

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

CURTIS AND CHARLOTTE WESTLEY, Individually and on Behalf of All Others Similarly Situating,)	No. C11-02448-EMC
)	and related consolidated action
)	(Lead Case No. C11-3176-EMC)
Plaintiffs,)	(Derivative Action)
vs.)	
OCLARO, INC., et al.,)	
Defendants.)	
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In re OCLARO, INC. DERIVATIVE LITIGATION)	Lead Case No. C11-3176-EMC
)	(Derivative Action)
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This Document Relates To:)	
Westley v. Oclaro, Inc., et al.,)	
C11-02448-EMC.)	

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

If you purchased or acquired Oclaro, Inc. (“Oclaro” or the “Company”)¹ common stock during the period between May 6, 2010 and October 28, 2010, inclusive (the “Class Period”), and are not otherwise excluded from the Class (see Question 6 below), you could get a payment from a class action settlement.

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

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY AS YOUR RIGHTS MAY BE AFFECTED BY THE PROCEEDINGS IN THE LITIGATION.

Security and Time Period: Oclaro common stock purchased or acquired between May 6, 2010 and October 28, 2010, inclusive.

Settlement Fund: \$3,700,000 in cash plus any interest earned. Your recovery will depend on the timing of your purchases, acquisitions, and sales of Oclaro common stock during the Class Period. Based on the information currently available to Lead Plaintiff and the analysis performed by its damages consultants, **it is estimated that if Class Members submit claims for 100% of the shares eligible for distribution under the Plan of Allocation (described below), the estimated average distribution per share of common stock will be approximately \$0.15 before deduction of Court-approved fees and expenses, including the cost of notifying Members of the Class and settlement administration and any attorneys’ fees and expenses awarded by the Court to counsel for the Lead Plaintiff. The estimated average distribution per share after payment of the above Court approved expenses will be approximately \$0.10 per share.** Historically, actual claims rates are less than 100%, which results in higher distributions per share. 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 valid Proof of Claim and Release forms (“Proof of Claim”).

Reasons for Settlement: Avoids the costs and risks associated with continued litigation, including the danger of no recovery.

If the Case Had Not Settled: Continuing with the case could have resulted in loss at summary judgment, trial or on appeal. The two sides vigorously disagree on both liability and the amount of money that could have been won if Lead Plaintiff prevailed at trial. The issues on which the parties disagree are many and include: (1) whether Defendants engaged in conduct that would give rise to any liability to the Class under the federal securities laws, or any other laws; (2) whether Defendants have valid defenses to any such claims of liability; (3) the method for determining whether the price of Oclaro common stock was artificially inflated, if at all, during the relevant period; (4) whether there was any such inflation and the amount of any such alleged inflation; (5) the extent to which external factors or market factors influenced the trading price of Oclaro common stock during the Class Period; (6) the extent that various facts alleged by Lead Plaintiff influenced the trading price of Oclaro common stock during the Class Period; and (7) whether the facts alleged were material, false, misleading or otherwise actionable under the federal securities laws.

Attorneys’ Fees and Expenses: Court-appointed Lead Plaintiff’s counsel will ask the Court for attorneys’ fees of 25% (i.e., \$925,000) of the Settlement Fund and expenses not to exceed \$175,000 to be paid from the Settlement Fund plus interest. Lead Plaintiff’s counsel have not received any payment for their work for prosecuting this Litigation, and negotiating this settlement on behalf of the Lead Plaintiff and the Class. **If the above amounts are requested and approved by the Court, the average cost per share of common stock will be approximately \$0.04.**

Deadlines:

Submit Claim:	August 13, 2014
Request Exclusion:	July 7, 2014
File Objection:	July 7, 2014

Court Hearing on Fairness of Settlement: July 31, 2014

¹ This Notice incorporates by reference the definitions in the Amended Stipulation of Settlement dated as of April 30, 2014 (“Stipulation”), and all capitalized terms used, but not defined herein, shall have the same meaning as in the Stipulation. The Stipulation can be obtained at www.oclarosettlement.com.

