period or (b) request additional copies of this Notice, which will be provided to you free of charge, and within seven (7) days mail the Notice directly to the beneficial owners of that Tellabs common stock. If you select option (a) above, the Notice Administrator will cause copies of this Notice to be forwarded to the beneficial owners of those securities. If you choose to follow alternative procedure (b), the Court has ordered that you shall, upon such mailing, send a statement to the Notice Administrator confirming that the mailing was made. All communications concerning the foregoing should be addressed to the Notice Administrator:

Tellabs Securities Litigation
BROKER-NOMINEE MAILING
c/o Analytics Incorporated
Notice Administrator
P.O. Box 2004
Chanhassen, MN 55317-2004

(866) 535-1626

www.tellabssecuritieslitigation.com

You are entitled to reimbursement for your reasonable expenses actually incurred in complying with the foregoing, including reimbursement of reasonable postage expenses and the reasonable costs of obtaining the names and addresses of beneficial owners. Those reasonable expenses and costs will be paid upon request and submission of appropriate supporting documentation. All requests for reimbursement should be sent to the Notice Administrator.

Dated: February 9, 2010

BY ORDER OF THE UNITED STATES
DISTRICT COURT FOR THE NORTHERN
DISTRICT OF ILLINOIS, EASTERN DIVISION

¹ Throughout the Class Period, Tellabs common shares were actively traded on the NASDAQ National Market under the symbol "TLAB." CUSIP 879664100.