



July 21, 2009

Dear Valued Customer:

I wanted to personally provide you with an update on the progress of Nortel's restructuring.

Avaya has been named as the stalking horse to purchase Nortel's Enterprise business. The "stalking horse bidder" essentially establishes a baseline price with defined terms and conditions setting the floor for what will eventually be a final auction. We anticipate the final auction will take place around September 15th. As Nortel's largest independent distributor, we are extremely pleased to see this process move forward.

Nortel submitted the restructuring plan in January to the courts. Through the second quarter, they have been on track to meet their revenue commitments and cash requirements, and have not had a disruption in their parts or product shipments. Shared Technologies has not experienced a degradation in support during the bankruptcy process, which has allowed us to maintain a high level of service for our customers.

Some of you may be asking, "What does this announcement mean to me as a Nortel customer?" My view is that this is the next step in the bankruptcy process and provides certainty about Nortel's future by the middle of September 2009. Initial comments by Avaya leadership have underscored their recognition of the need to be sensitive to the investments made by Nortel users and their commitment to ensure the continued availability of Nortel product plus maintenance and support services going into the future.

A number of our customers have both Nortel and Avaya in their communications infrastructure. In many ways, the product lines complement each other. Should Avaya prevail as the final bidder, it would be highly unlikely that any rationalization would take place between the two product lines in the near term. Both Avaya and Nortel are known as industry leaders in the unified communication circle. The talent of these two companies combined would make for a much stronger manufacturing company.

Over the past year, Shared Technologies has continued to invest in the training of our employees to support the Nortel product line and has also invested heavily in the Avaya product line. Shared Technologies is in the enviable position of having a great working relationship with both companies. We are well positioned to provide you with the highest quality service for many years to come. Should a bidder other than Avaya prevail, I believe that Shared Technologies will continue to play a significant role because of our toolset and skill set. We currently provide maintenance for over 8.5 million ports of Nortel product.

Shared Technologies is in great financial shape and had a very strong first half, despite a difficult market and the Nortel restructuring. During these uncertain times, we have also been recognized as #18 on FORTUNE's 2009 list of Top Companies to Work For in America, an improvement on our position of #25 in 2008.

I realize Nortel's Chapter 11 filing has generated concerns. I am very confident that when Nortel completes the process, their customers will be dealing with a stronger, healthier company going forward. We have been a long-time Nortel distributor and we plan to support the product for many years to come.

Finally, I want to personally thank you for your trust in Shared Technologies. I value your business and really appreciate your support. We take providing the best possible service to you very seriously.

Should you have any questions or concerns, please feel free to email me or reach out to me personally at 972-462-5888.

Warmest regards,

Tony Parella

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