More Information: www.oclarosettlement.com or

Claims Administrator:
Oclaro Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040
1-877-291-5532

Representative of Lead Plaintiff's counsel:
Rick Nelson
Shareholder Relations
Robbins Geller Rudman & Dowd LLP
655 West Broadway, Suite 1900
San Diego, CA 92101
1-800-449-4900

- 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** If you are a Class Member and do not exclude yourself from the Class, the only way to get a payment is to submit a claim form. You may submit a claim form and still object to any aspect of the settlement, the request for an award of attorneys' fees and expenses and/or the Plan of Allocation. If you submit a claim form, you give up your right to participate in another lawsuit against the Defendants for the legal claims in this case. See Answer to Question 12 for a more detailed description of what you are giving up if you submit a claim form.
- EXCLUDE YOURSELF** Get no payment. This is the only option that allows you to participate in another lawsuit against the Defendants for the legal claims in this case.
- OBJECT** If you are a Class Member and do not exclude yourself from the Class, you may write to the Court if you do not like the settlement, the request for attorneys' fees and expenses, or the Plan of Allocation. If you submit an objection to the settlement, Plan of Allocation or the request for an award of attorneys' fees and expenses and do not submit a claim form seeking payment from the settlement proceeds, your objection may be rejected because you would no longer have an interest in the settlement. You may also ask to speak in Court about the fairness of the settlement, the request for attorneys' fees and expenses, or the Plan of Allocation.
- DO NOTHING** **If you do nothing, you will not receive any payments, will not be allowed to object to the settlement, Plan of Allocation or Lead Plaintiff's counsel's request for an award of attorneys' fees and expenses and will give up your right to participate in another lawsuit against the Defendants for the legal claims in this case.** See Answer to Question 12 for a more detailed description of what you are giving up if you do nothing.
- These rights and options — **and the deadlines to exercise them** — are explained in this Notice.
 - The Court in charge of this case must decide whether to approve the settlement. Payments will be made if the Court approves the settlement and, if there are any appeals, after appeals are resolved. Please be patient.

BASIC INFORMATION

1. Why did I get this notice package?

You or someone in your family may have purchased or acquired Oclaro common stock between May 6, 2010 and October 28, 2010, inclusive.

The Court directed that you be sent this Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the settlement. If the Court approves it and after any objections or appeals (if there are any) are resolved, the Claims Administrator appointed by the Court will make the payments that the settlement allows.

This package explains the lawsuit, the settlement, your 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 California, and the case is known as *Westley v. Oclaro, Inc.*, No. C11-02448-EMC. The entity that leads the Litigation, Connecticut Laborers' Pension Fund, is called the Lead Plaintiff and the company and the individuals it sued are called Defendants.

2. What is this lawsuit about?

Defendant Oclaro provides optical components and subsystems to the telecommunications industry. This is a securities class action on behalf of all persons who purchased or acquired the common stock of Oclaro between May 6, 2010 and October 28, 2010, inclusive, against Oclaro and certain of its officers and/or directors for violations of the Securities Exchange Act of 1934 ("Exchange Act"). Lead Plaintiff alleges that throughout the Class Period – and more specifically in May, June, July and August 2010 – the Company and certain of its top executives made false and misleading statements to the investment community concerning purported current and increasingly strong customer demand for Oclaro's products. In addition, Lead Plaintiff alleges that Defendants made false and misleading statements in July and August 2010 in issuing (and then reaffirming) Oclaro's increased revenue and earnings guidance for first quarter 2011 ("1Q11") (ended October 2, 2010) and accelerated margin guidance for the calendar year 2010 at a time they were aware of facts seriously undermining the reasonableness of these projections. In July and August 2010, Lead Plaintiff alleges that Defendants also misrepresented to the market the significance of Oclaro's close customer relationships by inaccurately boasting that these relationships provided them with knowledge of existing order firmness as well as future customer needs. Lead Plaintiff alleges that when Defendants disclosed the truth about the Company's true condition, Class Members suffered damages as a result of the decline in the price of Oclaro common stock.

Defendants have denied and continue to deny each and all of the claims and allegations of wrongdoing made by Lead Plaintiff in the Litigation and maintain furthermore that they have meritorious defenses. Defendants expressly have denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or

omissions alleged, or that could have been alleged, in the Litigation. Defendants also have denied and continue to deny, among other allegations, the allegations that the Lead Plaintiff or the Class have suffered any damage, that the price of Oclaro common stock was artificially inflated by reasons of alleged misrepresentations, non-disclosures or otherwise, or that the Lead Plaintiff or the Class were harmed by the conduct alleged in the Litigation.

