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16 UNITED STATES DISTRICT COURT  
17 CENTRAL DISTRICT OF CALIFORNIA

TS  
21

19 JOHN F. KENNEDY and RAHMAN J.  
20 MOGHADDAM,

21 Plaintiffs,

22 v.

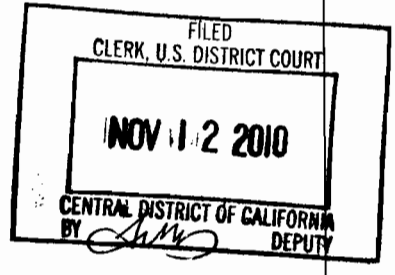
23 OCCAM NETWORKS, INC., ROBERT  
L. HOWARD-ANDERSON, STEVEN  
24 M. KRAUSZ, ROBERT B. ABBOTT,  
ROBERT E. BYLIN, THOMAS E.  
25 PARDUN, ALBERT J. MOYER,  
BRIAN H. STROM, CALIX, INC.,  
26 OCEAN SUB I, INC., and OCEAN SUB  
II, LLC, inclusive,

27 Defendants.  
28

Case No. CV10-8665 RSWL  
(R2x)

COMPLAINT FOR VIOLATIONS  
OF SECTIONS 14(a) AND 20(a) OF  
THE SECURITIES EXCHANGE  
ACT OF 1934, 15 U.S.C. §§ 78N(a)  
AND 78t(a)

JURY DEMAND



1 Plaintiffs John F. Kennedy and Rahman J. Moghaddam (“Plaintiffs”), by their  
2 attorneys, make the following allegations based upon information and belief, except  
3 as to allegations specifically pertaining to themselves and their counsel, which is  
4 based on personal knowledge.

5 **SUMMARY**

6 1. Plaintiffs bring this action against Defendants Occam Networks, Inc.  
7 (“Occam” or the “Company”) and its Board of Directors (the “Board” or “Occam  
8 Board”), for violations of sections 14(a) and 20(a) of the Securities Exchange Act of  
9 1934 (the “Exchange Act), 15 U.S.C. §§ 78n(a) and 78t(a), arising out of the  
10 agreement and recommendation to sell Occam to Calix, Inc. (“Calix”) by means of an  
11 unfair process at an unfair price of approximately \$7.75 per share in a stock and cash  
12 transaction and without adequate disclosure (the “Proposed Acquisition”).

13 2. Specifically, on September 16, 2010, Occam and Calix announced that  
14 the companies had entered into a definitive Agreement and Plan of Merger and  
15 Reorganization (the “Merger Agreement”) whereby Calix would acquire all of the  
16 outstanding stock of Occam through its wholly owned subsidiaries Ocean Sub I, Inc.  
17 and Ocean Sub II, LLC. Under the terms of the Merger Agreement, Occam  
18 shareholders will receive \$3.8337 in cash and 0.2925 of a Calix share per Occam  
19 share. Upon completion of the Proposed Acquisition, Occam shareholders will own  
20 between 16.5% and 18.9% of the combined company. Calix announced that it  
21 expects the Proposed Acquisition to close in the fourth quarter of 2010 or the first  
22 quarter of 2011.

23 3. In an attempt to co-opt shareholder approval of the unfair Proposed  
24 Acquisition, Defendants caused to be filed with the Securities and Exchange  
25 Commission (“SEC”) a false and misleading registration statement, Form S-4, on  
26 November 2, 2010, which also serves as the proxy for the required vote by Occam’s  
27  
28

1 shareholders.<sup>1</sup> See Calix, Inc., Registration Statement (Form S-4) (Nov. 2, 2010)  
2 (the "Registration Statement"). Among other things, the Registration Statement  
3 misstates and/or omits material information concerning: (1) any projections beyond  
4 fiscal year 2011 that were prepared and shown to the Occam Board as part of the  
5 Board's deliberations; (2) the reasons why shareholders are not presented with the  
6 most valuable and important metric in evaluating the desirability of a merger, a  
7 discounted cash flows ("DCF") analysis; (3) the full nature and extent of the conflicts  
8 which burden the Board's financial advisor, Jefferies & Company, Inc. ("Jefferies"),  
9 including the amount and nature of the fee to be paid Jefferies upon the close of the  
10 Proposed Acquisition; (4) the full nature of the strategic alternatives that Jefferies  
11 identified for the Board and the reasons why the Board chose not to pursue those  
12 alternatives; (5) the reasons why the Board decided not to conduct a full auction and  
13 failed to provide for any post-market check or other mechanism by which Occam  
14 shareholder could be sure they are being provided the best value possible for their  
15 shares and loss of control of Occam; and (6) the identity, disposition and material  
16 terms of the offers which were submitted to the Board by the parties identified as  
17 "Party A," "Party B" and the other "potential acquisition candidate" in the  
18 Registration Statement. The material misstatements and omissions contained in the  
19 Registration Statement constitute violations of §§ 14(a) and 20(a) of the Securities  
20 Exchange Act, 15 U.S.C. §§ 78n(a) and 78t(a).

#### 21 JURISDICTION AND VENUE

22 4. This Court has jurisdiction over all claims asserted herein pursuant to 28  
23 U.S.C § 1331 in that Plaintiffs' claims arise under the Constitution and laws of the  
24 United States, including the Exchange Act (15 U.S.C. §78aa *et seq.*) and 28 U.S.C. §  
25 1331.

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26  
27 <sup>1</sup> The Registration Statement (defined *infra*) itself acknowledges that it will  
28 serve as the proxy statement for Occam shareholders by describing the document as a  
"proxy statement/prospectus." Registration Statement at \*1.

1           5.     Venue is proper in this Court pursuant to 28 U.S.C. § 1391 because one  
2 or more of the Defendants, including Occam, either resides in or maintains executive  
3 offices in this District, and a substantial portion of the transactions and wrongs that  
4 are the subject of this complaint, occurred in substantial part in this District. Finally,  
5 the Defendants have received substantial compensation in this District by doing  
6 business here and engaging in numerous activities that had an effect in this District.

7                                   **PARTIES**

8           6.     Plaintiffs John F. Kennedy and Rahman J. Moghaddam (“Plaintiffs”)  
9 are, and have been at all relevant times, the owners of shares of common stock of  
10 Occam.

11           7.     Occam is a corporation organized and existing under the laws of the  
12 State of Delaware. It maintains its principal corporate offices at 6868 Cortona Drive,  
13 Santa Barbara, California 93117. Occam develops markets and supports broadband  
14 access products designed to enable telecom service providers to offer bundled voice,  
15 video and high speed internet, or “Triple Play,” services over both copper and fiber  
16 optic networks. Occam common stock trades on the NASDAQ Exchange under the  
17 ticker symbol “OCNW.”

18           8.     Defendant Robert L. Howard-Anderson (“Howard-Anderson”) has  
19 served as president and chief executive officer (“CEO”) of the Company since May  
20 2002, and as a director of the Company since July 2002. Howard-Anderson was  
21 senior vice president of product operations at Occam CA, one of Occam’s  
22 predecessor companies, from February 2002 to May 2002.

