



INTERNATIONAL SECURITIES EXCHANGE

**SERIES ADJUSTMENTS - 2004-089
ONN INFORMATION CIRCULAR #780
November 22, 2004**

Advanced Fibre Communications, Inc. (AFCI) Pending Merger with Tellabs, Inc. (TLAB)

On Tuesday, November 30, 2004, the shareholders of Advanced Fibre Communications, Inc. (AFCI) will vote to approve the proposed merger with Tellabs, Inc. (TLAB). If the merger is approved and consummated, each AFCI share will be converted into the right to receive .504 TLAB Common Shares plus \$12.00. Cash will be paid in lieu of fractional TLAB shares. The merger is expected to become effective on November 30, 2004.

Pending Contract Adjustments

Pursuant to Options Clearing Corporation (OCC) by-laws, all outstanding Advanced Fibre Communications, Inc. options will adjusted as follows:

- Adjustment Date:** Effective the opening of business day after merger is consummated.
- ISE Underlying Symbol** AFCI Becomes AFW
- OPRA Option Symbols:** AQF Becomes AFW
- Strike Prices:** No Change
- No. Of Contracts:** No Change
- Multiplier:** 100*(eg., Premium of 1.00 = \$100)
- New Deliverable/Contract:** **1) 50 Tellabs, Inc. (TLAB) Common shares**
2) Cash in Lieu of .40 TLAB fractional shares
3) \$1,200.00 Cash (\$12.00 x 100)

***The foregoing is an unofficial summary of the terms of the Merger, prepared by the ISE for the convenience of its members. ISE accepts no responsibility for the accuracy or completeness of the summary. Members should refer to the proxy statement for the authoritative description of the merger terms and conditions.*

GTC Order Cancellation:

Immediately after the ISE close on the effective date of the merger, all resting orders in the AFCI order book will be cancelled.

ADJUSTED EXERCISE PRICES:

Effective with the opening of business, on the day after the merger is consummated, trading in AQF series will be on an adjusted basis. The strike price adjustments below are expected based on the current outstanding series. Any additional AQF series added prior to the merger date will also be adjusted in the manner outlined below.

Advanced Fibre Communications (AFCI)
(Before Date to be announced)
100 shares AFCI

Advanced Fibre Communications, Inc. (AFW)
(Beginning Date to be announced)
(See New Deliverable Above)

ISESeries	OPRA	Month	Strike	Calls/Puts	ISESeries	OPRA	Month	Strike	Calls/Puts
AFCI4DEC10.0C/P	AQF	DEC	10	LB/XB	AFW4DEC10.0CX/PX	AFW	DEC	10	LB/XB
AFCI4DEC12.5C/P	AQF	DEC	12 1/2	LV/XV	AFW4DEC12.5CX/PX	AFW	DEC	12 1/2	LV/XV
AFCI4DEC15.0C/P	AQF	DEC	15	LC/XC	AFW4DEC15.0CX/PX	AFW	DEC	15	LC/XC
AFCI4DEC17.5C/P	AQF	DEC	17 1/2	LW/XW	AFW4DEC17.5CX/PX	AFW	DEC	17 1/2	LW/XW
AFCI4DEC20.0C/P	AQF	DEC	20	LD/XD	AFW4DEC20.0CX/PX	AFW	DEC	20	LD/XD
AFCI4DEC22.5C/P	AQF	DEC	22 1/2	LX/XX	AFW4DEC22.5CX/PX	AFW	DEC	22 1/2	LX/XX
AFCI4DEC25.0C/P	AQF	DEC	25	LE/XE	AFW4DEC25.0CX/PX	AFW	DEC	25	LE/XE
AFCI4DEC30.0C/P	AQF	DEC	30	LF/XF	AFW4DEC30.0CX/PX	AFW	DEC	30	LF/XF
AFCI4DEC35.0C/P	AQF	DEC	35	LG/XG	AFW4DEC35.0CX/PX	AFW	DEC	35	LG/XG

AFCI5JAN7.5C/P	AQF	JAN	7 1/2	AU/MU	AFW5JAN7.5CX/PX	AFW	JAN	7 1/2	AU/MU
AFCI5JAN10.0C/P	AQF	JAN	10	AB/MB	AFW5JAN10.0CX/PX	AFW	JAN	10	AB/MB
AFCI5JAN12.5C/P	AQF	JAN	12 1/2	AV/MV	AFW5JAN12.5CX/PX	AFW	JAN	12 1/2	AV/MV
AFCI5JAN15.0C/P	AQF	JAN	15	AC/MC	AFW5JAN15.0CX/PX	AFW	JAN	15	AC/MC
AFCI5JAN17.5C/P	AQF	JAN	17 1/2	AW/MW	AFW5JAN17.5CX/PX	AFW	JAN	17 1/2	AW/MW
AFCI5JAN20.0C/P	AQF	JAN	20	AD/MD	AFW5JAN20.0CX/PX	AFW	JAN	20	AD/MD
AFCI5JAN22.5C/P	AQF	JAN	22 1/2	AX/MX	AFW5JAN22.5CX/PX	AFW	JAN	22 1/2	AX/MX
AFCI5MAR10.0C/P	AQF	MAR	10	CB/OB	AFW5MAR10.0CX/PX	AFW	MAR	10	CB/OB
AFCI5MAR12.5C/P	AQF	MAR	12 1/2	CV/OV	AFW5MAR12.5CX/PX	AFW	MAR	12 1/2	CV/OV
AFCI5MAR15.0C/P	AQF	MAR	15	CC/OC	AFW5MAR15.0CX/PX	AFW	MAR	15	CC/OC
AFCI5MAR17.5C/P	AQF	MAR	17 1/2	CW/OW	AFW5MAR17.5CX/PX	AFW	MAR	17 1/2	CW/OW
AFCI5MAR20.0C/P	AQF	MAR	20	CD/OD	AFW5MAR20.0CX/PX	AFW	MAR	20	CD/OD
AFCI5MAR22.5C/P	AQF	MAR	22 1/2	CX/OX	AFW5MAR22.5CX/PX	AFW	MAR	22 1/2	CX/OX
AFCI5MAR25.0C/P	AQF	MAR	25	CE/OE	AFW5MAR25.0CX/PX	AFW	MAR	25	CE/OE
AFCI5JUN7.5C/P	AQF	JUN	7 1/2	FU/RU	AFW5JUN7.5CX/PX	AFW	JUN	7 1/2	FU/RU
AFCI5JUN10.0C/P	AQF	JUN	10	FB/RB	AFW5JUN10.0CX/PX	AFW	JUN	10	FB/RB
AFCI5JUN12.5C/P	AQF	JUN	12 1/2	FV/RV	AFW5JUN12.5CX/PX	AFW	JUN	12 1/2	FV/RV
AFCI5JUN15.0C/P	AQF	JUN	15	FC/RC	AFW5JUN15.0CX/PX	AFW	JUN	15	FC/RC
AFCI5JUN17.5C/P	AQF	JUN	17 1/2	FW/RW	AFW5JUN17.5CX/PX	AFW	JUN	17 1/2	FW/RW
AFCI5JUN20.0C/P	AQF	JUN	20	FD/RD	AFW5JUN20.0CX/PX	AFW	JUN	20	FD/RD
AFCI5JUN22.5C/P	AQF	JUN	22 1/2	FX/RX	AFW5JUN22.5CX/PX	AFW	JUN	22 1/2	FX/RX

Questions regarding this release may be directed to ISE Market Data Control at (212) 897-0264.