3. Why is this a class action?

In a class action, one or more people called class representatives (in this case, the Court-appointed Connecticut Laborers' Pension Fund as Lead Plaintiff), sue on behalf of people who have similar claims. All of these people and/or entities are called a class or class members. One judge – in this case, United States District Court Judge Edward M. Chen – resolves the issues for all Class Members, except for those who exclude themselves from the Class.

4. Why is there a settlement?

The Court did not decide in favor of the Lead Plaintiff or Defendants. Instead, the lawyers for both sides of the lawsuit have negotiated a settlement, with the assistance of the Honorable Layn R. Phillips (Ret.), a former United States District Court Judge, that they believe is in the best interests of their respective clients. The settlement allows both sides to avoid the risks and cost of lengthy and uncertain litigation and the uncertainty of a trial and appeals, and permits Class Members to be compensated without further delay. The Lead Plaintiff and its attorneys think the settlement is best for all Class Members.

WHO GETS MONEY FROM THE SETTLEMENT

To see if you will get money from this settlement, you first have to determine if you are a Class Member.

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

The Class includes *all Persons who purchased or acquired Oclaro's common stock between May 6, 2010 and October 28, 2010, inclusive.*

6. Are there exceptions to being included in the Class?

Yes. Excluded from the Class are Defendants, Oclaro's officers and directors during the Class Period, and their immediate families and affiliates. Also excluded from the Class are those Persons who timely and validly request exclusion from the Class pursuant to this Notice.

7. I'm still not sure if I am included.

If you still are not sure whether you are included, you can ask for free help. You can call 1-877-291-5532 or visit www.oclarosettlement.com for more information; or, you can call Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, at 1-800-449-4900 for more information.

THE SETTLEMENT BENEFITS – WHAT YOU GET

8. What does the settlement provide?

Oclaro has agreed to pay or cause to be paid \$3,700,000 in cash (the "Settlement Fund"). The Settlement Fund, plus interest earned from the date it is established, less costs, fees, and expenses (the "Net Settlement Fund"), will be divided among all eligible Class Members who send in valid Proofs of Claim ("Authorized Claimants"). Costs, fees, and expenses include Court-approved attorneys' fees and expenses, the costs of notifying Class Members, including the costs of printing and mailing this Notice and the cost of publishing newspaper notice, the costs of claims administration, and taxes on the Settlement Fund. The Net Settlement Fund is estimated to be \$2,392,000.

9. How much will my payment be?

Your share of the Net Settlement Fund will depend on the number of valid Proofs of Claim that Class Members send in and how many shares of Oclaro common stock you purchased and/or acquired during the relevant period and when you purchased, acquired and/or sold them. You can estimate the payment you might receive if all Class Members submit claims by inputting your transactions in Oclaro's common stock in a calculator at www.oclarosettlement.com.

For purposes of determining the amount an Authorized Claimant may recover under the Plan of Allocation, Lead Plaintiff's counsel conferred with their damages consultants and the Plan of Allocation reflects their judgment regarding the relative strengths of the claims at issue in light of the order issued by the District Court that they believe could have been recovered had Lead Plaintiff prevailed at trial.

In the unlikely event there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's claim, as defined below. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's claim bears to the total of the claims of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

A "Claim" will be calculated as follows:

The calculation of claims below is not an estimate of the amount you will receive. It is a formula for allocating the Net Settlement Fund among all Authorized Claimants.

The allocation below is based on the following Inflation Amounts² as well as the statutory PSLRA 90-day look-back amount of \$11.53.³

1. For shares of Oclaro common stock ***purchased or acquired on or between May 6, 2010 through October 27, 2010***, the claim per share shall be as follows:

(a) If sold on or between May 6, 2010 through October 27, 2010, the claim per share shall be the lesser of (i) the inflation in Table A at the time of purchase less the inflation in Table A at the time of sale; and (ii) the difference between the purchase price and the selling price.

(b) If retained at the end of October 27, 2010 and sold prior to January 25, 2011, the claim per share shall be the lesser of (i) the inflation in Table A at the time of purchase; (ii) the difference between the purchase price and the selling price; and (iii) the difference between the purchase price per share and the average closing price per share up to the date of sale as set forth in Table B below.