23           9.     Defendant Steven M. Krausz (“Krausz”) has served as a director of the  
24 Company since May 1997 and has served as chairman since May 2002. Krausz also  
25 served as a director of Occam CA from February 2000 to May 2002 and served as its  
26 chairman from March 2002 until the closing of the merger with Accelerated  
27 Networks, Inc. Krausz has been a managing member of several venture capital funds  
28 affiliated with U.S. Venture Partners, a venture capital firm, since August 1985. As

1 of March 29, 2010, U.S. Venture Partners and its affiliates beneficially owned  
2 3,172,497 shares of Occam stock, or 15.1% of the outstanding stock of the Company.

3 10. Defendant Robert B. Abbott ("Abbott") has served as a director of the  
4 Company since May 2002. He served as a director of Occam CA, from February  
5 2001 to May 2002. Abbott is currently a general partner with Norwest Venture  
6 Partners, a venture capital firm he has been with since August 1998. As of March 29,  
7 2010, Norwest Venture Partners and its affiliates beneficially owned 2,057,123 shares  
8 of Occam stock, or 9.8% of the outstanding stock of the Company. Abbott also  
9 serves as a director for several private companies.

10 11. Defendant Robert E. Bylin ("Bylin") has served as a director of the  
11 Company since September 2004. Bylin has served as the chief financial officer of  
12 SpectraLinear Inc., a timing solutions company, since October 2006. From  
13 November 2005 to October 2006, Bylin served as a consultant to SpectraLinear,  
14 Pyxis Technology, Inc., an electronic design automation company, and TAK  
15 Imaging, a provider of imaging processors. From April 2004 to November 2005,  
16 Bylin served as the chief financial officer of TAK Imaging. From March 2001 to  
17 October 2003, Bylin served as chief financial officer and chief operations officer for  
18 D.T. Consulting, a consulting company specializing in technical integration of  
19 hardware and software systems. Prior to that, Bylin served as chief financial officer  
20 and vice president of finance for Veridicom, Inc., a semiconductor and software  
21 company. Bylin currently serves as a director for Technology Credit Union.

22 12. Defendant Thomas E. Pardun ("Pardun") has served as a director of the  
23 Company since September 2004. Since April 2007, Pardun has served as chairman  
24 of the board of directors of Western Digital Corporation, a manufacturer of hard-disk  
25 drives for the personal computer and home entertainment markets. Pardun previously  
26 served as chairman of Western Digital from January 2000 to November 2001, and has  
27 served as a director of Western Digital since January 1993. In July 2000, Pardun  
28 retired as president of MediaOne International, Asia-Pacific (formerly US West Asia-

1 Pacific), an owner/operator of international properties in cable television, telephone  
2 services, and wireless communications. Prior to that, Pardun served as president and  
3 chief executive officer of US West Multimedia Communications, Inc. and held  
4 numerous other executive positions with US West. Prior to joining US West, Pardun  
5 was president of the Central Group for Sprint as well as president of Sprint's West  
6 Division. Pardun also served as senior vice president of United Telecommunications,  
7 a predecessor company to Sprint. In addition to Western Digital Corporation and  
8 Occam, Pardun serves on the boards of CalAmp Corporation, Finisar Corporation,  
9 Megapath, Inc. and MaxLinear, Inc.

10 13. Defendant Albert J. Moyer ("Moyer") was appointed as a director of the  
11 Company on November 29, 2007. Moyer is a business consultant. Moyer served as  
12 executive vice president and chief financial officer of QAD Inc., a publicly held  
13 software company that is a provider of enterprise resource planning software  
14 applications, from March 1998 until February 2000, and he subsequently served as a  
15 consultant to QAD, assisting in the Sales Operations of the Americas Region. From  
16 February to July 2000, Moyer served as president of the commercial division of Profit  
17 Recovery Group International, Inc. (now known as PRG-Schultz International, Inc.),  
18 a publicly held provider of recovery audit services. Prior to joining QAD in 1998,  
19 Moyer served as chief financial officer of Allergan Inc., a specialty pharmaceutical  
20 company based in Irvine, California, from 1995 to 1998. Previously, Moyer served  
21 as chief financial officer of National Semiconductor Corporation, a semiconductor  
22 company. Moyer also served as chief financial officer of Western Digital  
23 Corporation, a manufacturer of hard-disk drives for the personal computer and home  
24 entertainment markets. Moyer also serves on the board of CalAmp Corp., a provider  
25 of wireless communications solutions, Collectors Universe, Inc., a third-party grading  
26 and authentication services of high-value collectibles, Virco Manufacturing  
27 Corporation, LaserCard Corporation, a provider of secure identification solutions and  
28 MaxLinear, Inc., a provider of radio-frequency and mixed signal semiconductor

1 solutions.

2 14. Defendant Brian H. Strom ("Strom") was appointed as a director of the  
3 Company on May 17, 2006. Strom served as president and chief executive officer of  
4 SureWest Communications from December 1993 to December 2005 and as a director  
5 of SureWest from December 1993 to May 2006. Strom served as chairman of the  
6 United States Telecom Association from October 2003 to October 2004. Strom also  
7 served as chair of the Sacramento Area Commerce and Trade Organization from July  
8 2003 to July 2004, and served as chairman of the California Communications  
9 Association from February 2001 to February 2002.

10 15. Defendants Howard-Anderson, Krausz, Abbott, Bylin, Pardun, Moyer  
11 and Strom are sometimes collectively referred to herein as the "Individual  
12 Defendants."

13 16. Defendant Calix is a Delaware corporation with its headquarters located  
14 at 1035 N. McDowell Boulevard, Petaluma, California 94954. Calix is a self  
15 proclaimed leading provider in North and Latin America of broadband  
16 communications access systems and software for copper- and fiber-based network  
17 architectures that enable communications service providers to connect to their  
18 residential and business subscribers. Calix enables communications service providers  
19 to provide a wide range of revenue-generating services, from basic voice and data to  
20 advanced broadband services, over legacy and next-generation access networks.  
21 Calix stock is traded on the New York Stock Exchange under the ticker symbol  
22 "CALX."

23 17. Defendant Ocean Sub I, Inc., is a Delaware corporation formed solely  
24 for the purpose of entering into the Proposed Acquisition, and is a wholly owned  
25 subsidiary of Calix.

26 18. Defendant Ocean Sub II, LLC is a Delaware limited liability company  
27 formed solely for the purpose of entering into the Proposed Acquisition, and is a  
28 wholly owned subsidiary of Calix.

1 19. Calix, along with Ocean Sub I, Inc., and Ocean Sub II, LLC are  
2 collectively referred to herein as the "Calix Group" or "Calix."

3 20. All defendants are sometimes collectively referred to herein as  
4 "Defendants."

