

In the Supreme Court of the United States

No. 06-484

TELLABS, INC., ET AL., PETITIONERS

v.

MAKOR ISSUES & RIGHTS, LTD., ET AL.

*ON WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE SEVENTH CIRCUIT*

**BRIEF FOR THE UNITED STATES
AS AMICUS CURIAE SUPPORTING PETITIONERS**

INTEREST OF THE UNITED STATES

The United States, through the Department of Justice (DOJ) and the Securities and Exchange Commission (SEC), administers and enforces the federal securities laws. The issue in this case concerns the interpretation of the heightened pleading requirement for state of mind in private securities fraud actions. Meritorious private actions are an essential supplement to criminal prosecutions and civil enforcement actions brought, respectively, by DOJ and the SEC. At the same time, Congress has recognized a potential for such actions to be abused in ways that impose substantial costs on companies that have fully complied with the applicable laws. The United States has a strong interest in seeing that the principles applied in private actions promote the