(c) If retained at the close of trading on January 24, 2011, or sold on January 25, 2011 or thereafter, the claim per share shall be the lesser of (i) the inflation in Table A at the time of purchase; and (ii) the difference between the purchase price per share and \$11.53 per share.

2. For shares of Oclaro common stock ***purchased or acquired on October 28, 2010***, the claim per share shall be \$0.00.⁴

TABLE A

Time Period	Inflation
May 6, 2010 – July 29, 2010	\$1.63
July 30, 2010 – October 27, 2010	\$0.52

² The Inflation Amounts which are listed in Table A are based on the July 30, 2010 and October 28, 2010 price declines in Oclaro common stock that plaintiffs allege resulted from Oclaro correcting earlier false and misleading statements. A market adjusted dollar decline of \$1.11 was used for the July 30, 2010 price decline. For the October 28, 2010 price decline, the market adjusted price decline of \$5.16 was reduced by 90% to \$0.52 per share because plaintiffs believe that the claims related to the October 28, 2010 decline were significantly weaker than the claims associated with the July 30, 2010 decline as reflected in the Court's May 30, 2013 Order. As a result, the \$1.63 inflation amount for the time period May 6, 2010 to July 29, 2010 listed in Table A reflects both the inflation amounts for the adjusted price declines on July 30, 2010 (\$1.11) and on October 28, 2010 (\$0.52). The inflation amount for the time period July 30, 2010 to October 27, 2010 listed in Table A reflects the adjusted price decline of \$0.52.

³ The statutory PSLRA 90-day look-back amount of \$11.53, reflects that the PSLRA, the statute this case was brought under, provides that the award of damages to the plaintiffs shall not exceed the difference between the purchase or sale price paid or received for the stock at issue, here Oclaro common stock and the average trading price of Oclaro common stock during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated, in this case October 28, 2010. Consistent with the requirements of the PSLRA, claims are reduced by taking into account the closing prices of Oclaro's common stock during the 90-day period. The average closing price for Oclaro's common stock at the end of the 90-day period was \$11.53.

⁴ Please note that although the Class Period includes October 28, 2010, shares of Oclaro common stock that were purchased and/or acquired on October 28, 2010 are not eligible for a recovery under the Plan of Allocation because the disclosure made on October 28, 2010 that Lead Plaintiff alleges corrected earlier alleged misrepresentations and omissions was made before the opening of trading that day.

TABLE B

Date	Closing Price	Average Closing Price	Date	Closing Price	Average Closing Price
28-Oct-10	\$8.60	\$8.60	13-Dec-10	\$12.26	\$10.08
29-Oct-10	\$8.41	\$8.51	14-Dec-10	\$12.12	\$10.14
1-Nov-10	\$8.62	\$8.54	15-Dec-10	\$12.14	\$10.20
2-Nov-10	\$9.00	\$8.66	16-Dec-10	\$12.63	\$10.27
3-Nov-10	\$9.51	\$8.83	17-Dec-10	\$12.58	\$10.33
4-Nov-10	\$9.89	\$9.01	20-Dec-10	\$12.43	\$10.39
5-Nov-10	\$9.97	\$9.14	21-Dec-10	\$12.50	\$10.45
8-Nov-10	\$9.96	\$9.25	22-Dec-10	\$12.35	\$10.50
9-Nov-10	\$9.28	\$9.25	23-Dec-10	\$12.40	\$10.54
10-Nov-10	\$9.48	\$9.27	27-Dec-10	\$12.41	\$10.59
11-Nov-10	\$9.48	\$9.29	28-Dec-10	\$12.50	\$10.63
12-Nov-10	\$9.70	\$9.33	29-Dec-10	\$12.59	\$10.68
15-Nov-10	\$9.38	\$9.33	30-Dec-10	\$13.04	\$10.73
16-Nov-10	\$9.15	\$9.32	31-Dec-10	\$13.15	\$10.79
17-Nov-10	\$9.11	\$9.30	3-Jan-11	\$13.38	\$10.84
18-Nov-10	\$9.43	\$9.31	4-Jan-11	\$13.10	\$10.89
19-Nov-10	\$9.78	\$9.34	5-Jan-11	\$13.64	\$10.95
22-Nov-10	\$9.90	\$9.37	6-Jan-11	\$13.65	\$11.00
23-Nov-10	\$9.63	\$9.38	7-Jan-11	\$14.10	\$11.07
24-Nov-10	\$9.85	\$9.41	10-Jan-11	\$14.22	\$11.13
26-Nov-10	\$9.71	\$9.42	11-Jan-11	\$13.96	\$11.18
29-Nov-10	\$9.79	\$9.44	12-Jan-11	\$14.33	\$11.24
30-Nov-10	\$9.70	\$9.45	13-Jan-11	\$14.39	\$11.30
1-Dec-10	\$10.16	\$9.48	14-Jan-11	\$14.70	\$11.36
2-Dec-10	\$11.07	\$9.54	18-Jan-11	\$14.33	\$11.41
3-Dec-10	\$12.18	\$9.64	19-Jan-11	\$12.94	\$11.44
6-Dec-10	\$11.71	\$9.72	20-Jan-11	\$12.83	\$11.46
7-Dec-10	\$11.57	\$9.79	21-Jan-11	\$12.76	\$11.49
8-Dec-10	\$11.58	\$9.85	24-Jan-11	\$13.11	\$11.51
9-Dec-10	\$12.05	\$9.92	25-Jan-11	\$12.60	\$11.53
10-Dec-10	\$12.65	\$10.01			