5 **SUBSTANTIVE ALLEGATIONS**

6 ***Occam's Background and its Potential for Growth***

7 21. Occam develops, markets and supports broadband access products  
8 designed to enable telecom service providers to offer bundled voice, video and high  
9 speed internet, or "Triple Play," services over both copper and fiber optic networks.  
10 The Company's core product line is the Broadband Loop Carrier, or BLC, an  
11 integrated hardware and software platform that uses Internet Protocol, or IP, and  
12 Ethernet technologies to increase the capacity of local access networks, enabling the  
13 delivery of advanced Triple Play services. The Company also offers a family of  
14 Optical Network Terminals, or ONTs for fiber optic networks, remote terminal  
15 cabinets, and professional services.

16 22. Occam markets its products through a combination of direct and indirect  
17 channels. These sales efforts are focused on the North American independent  
18 operating company, or IOC, segment of the telecom service provider market. These  
19 are companies that never were a part of the original Bell System. Recently, the  
20 Company has expanded its sales activities to include Europe, the Middle East, Africa,  
21 the Caribbean, Latin America, the Pacific Islands and certain other international  
22 locations. As of December 31, 2009, the Company shipped its BLC platform to over  
23 350 telecommunications customers.

24 23. In recent years, the number of broadband subscribers has increased  
25 significantly on a worldwide basis. This growth has been driven, in large part, by  
26 increasing demand for bandwidth intensive applications, such as music and video  
27 downloads, electronic commerce, telecommuting and online gaming. In addition,  
28 services are increasingly being delivered over broadband networks using IP, the



1 underlying communications technology of the Internet. For example, Voice over  
2 Internet Protocol, or VoIP, services are now widely available to consumers, and many  
3 telecom service providers have announced or initiated plans to offer Internet Protocol  
4 television, or IPTV, services to their subscribers. The rapid growth in broadband  
5 subscribers, coupled with the growing amount and diversity of IP-based services, has  
6 strained the capacity of many traditional telecommunications networks. Capacity  
7 constraints are being exacerbated as high-definition television, or HDTV, and other  
8 bandwidth-intensive services become more prevalent. This rapid growth in IP-based  
9 communications traffic is prompting many telecom service providers to modify their  
10 network architectures and substantially upgrade the capacity of their networks.

11       24. In response to increased competition and pricing pressure for standalone  
12 voice services, many telecom service providers are seeking to offer Triple Play  
13 services, which provides them with the opportunity to increase revenue per  
14 subscriber, create flexible pricing plans and promotions, improve customer loyalty  
15 and offer the convenience of a single bill, among other benefits. While traditional  
16 voice and data services leave little room for differentiation, and the prices of these  
17 services are decreasing steadily, video represents an important source of spending by  
18 consumers and has therefore emerged as a critical Triple Play offering. Once largely  
19 the domain of broadcasters, cable operators and satellite providers, video is  
20 increasingly viewed by telecom service providers as an essential element of their  
21 business plans. Because traditional telecom networks were not designed to carry  
22 video traffic, however, telecom service providers must substantially upgrade the  
23 capacity, quality and design of their networks in order to deliver IPTV and other  
24 broadband services.

25       25. To fulfill the Company's strategy, Occam has invested substantial funds  
26 in research and development. As a result of the growing market and Occam's  
27 strategy as well as its investment in research, the Company is currently poised for  
28 substantial growth. Indeed, in announcing the Company's financial results for 2009,

1 Defendant Howard-Anderson stated:

2 During 2009 we strengthened Occam's competitive position through  
3 successful product introductions and a new international sales presence.

4 We also continued to emphasize operational efficiencies. Combined,  
5 these efforts improved our ability to pursue new and existing customer  
6 opportunities for broadband service deployments.

7 Press Release, Occam Networks, Inc., Occam Networks Announces Fourth-Quarter  
8 2009 Results (Feb. 18, 2010) (available at [http://occamnetworks.com/news/  
9 pressreleases/pressrelease.php?ID=286](http://occamnetworks.com/news/pressreleases/pressrelease.php?ID=286)).

10 26. On July 29, 2010, the Company announced its financial results for the  
11 second quarter of 2010 which included increased revenue of \$23.8 million, compared  
12 with \$22.3 million for the first quarter of 2010 and \$21.0 million for the second  
13 quarter of 2009. Occam also announced increased gross margins of \$9.8 million, or  
14 41% of revenue, compared with \$8.0 million, or 38% of revenue for the second  
15 quarter of 2009.

16 27. With respect to these results, Defendant Howard-Anderson stated:  
17 This quarter marked the start of first revenue shipments on  
18 stimulus-related customer orders. Service providers who have secured  
19 government funding are now moving ahead with their plans, and we  
20 look forward to the continued adoption of Occam solutions into their  
21 network plans.

22 Press Release, Occam Networks, Inc., Occam Networks Announces Second-Quarter  
23 2010 Results (July 29, 2010) (available at [http://www.occamnetworks.com/news/  
24 pressreleases/pressrelease.php?ID=307](http://www.occamnetworks.com/news/pressreleases/pressrelease.php?ID=307)).

25 28. Rather than permitting the Company's shares to trade freely and  
26 allowing its shareholders to reap the benefits of the Company's investment in  
27 research and its increasingly positive prospects due in part to stimulus-related  
28 customer orders, the Individual Defendants have acted for their own benefit and the

1 benefit of Calix, and to the detriment of the Company's shareholders, by entering into  
2 the Merger Agreement. In so doing, the Individual Defendants have effectively  
3 placed a cap on Occam's corporate value at a time when the Company's stock price  
4 was still suffering the effect of the lingering downturn in the economy, but when it  
5 was poised to capitalize on its investment in research, the benefits of economic  
6 stimulus spending and the Company's resultant positive and encouraging financial  
7 outlook.

8 29. Despite the Company's positive outlook for growth, Occam agreed to  
9 enter into the Proposed Acquisition. In a press release dated September 16, 2010, the  
10 Company announced that it had entered into a merger agreement with Calix, stating:

11 PETALUMA, CA and SANTA BARBARA, CA – September 16, 2010  
12 – Calix, Inc. (NYSE: CALX) and Occam Networks, Inc. (NASDAQ:  
13 OCNW) today announced that the companies have entered into a  
14 definitive agreement for Calix to acquire Occam Networks in a stock and  
15 cash transaction valued at approximately \$171 million, which is  
16 approximately \$7.75 per outstanding share of Occam Networks stock.

17 Upon the completion of the acquisition, each outstanding share of  
18 Occam Networks common stock (other than those shares with respect to  
19 which appraisal rights are available, properly exercised and not  
20 withdrawn) will be converted into the right to receive (a) \$3.8337 per  
21 share in cash, without interest plus (b) 0.2925 of a validly issued, fully  
22 paid and non-assessable share of Calix common stock. After the  
23 completion of the acquisition, former Occam Networks stockholders will  
24 own between 16.5 percent and 18.9 percent of the outstanding shares of  
25 Calix's common stock based on the number of Calix share outstanding  
26 as of September 15, 2010.

27 Additionally, after the completion of the acquisition, one non-  
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management member of the current Occam Networks Board of Directors is expected to be appointed for election to serve on the Calix Board of Directors.

The combined organization of Calix and Occam Networks is expected to provide communications service providers across North America, the Caribbean, Latin America, and select global markets with an enhanced portfolio of advanced broadband access systems, and accelerate innovation across the expanded Calix Unified Access portfolio. The acquisition is expected to result in more access options over both fiber and copper for communications service providers to deploy, which could expedite the proliferation of advanced broadband services to both residential and business subscribers, including such services as high-speed Internet, IPTV, VOIP, Ethernet business services, and other advanced broadband applications.

“The rate of change is accelerating for communications service providers, and Calix is fully committed to providing our customers with the broadest portfolio of innovative access network options to adapt to this changing world,” said Carl Russo, president and chief executive officer of Calix. “By combining Occam Networks’ expertise in IP and Ethernet, Calix’s strength in fiber access, and both companies’ experience in copper access, we believe there is a clear opportunity to further enhance the Calix Unified Access portfolio, accelerate its future innovation, and enable greater broadband deployment by communications service providers globally. As a result of this acquisition, communications service providers can expect new innovations to the expanded Calix Unified Access portfolio that directly address the emerging needs of the broadband-connected consumer while

1 also making these communications service providers more capially and  
2 operationally efficient. We are excited about what this combination of  
3 top engineering and support talent will mean to bringing new and  
4 accelerated access network innovation to our joint customers and  
5 communications service providers.”

6 “With more than 380 communications service providers as customers  
7 and a robust access systems portfolio, Occam Networks has become  
8 synonymous with IP and Ethernet access innovation, yet with the rate of  
9 change in our industry continuing to increase, we were looking for ways  
10 to accelerate our rate of innovation,” said Bob Howard-Anderson,  
11 Occam Networks’ president and chief executive officer. “By combining  
12 our extensive IP and Ethernet access platforms and resources with  
13 Calix’s robust Unified Access portfolio and deep expertise in fiber  
14 access, we lay a foundation for extensive future innovation. We are  
15 excited about the opportunity to combine forces with Calix, and with the  
16 cultures of continued innovation and commitment to customer success  
17 that both companies share, we believe we can bring accelerated access  
18 network innovation and opportunity to communications service  
19 providers, consumers, and businesses alike.”

20 Calix expects to complete the acquisition in the fourth quarter of 2010 or  
21 first quarter of 2011, subject to Occam Networks stockholder approval,  
22 receipt of required regulatory clearance and the satisfaction of certain  
23 other customary closing conditions. Occam Networks stockholders  
24 representing approximately 27% percent of Occam Networks’  
25 outstanding common stock have signed an agreement to vote their shares  
26 in favor of this transaction. It is anticipated that the acquisition will be  
27 accretive to Calix’s non-GAAP earnings per share in the second quarter  
28

1 of 2011.

2 Press Release, Occam Networks, Inc., Calix to Acquire Occam Networks (Sept. 16,  
3 2010) (available at [http://www.occamnetworks.com/news/pressreleases/pressrelease.](http://www.occamnetworks.com/news/pressreleases/pressrelease.php?ID=313)  
4 [php?ID=313](http://www.occamnetworks.com/news/pressreleases/pressrelease.php?ID=313)).

5 30. In discussing the Proposed Acquisition during a conference call with  
6 analysts, Calix's CEO again emphasized the importance of the acquisition, stating:

7 In short, we believe that the acquisition of Occam Networks, in  
8 particular the combination of its deeply experienced Ethernet access  
9 engineering team with our already strong and innovative engineering  
10 resources, will allow us to accelerate our Unified Access roadmap, and  
11 as a direct result accelerate our customers' ability to successfully deliver  
12 advanced broadband services to their subscribers and become the  
13 broadband service provider of choice in their respective markets.  
14 Furthermore, we expect that by significantly benefiting our customers  
15 we will also benefit our stockholders and our partners.

16 \* \* \*

17 In sum, this transaction brings two extremely strong and talented  
18 engineering teams together and we intend to accelerate development on  
19 our existing and acquired platforms. We believe the combined  
20 experience, resources, and aggregate R&D budget of over 16 million  
21 dollars per quarter focused on access, will accelerate innovation and  
22 time-to-market across the expanded Unified Access portfolio, and  
23 provide clear benefits to our customers.

24 Calix, Inc., Calix Acquisition of Occam Networks Call (Form 425), at 2-3 (Sept. 17,  
25 2010).

26 ***The Proposed Acquisition is Unfair***

27 31. Unlike the vast benefits to be received by Defendants in the Proposed  
28 Acquisition, the consideration to be received by the Company's shareholders is

1 inadequate. The Proposed Acquisition purports to represent a premium of 47% based  
2 on Occam's closing price the day prior to the announcement of the Proposed  
3 Acquisition, but in fact represents a paltry 12% based on the \$6.77 price Occam  
4 traded at as recently as July 29, 2010, when the Company released its most recent  
5 financial results. Moreover, on December 21, 2009, a Bloomberg article entitled  
6 *CEOs paying 56% M&A Premium Shows Stocks May be Cheap*, reported that "[t]he  
7 average premium in mergers and acquisitions in [2009 in] which U.S. companies  
8 were the buyer and seller rose to 56% this year from 47 percent last year [2008]..."  
9 Thus, the Proposed Acquisition premium is well below the average premium in like  
10 transactions during 2009.

11 32. Further, the trading price of Calix common stock has increased by 30.9%  
12 since August 20, 2010 to trade at its highest price in four and one-half months.  
13 Nevertheless, the Individual Defendants failed to negotiate any protection against the  
14 decline in the Calix stock component of consideration offered to shareholders in the  
15 Proposed Acquisition, or even the right to terminate the Proposed Acquisition in the  
16 event Calix stock trades below a certain level. Indeed, following the announcement  
17 of the Proposed Acquisition, Calix stock opened \$0.10 lower, and has declined by  
18 over \$0.55 per share in the first day of trading following the announcement. If the  
19 Proposed Acquisition is not enjoined, Occam shareholders are left with Calix stock at  
20 whatever price it has declined to at the time of closing, even if that price reflects a  
21 significant discount to the price at the time of announcement.

22 33. Further, the consideration offered to Occam shareholders in the  
23 Proposed Acquisition fails to adequately take into account the tremendous growth  
24 prospects for Occam. For example, according to Thomson/First Call, at least one  
25 Wall Street analyst had a price target of \$8.00 per share before the Proposed  
26 Acquisition.

27 34. Given the Company's recent performance and future prospects, the  
28 consideration shareholders are to receive in the Proposed Acquisition is inadequate.

1 Thus, the Individual Defendants have failed to maximize value for Plaintiffs and  
2 Occam's other public shareholders.

3 ***Financial Benefits Received by the Individual Defendants***

4 35. Despite their duty to maximize shareholder value, certain of the  
5 Individual Defendants have clear and material conflicts of interest and are acting to  
6 better their own interests at the expense of Plaintiffs and Occam's other public  
7 shareholders.