For Class Members who held Oclaro common stock at the beginning of the Class Period or made multiple purchases, acquisitions or sales during the Class Period, the first-in, first-out (“FIFO”) method will be applied to such holdings, purchases, acquisitions and sales for purposes of calculating a claim. Under the FIFO method, sales of Oclaro common stock during the Class Period will be matched, in chronological order, first against common stock held at the beginning of the Class Period. The remaining sales of Oclaro common stock during the Class Period will then be matched, in chronological order, against Oclaro common stock purchased or acquired during the Class Period.

An Authorized Claimant will be eligible to receive a distribution from the Net Settlement Fund only if a Class Member had a net loss, after all profits from transactions in Oclaro common stock during the Class Period are subtracted from all losses. However, the proceeds from sales of Oclaro common stock which have been matched against Oclaro common stock held at the beginning of the Class Period will not be used in the calculation of such net loss.

If there is sufficient money left in the Net Settlement Fund after six months from the initial date of distribution of the Net Settlement Fund to Class Members to make a second distribution, a second distribution from the Net Settlement Fund will be made to Authorized Claimants who cashed their check in the initial distribution. The second distribution would be based on the percentage of the Net Settlement Fund that each such Authorized Claimant bears to the total of the claims of all Authorized Claimants who cashed their check in the initial distribution.

A second distribution will not be made to an Authorized Claimant if the second distribution would be less than one dollar. Furthermore, a second distribution will not be made if the Net Settlement Fund after six months from the initial date of distribution is less than \$10,000, in which case the remaining funds would be distributed to the Bay Area Legal Aid pursuant to ¶5.6 of the Stipulation.

The Court has reserved jurisdiction to allow, disallow or adjust the claim of any Class Member on equitable grounds.

Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Authorized Claimants. No Person shall have any claim against Lead Plaintiff, any Plaintiffs’ counsel, any claims administrator or other Person designated by Lead Plaintiff’s counsel or Defendants and/or the Related Parties and/or the Released Persons and/or their counsel based on

distributions made pursuant to the Stipulation and the settlement contained therein, the Plan of Allocation, or further orders of the Court. All Class Members who fail to complete and file a valid and timely Proof of Claim shall be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the Stipulation, including the terms of any order and/or judgment entered and the releases given.

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

10. How will I get a payment?

To qualify for a payment, you must send in a Proof of Claim. A Proof of Claim is enclosed with this Notice. Read the instructions carefully, fill out the form, include all the documents the form asks for, sign it, and mail it in the enclosed envelope postmarked no later than August 13, 2014.

11. When would I get my payment?

The Court will hold a hearing on July 31, 2014, at 1:30 p.m. to decide whether to approve the settlement. If Judge Chen approves the settlement, there may be appeals. It is always uncertain whether these appeals can be resolved favorably, and resolving them can take time, perhaps more than a year. It also takes time for all the claim forms to be processed. If there are no appeals and depending on the number of claims submitted, the Claims Administrator could distribute the Net Settlement Fund as early as nine months after the fairness hearing. Please be patient.