8 36. For example, Defendants Krausz and Abbott are principals at venture  
9 capital firms which hold large, highly illiquid blocks of Occam stock. Krausz is a  
10 managing member of several venture capital funds affiliated with U.S. Venture  
11 Partners, which currently own 3,172,497 shares of Occam stock, or 15.1% of the  
12 outstanding stock of the Company. Likewise, Abbott is general partner with Norwest  
13 Venture Partners, which with its affiliates own 2,057,123 shares of Occam stock, or  
14 9.8% of the outstanding stock of the Company. To insure that a liquid market is  
15 created for these large blocks of Occam stock, Krausz, U.S. Venture Partners, Abbott,  
16 and Norwest Venture Partners, together with the other Individual Defendants,  
17 concurrently with the Merger Agreement, negotiated and executed a Support  
18 Agreement whereby they committed to cast their votes in favor of the Proposed  
19 Acquisition. Collectively, the Individual Defendants, U.S. Venture Partners and  
20 Norwest Venture Partners hold 27.1% of the Company's outstanding stock.  
21 Therefore, Defendants only need to obtain approval of the Merger Agreement by less  
22 than 23% of the Company's public shareholders.

23 37. In anticipation of the Proposed Acquisition, Defendants Krausz and  
24 Abbott further negotiated amendments to their respective Indemnification  
25 Agreements with the Company on August 11, 2010, which makes the Company's  
26 indemnification obligations to Abbott and Krausz primary to the indemnification  
27 obligations of each director's respective venture capital firm.

28



1           38. In addition, Howard-Anderson negotiated an amendment to his Change  
2 of Control Severance Agreement which, upon a change of control, entitles him to  
3 receive “a lump sum cash payment equal to twelve (12) months of the Executive’s  
4 annual base salary” and additional benefits, which, in 2009, totaled \$566,041. This is  
5 in addition to the immediate vesting and liquidation of his Occam stock options and  
6 restricted stock.

7           39. Further, one of the Individual Defendants, who has yet to be identified,  
8 has been promised a position as director of Calix, together with all of the benefits and  
9 emoluments of the office, following the consummation of the Proposed Acquisition.

10 ***The Preclusive Deal Protection Devices***

11           40. On September 16, 2010, the Company filed a Form 8-K with the SEC  
12 wherein it disclosed the terms of the Merger Agreement. As part of the Merger  
13 Agreement, Defendants agreed to certain onerous and preclusive deal protection  
14 devices that operate conjunctively to make the Proposed Acquisition a *fait accompli*  
15 and ensure that no competing offers will emerge for the Company. *See Occam*  
16 *Networks, Inc., Current Report (Form 8-K) (Sept. 16, 2010).*

17           41. By way of example, section 6.03(b) of the Merger Agreement includes a  
18 “no solicitation” provision barring the Board and any Company personnel from  
19 attempting to procure a price in excess of the amount offered by Calix. *See Occam*  
20 *Networks, Inc., Current Report (Form 8-K), Ex. 2.1 at 60 (Sept. 16, 2010).* Section  
21 6.03(a) of the Merger Agreement further demands that the Company terminate any  
22 and all prior or ongoing discussions with other potential suitors. Despite the fact that  
23 Defendants have already “locked up” the transaction in favor of Calix and precluded  
24 Occam’s Board from soliciting alternative bids, the Merger Agreement provides other  
25 ways that guarantee the only suitor will be Calix. *See id.*

26           42. Pursuant to section 6.03(c) of the Merger Agreement, should an  
27 unsolicited bidder arise, the Company must notify Calix of the bidder’s offer.  
28 Thereafter, should the Board determine that the unsolicited offer is superior, Calix is

1 granted four days to amend the terms of the Merger Agreement to make a counter-  
2 offer so that the competing bid ceases to constitute a superior proposal. Calix is able  
3 to match the unsolicited offer because it is granted unfettered access to the unsolicited  
4 offer, in its entirety, eliminating any leverage that the Company has in receiving the  
5 unsolicited offer. *See Occam Networks, Inc., Current Report (Form 8-K), Ex. 2.1 at*  
6 *61 (Sept. 16, 2010).*

7 43. Accordingly, the Merger Agreement unfairly assures that any "auction"  
8 will favor Calix and piggy-back upon the due diligence of the foreclosed second  
9 bidder.

10 44. In addition, the Merger Agreement provides that Occam must pay to  
11 Calix a termination fee of \$5,200,000 plus all fees and expenses incurred by Calix in  
12 conjunction with the Proposed Acquisition if the Company decides to pursue another  
13 offer, thereby essentially requiring that the alternate bidder agree to pay a naked  
14 premium for the right to provide the shareholders with a superior offer.

15 45. Ultimately, these preclusive deal protection devices illegally restrain the  
16 Company's ability to solicit or engage in negotiations with any third party regarding a  
17 proposal to acquire all or a significant interest in the Company. The circumstances  
18 under which the Board may respond to an unsolicited alternative acquisition proposal  
19 that constitutes, or would reasonably be expected to constitute, a superior proposal  
20 are too narrowly circumscribed to provide an effective "fiduciary out" under the  
21 circumstances. Likewise, these provisions will foreclose the new bidder from  
22 providing the needed market check of Calix's inadequate offer price.

23 **THE MATERIALLY MISLEADING AND/OR INCOMPLETE**  
24 **REGISTRATION STATEMENT**

25 56. In order to secure shareholder approval of this unfair deal, Defendants  
26 filed with the SEC a materially misleading and incomplete Registration Statement on  
27 November 2, 2010. The Registration Statement, which recommends that Occam's  
28 shareholders vote in favor of the Proposed Acquisition, omits and/or misrepresents

1 material information about the unfair sale process, the unfair consideration, and the  
2 true intrinsic value of the Company. Specifically the Registration Statement omits/or  
3 misrepresents the material information set forth below in contravention of sections  
4 14(a) and 20(a) of the Exchange Act, 15 U.S.C. §§ 78n(a) and 78t(a).

5       57. The Registration Statement fails to provide the Company's shareholders  
6 with material information and/or provides them with false and materially misleading  
7 information thereby rendering the shareholders unable to cast an informed vote  
8 regarding the Proposed Acquisition.

9       58. The Registration Statement indicates that Occam management failed to  
10 conduct any financial projections for Occam beyond the year 2011, and fails to  
11 explain why those projections were not conducted and provided to Jefferies, Occam's  
12 financial advisor. Registration Statement at 95.

13       59. The Registration Statement does not describe in sufficient detail the  
14 sales process leading up to the Proposed Acquisition. For example, the Registration  
15 Statement describes that in early June 2009, Occam retained Jefferies to explore  
16 strategic alternatives, which included acquiring other companies, but does not state  
17 whether the Board considered any other financial advisors or the criteria used by the  
18 Board to select Jefferies. Registration Statement at 73.

19       60. In addition, the Registration Statement fails to fully disclose the conflicts  
20 which burdened the Board and Jefferies throughout the sale process. The  
21 Registration Statement indicates that Occam has agreed to pay a fee to Jefferies for its  
22 services based, in part, upon the value of the consideration to be paid in the merger,  
23 but fails to disclose the amount of the fee. Registration Statement at 102. In  
24 addition, the Registration Statement indicates that Jefferies performed work in the  
25 past for Calix, but fails to explain the extent of that work or any work which has been  
26 promised to Jefferies following the consummation of the Proposed Acquisition. *See*  
27 *id.*

28

1           61. Further, in early August 2009, Jefferies and Occam's management  
2 prepared a list of 19 potential companies that Occam might be interested in acquiring.  
3 The Registration Statement, however, fails to disclose the criteria used to prepare and  
4 select the companies on the list. Registration Statement at 74. The Registration  
5 Statement then explains that Jefferies contacted certain of the identified companies  
6 but fails to state the reason not all 19 companies were contacted, how many were  
7 actually contacted and whether the Board approved the restricted contact list. The  
8 Registration Statement also fails to disclose the identity, disposition and material  
9 terms offered by the parties that were interested in bidding – or did bid – on Occam,  
10 including the entities identified as "Party A," "Party B," and the other "potential  
11 acquisition candidate." *Id. et seq.*

12           62. Suddenly, on April 1, 2010, the Board determined that Jefferies should  
13 be retained to assist in the sale of the Company. The Registration Statement fails to  
14 describe the reasons Occam suddenly became the target of a sale instead of the  
15 acquiring party. More troubling, the Registration Statement fails to state why  
16 Jefferies was now engaged to sell the Company. Registration Statement at 77.

17           63. Moreover, the "fairness opinion" prepared by Jefferies is plagued with  
18 materially false statements and omissions. The opinion of Jefferies fails to disclose  
19 information which would allow shareholders to intelligently determine whether or not  
20 they should vote in favor of the Proposed Acquisition. Registration Statement at 97-  
21 102. In particular, the Registration Statement is deficient and should provide, *inter*  
22 *alia*, the following:

- 23           1) A description of the criteria and multiples observed by  
24 Jefferies for each company in the *Comparable Public*  
25 *Company Analysis* for Occam and Calix. Further, a  
26 description of the criteria used to select the reference ranges  
27 used in the analysis;

28

- 1           2)    A description of the criteria and multiples observed by  
2           Jefferies for each company in its *Comparable Transaction*  
3           *Analysis* for Occam. Further, a description of the criteria  
4           used to select the reference range used in the analysis;  
5           3)    a description of the criteria, companies and multiples  
6           observed by Jefferies for each company in its *Premiums*  
7           *Paid Analysis* for Occam;  
8           4)    the identity of the “various equity research analysts” and  
9           their respective share price targets for Calix observed by  
10          Jefferies in its *Equity Research*;  
11          5)    the reason Jefferies failed to include a the most important  
12          single piece of information for shareholders considering the  
13          sale of their stock, a DCF analysis. Further, if a DCF  
14          analysis was performed, the Registration Statement omits  
15          any reference to such an analysis, the results of the analysis  
16          and the reasons for not including the analysis in the  
17          Registration Statement; and  
18          6)    a description of any other analyses performed by Jefferies  
19          in rendering its “fairness opinion” and an explanation as to  
20          why those other analyses were not included in the  
21          Registration Statement.

22           46.    Accordingly, because the foregoing material misstatement and omission  
23    represent a violation of federal law, Plaintiffs seek injunctive and other equitable  
24    relief to prevent the irreparable injury that Company shareholders will continue to  
25    suffer absent judicial intervention.

26                           **DEFENDANTS’ DUTIES UNDER STATE LAW**

27           47.    By reason of the Individual Defendants’ positions with the Company as  
28    officers and/or directors, they are in a fiduciary relationship with Plaintiffs and the

1 other public shareholders of Occam and owe them, as well as the Company, a duty of  
2 highest good faith, fair dealing, loyalty and full, candid and adequate disclosure, as  
3 well as a duty to maximize shareholder value.

4 48. Where the officers and/or directors of a publicly traded corporation  
5 undertake a transaction that will result in either: (i) a change in corporate control; (ii)  
6 a break up of the corporation's assets; or (iii) sale of the corporation, the directors  
7 have an affirmative fiduciary obligation to obtain the highest value reasonably  
8 available for the corporation's shareholders, and if such transaction will result in a  
9 change of corporate control, the shareholders are entitled to receive a significant  
10 premium. To diligently comply with their fiduciary duties, the directors and/or  
11 officers may not take any action that:

- 12 a. adversely affects the value provided to the corporation's  
13 shareholders;
- 14 b. favors themselves or will discourage or inhibit alternative offers to  
15 purchase control of the corporation or its assets;
- 16 c. contractually prohibits them from complying with their fiduciary  
17 duties;
- 18 d. will otherwise adversely affect their duty to search for and secure  
19 the best value reasonably available under the circumstances for the  
20 corporation's shareholders; and/or
- 21 e. will provide the directors and/or officers with preferential  
22 treatment at the expense of, or separate from, the public shareholders.

23 49. In accordance with their duties of loyalty and good faith, the Individual  
24 Defendants, as directors and/or officers of Occam, are obligated to refrain from:

- 25 a. participating in any transaction where the directors or officers'  
26 loyalties are divided;

1 b. participating in any transaction where the directors or officers  
2 receive, or are entitled to receive, a personal financial benefit not equally  
3 shared by the public shareholders of the corporation; and/or

4 c. unjustly enriching themselves at the expense or to the detriment of  
5 the public shareholders.

6 The Individual Defendants are also obliged to honor their duty of candor to Occam's  
7 shareholders by, *inter alia*, providing all material information to the shareholders  
8 regarding a scenario in which they are asked to vote their shares. This duty of candor  
9 ensures that shareholders have all information that will enable them to make  
10 informed, rational and intelligent decisions about whether to relinquish their shares in  
11 exchange for the consideration offered. Further, Defendants are obliged by federal  
12 law to provide all material information in their filings with the SEC related to the  
13 Proposed Acquisition.

14 50. Plaintiffs allege herein that the Individual Defendants, separately and  
15 together, in connection with the Proposed Acquisition are knowingly or recklessly  
16 violating their fiduciary duties, including their duties of loyalty, good faith and  
17 independence owed to Plaintiffs and other shareholders of Occam, or are aiding and  
18 abetting others in violating those duties.

19 **CONSPIRACY, AIDING AND ABETTING AND CONCERTED ACTION**

20 51. In committing the wrongful acts alleged herein, each of the Defendants  
21 has pursued, or joined in the pursuit of, a common course of conduct, and acted in  
22 concert with and conspired with one another, in furtherance of their common plan or  
23 design. In addition to the wrongful conduct herein alleged as giving rise to primary  
24 liability, Defendants further aided and abetted and/or assisted each other in breach of  
25 their respective duties as herein alleged.

26 52. During all relevant times hereto, Defendants, and each of them, initiated  
27 a course of conduct which was designed to and did: (i) permit Calix to attempt to  
28 eliminate the shareholders' equity interest in Occam pursuant to a defective sales

1 process; (ii) permit Calix to buy the Company for an unfair price; and (iii) permit the  
2 filing of incomplete and misleading documents with the SEC related to the Proposed  
3 Acquisition. In furtherance of this plan, conspiracy and course of conduct,  
4 Defendants, and each of them, took the actions as set forth herein.

5 53. Each of the Defendants herein aided and abetted and rendered  
6 substantial assistance in the wrongs complained of herein. In taking such actions, as  
7 particularized herein, to substantially assist the commission of the wrongdoing  
8 complained of, each Defendant acted with knowledge of the primary wrongdoing,  
9 substantially assisted the accomplishment of that wrongdoing, and was aware of his  
10 or her overall contribution to, and furtherance of, the wrongdoing. Defendants' acts  
11 of aiding and abetting included, *inter alia*, the acts each of them are alleged to have  
12 committed in furtherance of the conspiracy, common enterprise and common course  
13 of conduct complained of herein.

14 **CLAIMS FOR RELIEF**  
15 **COUNT I**

16 **On Behalf of Plaintiffs for Violations of Section 14(a) of the Exchange Act (15**  
17 **U.S.C. § 78n(a)) Against All Defendants**

18 64. Plaintiffs incorporate each and every allegation set forth above as if fully  
19 set forth herein.

20 65. Defendants have issued the Registration Statement with the intention of  
21 soliciting shareholder support for the Proposed Acquisition

22 66. Rule 14a-9, promulgated by the SEC pursuant to section 14(a) of the  
23 Exchange Act (15 U.S.C. § 78n(a)), provides that such communications with  
24 shareholders shall not contain "any statement which, at the time and in the light of the  
25 circumstances under which it is made, is false or misleading with respect to any  
26 material fact, or which omits to state any material fact necessary in order to make the  
27 statements therein not false or misleading." 17 C.F.R. § 240.14a-9(a).

28 67. Specifically, the Registration Statement violates section 14(a) (15 U.S.C.  
§ 78n(a)) and Rule 14a-9 because it omits material facts, including those set forth



1 above. Moreover, in the exercise of reasonable care, Defendants should have known  
2 that the Registration Statement is materially misleading and omits material facts that  
3 are necessary to render it non-misleading.

4 68. The misrepresentations and omissions in the Registration Statement are  
5 material to Plaintiffs, who will be deprived of their entitlement to cast fully informed  
6 votes if such misrepresentations and omissions are not corrected prior to the vote on  
7 the Proposed Acquisition. As a direct and proximate result of Defendants' conduct,  
8 Plaintiffs will be irreparably harmed.

9 **COUNT II**

10 **On Behalf of Plaintiffs for Violations of Section 20(a) of the Exchange Act (15  
U.S.C. § 78t(a)) Against All Defendants**

11 69. Plaintiffs incorporate each and every allegation set forth above as if fully  
12 set forth herein.

13 70. The Individual Defendants acted as controlling persons of Occam within  
14 the meaning of section 20(a) of the Exchange Act (15 U.S.C. § 78t(a)) as alleged  
15 herein. By virtue of their positions as officers and/or directors of Occam, and  
16 participation in and/or awareness of the Company's operations and/or intimate  
17 knowledge of the false statements contained in the Registration Statement filed with  
18 the SEC, they had the power to influence and control and did influence and control,  
19 directly or indirectly, the decision making of the Company, including the content and  
20 dissemination of the various statements which Plaintiffs contend are false and  
21 misleading.

22 71. Each of the Individual Defendants and Occam were provided with, or  
23 had unlimited access to, copies of the Registration Statement and other statements  
24 alleged by Plaintiffs to be misleading prior to and/or shortly after these statements  
25 were issued and had the ability to prevent the issuance of the statements or cause the  
26 statements to be corrected.

27 72. In particular, each of the Individual Defendants had direct and  
28

1 supervisory involvement in the day-to-day operations of the Company, and, therefore,  
2 is presumed to have had the power to control or influence the particular transactions  
3 giving rise to the securities violations alleged herein, and exercised the same. The  
4 Registration Statement at issue contains the unanimous recommendation of each of  
5 the Individual Defendants to approve the Proposed Acquisition. They were, thus,  
6 directly involved in the making of this document.

7       73. Occam also had direct supervisory control over the composition of the  
8 Registration Statement and the information disclosed therein, as well as the  
9 information that was omitted and/or misrepresented in the Registration Statement.  
10 Occam, in fact, disseminated the Registration Statement and is, thus, directly  
11 responsible for materially misleading shareholders because it permitted the materially  
12 misleading Registration Statement to be published to shareholders.

13       74. In addition, as the Registration Statement sets forth at length, and as  
14 described herein, the Individual Defendants and Occam were each involved in  
15 negotiating, reviewing, and approving the Proposed Acquisition. The Registration  
16 Statement purports to describe the various issues and information that the Individual  
17 Defendants reviewed and considered. The Individual Defendants and Occam  
18 participated in drafting and/or gave their input on the content of those descriptions.

19       75. By virtue of the foregoing, the Individual Defendants and Occam have  
20 violated section 20(a) of the Exchange Act, 15 U.S.C. § 78t(a).

21       76. As set forth above, the Individual Defendants and Occam had the ability  
22 to exercise control over and did control a person or persons who have each violated  
23 section 14(a) of the Exchange Act (15 U.S.C. § 78n(a)) and SEC Rule 14a-9, by their  
24 acts and omissions as alleged herein. By virtue of their positions as controlling  
25 persons, these Defendants are liable pursuant to section 20(a) of the Exchange Act  
26 (15 U.S.C. § 78n(a)). As a direct and proximate result of Defendants' conduct,  
27 Plaintiffs will be irreparably harmed.

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**PRAYER FOR RELIEF**

**WHEREFORE**, Plaintiffs demand judgment against Defendants jointly and severally, as follows:

(A) enjoining, preliminarily and permanently, the Proposed Acquisition;

(B) awarding Plaintiffs the costs of this action, including a reasonable allowance for the fees and expenses of Plaintiffs' attorneys and experts; and

(C) granting Plaintiffs such further relief as the Court deems just and proper.

**JURY DEMAND**

Plaintiffs demand a trial by jury.

DATED: November 12, 2010

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OCCAM:17876.CPT

**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA  
CIVIL COVER SHEET**

**ORIGINAL**

<b>I (a) PLAINTIFFS</b> (Check box if you are representing yourself <input type="checkbox"/> John F. Kennedy and Rahman J. Moghaddam	<b>DEFENDANTS</b> Occam Networks, Inc., Robert L. Howard-Anderson, Steven M. Krausz, Robert B. Abbott, Robert E. Bylin, Thomas E. Pardun, Albert J. Moyer, Brian H. Strom, Calix, Inc., Ocean Sub I, Inc., and Ocean Sub II, LLC, inclusive,
<b>(b) Attorneys</b> (Firm Name, Address and Telephone Number. If you are representing yourself, provide same.) Francis M. Gregorek, Betsy C. Manifold, Rachele R. Rickert, Patrick H. Moran Wolf Haldenstein Adler Freeman & Herz LLP 750 B Street, Ste. 2770, San Diego, CA 92101 (Tel: 619/239-4599)	Attorneys (If Known) Gregory L. Watts WILSON SONSINI GOODRICH & ROSATI, P.C. 650 Page Mill Road Palo Alto, CA 94304-1050 (Tel: 650/493-9300)

<b>II. BASIS OF JURISDICTION</b> (Place an X in one box only.)  <input type="checkbox"/> 1 U.S. Government Plaintiff <input checked="" type="checkbox"/> 3 Federal Question (U.S. Government Not a Party)  <input type="checkbox"/> 2 U.S. Government Defendant <input type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III)	<b>III. CITIZENSHIP OF PRINCIPAL PARTIES - For Diversity Cases Only</b> (Place an X in one box for plaintiff and one for defendant.) <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">Citizen of This State</td> <td style="width:10%;"><input type="checkbox"/> 1</td> <td style="width:10%;"><input type="checkbox"/> 1</td> <td style="width:40%;">Incorporated or Principal Place of Business in this State</td> <td style="width:10%;"><input type="checkbox"/> 4</td> <td style="width:10%;"><input type="checkbox"/> 4</td> </tr> <tr> <td>Citizen of Another State</td> <td><input type="checkbox"/> 2</td> <td><input type="checkbox"/> 2</td> <td>Incorporated and Principal Place of Business in Another State</td> <td><input type="checkbox"/> 5</td> <td><input type="checkbox"/> 5</td> </tr> <tr> <td>Citizen or Subject of a Foreign Country</td> <td><input type="checkbox"/> 3</td> <td><input type="checkbox"/> 3</td> <td>Foreign Nation</td> <td><input type="checkbox"/> 6</td> <td><input type="checkbox"/> 6</td> </tr> </table>	Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business in this State	<input type="checkbox"/> 4	<input type="checkbox"/> 4	Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5	Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6
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Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6														

**IV. ORIGIN** (Place an X in one box only.)

1 Original Proceeding    
  2 Removed from State Court    
  3 Remanded from Appellate Court    
  4 Reinstated or Reopened    
  5 Transferred from another district (specify):    
  6 Multi-District Litigation    
  7 Appeal to District Judge from Magistrate Judge

**V. REQUESTED IN COMPLAINT:** JURY DEMAND:  Yes    No (Check 'Yes' only if demanded in complaint.)

**CLASS ACTION under F.R.C.P. 23:**  Yes    No     **MONEY DEMANDED IN COMPLAINT: \$** \_\_\_\_\_

**VI. CAUSE OF ACTION** (Cite the U.S. Civil Statute under which you are filing and write a brief statement of cause. Do not cite jurisdictional statutes unless diversity.)  
 Complaint for violations of section 14(a) and 20(a) of the securities Exchange Act of 1934, 15 U.S.C. §§ 78n(a) and 78t(a)

**VII. NATURE OF SUIT** (Place an X in one box only.)

<b>OTHER STATUTES</b> <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rates/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input checked="" type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Act <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Info. Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes	<b>CONTRACT</b> <input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loan (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise <b>REAL PROPERTY</b> <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<b>TORTS</b> <b>PERSONAL INJURY</b> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Fed. Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury-Med Malpractice <input type="checkbox"/> 365 Personal Injury-Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability <b>IMMIGRATION</b> <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 463 Habeas Corpus-Alien Detainee <input type="checkbox"/> 465 Other Immigration Actions	<b>TORTS</b> <b>PERSONAL PROPERTY</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability <b>BANKRUPTCY</b> <input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 <b>CIVIL RIGHTS</b> <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 American with Disabilities - Employment <input type="checkbox"/> 446 American with Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights	<b>PRISONER PETITIONS</b> <input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus/Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <b>FORFEITURE PENALTY</b> <input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs <input type="checkbox"/> 660 Occupational Safety /Health <input type="checkbox"/> 690 Other	<b>LABOR</b> <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act <b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark <b>SOCIAL SECURITY</b> <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) <b>FEDERAL TAX SUITS</b> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS-Third Party 26 USC 7609
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**FOR OFFICE USE ONLY:** Case Number: CV10-8665

**AFTER COMPLETING THE FRONT SIDE OF FORM CV-71, COMPLETE THE INFORMATION REQUESTED BELOW.**

**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA  
CIVIL COVER SHEET**

**VIII(a). IDENTICAL CASES:** Has this action been previously filed in this court and dismissed, remanded or closed?  No  Yes  
If yes, list case number(s): \_\_\_\_\_

**VIII(b). RELATED CASES:** Have any cases been previously filed in this court that are related to the present case?  No  Yes  
If yes, list case number(s): \_\_\_\_\_

**Civil cases are deemed related if a previously filed case and the present case:**

- (Check all boxes that apply)  A. Arise from the same or closely related transactions, happenings, or events; or  
 B. Call for determination of the same or substantially related or similar questions of law and fact; or  
 C. For other reasons would entail substantial duplication of labor if heard by different judges; or  
 D. Involve the same patent, trademark or copyright, and one of the factors identified above in a, b or c also is present.

**IX. VENUE:** (When completing the following information, use an additional sheet if necessary.)

(a) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** named plaintiff resides.  
 Check here if the government, its agencies or employees is a named plaintiff. If this box is checked, go to item (b).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
	Plaintiff John F. Kennedy: State of North Carolina Plaintiff Rahman J. Moghaddam: State of Texas

(b) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** named defendant resides.  
 Check here if the government, its agencies or employees is a named defendant. If this box is checked, go to item (c).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
Occam Networks, Inc.: Santa Barbara County (see Attachment for remainder defendants)	Calix, Inc.: Sonoma County Ocean Sub I, Inc.: State of Delaware Ocean Sub II, LLC: State of Delaware

(c) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** claim arose.  
**Note: In land condemnation cases, use the location of the tract of land involved.**

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
Santa Barbara County	

\* Los Angeles, Orange, San Bernardino, Riverside, Ventura, Santa Barbara, or San Luis Obispo Counties  
**Note: In land condemnation cases, use the location of the tract of land involved**

X. SIGNATURE OF ATTORNEY (OR PRO PER): Rachelle R. Rickett Date November 12, 2010

**Notice to Counsel/Parties:** The CV-71 (JS-44) Civil Cover Sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3-1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate instructions sheet.)

**Key to Statistical codes relating to Social Security Cases:**

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A. of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405(g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405(g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. (g))

**ATTACHMENT**  
**(Section IX(b) Continued)**

<b><u>DEFENDANT</u></b>	<b><u>PLACE/COUNTY OF RESIDENCE</u></b>
Robert L. Howard-Anderson	Unknown
Steven M. Krausz	Unknown
Robert B. Abbott	Unknown
Robert E. Bylin	Unknown
Thomas E. Pardun	Unknown
Albert J. Moyer	Unknown
Brian H. Strom	Unknown