12. What am I giving up to get a payment or stay in the Class?

Unless you exclude yourself, you are staying in the Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against the Defendants about the same issues in this case or about issues that could have been asserted in this case. It also means that all of the Court's orders – including the Final Order and Judgment – will apply to you and legally bind you and you will release your Released Claims in this case against Defendants and their Related Parties. "Released Claims" means, collectively, any and all claims (including, without limitation, Unknown Claims), demands, rights, liabilities, suits, debts, obligations and causes of action, of every nature and description whatsoever, whether known or unknown, contingent or absolute, mature or unmature, discoverable or undiscoverable, liquidated or unliquidated, accrued or unaccrued, including those that are concealed or hidden, regardless of legal or equitable theory, including, without limitation, claims for negligence, gross negligence, recklessness, deliberate recklessness, intentional wrongdoing, fraud, breach of fiduciary duty, breach of the duty of care and/or loyalty, violation of any federal or state statute, rule or regulation, violation of the common law, violation of administrative rule or regulation, tort, breach of contract, violation of international law or violation of the law of any foreign jurisdiction, that Lead Plaintiff or any other Class Member (i) asserted in the Litigation and/or any complaint filed in the Litigation; or (ii) could have or might have asserted in the Litigation and/or any complaint filed in the Litigation and/or in any other litigation, action or forum that arise out of or are based upon, or are related in any way, directly or indirectly, in whole or in part, to (a) the allegations, transactions, facts, matters, occurrences, representations or omissions involved, set forth or referred to in any complaint filed in the Litigation, and that relate to the purchase or other acquisition of Oclaro common stock during the Class Period, and/or (b) Defendants' defense or settlement of the Litigation and/or Defendants' defense or settlement of the Released Claims. The Parties intend that the releases provided hereunder provide for claim and issue preclusion. Released Claims do not include any derivative claims, including those claims pending in this Court in *In re Oclaro, Inc. Derivative Litigation*, Lead Case No. C11-3176-EMC.

"Related Parties" means each of a Defendant's past, present or future directors, officers, employees, partnerships and partners, principals, insurers, co-insurers, reinsurers, controlling shareholders, attorneys, accountants or auditors, investment banks and investment bankers, underwriters, advisors, financial advisors, personal or legal representatives, analysts, associates, predecessors, successors, parents, subsidiaries, divisions, joint ventures and joint venturers, agents, assigns, spouses, heirs, executors, estates, administrators, related or affiliated entities, any entity in which a Defendant has a controlling interest, any members of any Individual Defendant's immediate family, and any trust of which any Individual Defendant is the settlor or which is for the benefit of any Individual Defendant's family.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this settlement, but you want to keep the right to sue or continue to sue the Defendants on your own about the same issues in this case, then you must take steps to get out of the Class. This is called excluding yourself or is sometimes referred to as opting out of the Class.

13. How do I get out of the Class?

To exclude yourself from the Class, you must send a letter by mail stating that you want to be excluded from *Westley v. Oclaro, Inc.*, No. C11-02448-EMC. You must include your name, address, telephone number, your signature, the number of shares of Oclaro common stock you purchased and/or acquired, and sold between May 6, 2010 and October 28, 2010, inclusive, and the dates and prices of such purchases, acquisitions and sales. If you cannot find the prices or exact dates of your purchases, acquisitions and/or sales, you can still submit an exclusion request for review. You must mail your exclusion request postmarked no later than July 7, 2014 to:

Oclaro Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

You cannot exclude yourself on the phone or by e-mail. If you ask to be excluded, you are not eligible to get any settlement payment, and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit.

14. If I do not exclude myself, can I sue Defendants for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Defendants and their Related Parties for the claims that this settlement resolves. Remember, the exclusion deadline is July 7, 2014.

15. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, do not send in a Proof of Claim to ask for any money. Once you exclude yourself, you will receive no cash payment even if you also submit a Proof of Claim.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court appointed the law firm of Robbins Geller Rudman & Dowd LLP to represent you and other Class Members. These lawyers are called Lead Counsel. These lawyers will apply to the Court for payment from the Settlement Fund; you have not been and will not otherwise be charged for their work. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

At the fairness hearing, Lead Plaintiff's counsel will request the Court to award attorneys' fees of 25% (*i.e.*, \$925,000) of the Settlement Fund and for expenses up to \$175,000, which were incurred in connection with the Litigation. If awarded, the cost would be approximately \$0.04 per share. This compensation will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses. To date, Lead Plaintiff's counsel have not received any payment for their services in conducting this Litigation on behalf of the Lead Plaintiff and the Class, nor have counsel been paid for their expenses. The fee requested will compensate Lead Plaintiff's counsel for their work in achieving the Settlement Fund and is within the range of fees awarded to class counsel under similar circumstances in other cases of this type. The Court may award less than this amount.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the settlement, the Plan of Allocation, or Lead Plaintiff's counsel's request for an award of attorneys' fees and expenses.

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

If you are a Class Member (and you have not excluded yourself), you can object to the settlement, the request for attorneys' fees and expenses, or the Plan of Allocation if you do not like any part of it. You can give reasons why you think the Court should not approve the settlement, the request for attorneys' fees and expenses, or the Plan of Allocation. The Court will consider your views. To object, you must send a signed letter saying that you object to the proposed settlement in *Westley v. Oclaro, Inc.*, No. C11-02448-EMC. Be sure to include your name, address, telephone number, your signature, the number of shares of Oclaro common stock purchased and/or acquired between May 6, 2010 and October 28, 2010, inclusive, and the reasons you object to the settlement, the requested attorneys' fees and expenses, or the Plan of Allocation. Any such objection must be filed with the Court no later than July 7, 2014 at the following address:

Court.
Clerk of the Court
United States District Court
Northern District of California
450 Golden Gate Avenue
San Francisco, CA 94102

If you submit an objection to the settlement, Plan of Allocation or the request for an award of attorneys' fees and expenses and do not submit a claim form seeking payment from the settlement proceeds, your objection may be rejected because you would no longer have an interest in the settlement.

19. What is the difference between objecting and excluding myself from the settlement?

Objecting is telling the Court that you do not like something about the proposed settlement. You can object *only* if you stay 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 applies to you.

THE COURT'S FAIRNESS HEARING

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

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

The Court will hold a hearing at 1:30 p.m. on July 31, 2014, at the United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102. At this hearing the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. The Court will also decide whether to approve the payment of fees and expenses to Lead Plaintiff's counsel and the Plan of Allocation. We do not know how long the hearing will take or whether the Court will make its decision on the day of the hearing or sometime later.

21. Do I have to come to the hearing?

No. Lead Plaintiff's counsel will answer questions Judge Chen 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 you are not required to do so.

22. May I speak at the hearing?

You may ask the Court for permission to speak at the hearing. To do so, you must send a letter saying that it is your intention to appear in *Westley v. Oclaro, Inc.*, No. C11-02448-EMC. Be sure to include your name, address, telephone number, your signature, and the number of shares of Oclaro common stock purchased or acquired between May 6, 2010 and October 28, 2010, inclusive. Your notice of intention to appear must be filed no later than July 7, 2014 with the Clerk of the Court, at the address listed in Question 18. You cannot speak at the hearing if you exclude yourself from the Class.

IF YOU DO NOTHING

23. What happens if I do nothing at all?

If you do nothing, you will get no money from this settlement. But, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants or their Related Parties about the same issues in this case.

GETTING MORE INFORMATION

24. Are there more details about the settlement?

This Notice only contains a summary of the proposed settlement. More details are in the Stipulation, which has been filed with the Court. You can get a copy of the Stipulation from the Clerk's office at the United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102, during regular business hours, or at www.oclarosettlement.com, or you can contact a representative of Lead Counsel at the number and address below in the Answer to Question 25.

25. How do I get more information?

For more information about the settlement or the Litigation, you can call 1-800-449-4900 or write to a representative of Lead Plaintiff's counsel, Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, or visit the Claims Administrator's website at www.oclarosettlement.com. ***Please do not call the Court or the Clerk of the Court for additional information about the settlement.***

26. Special notice to banks, brokers, and other nominees

If you hold any Oclaro common stock purchased or acquired between May 6, 2010 and October 28, 2010, inclusive, as a nominee for a beneficial owner, then, within ten (10) days after you receive this Notice, you must either: (1) send a copy of this Notice by First-Class Mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

Oclaro Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

If you choose to mail the Notice and Proof of Claim 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 which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator.

DATED: May 5, 2014

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA