



January 15, 2009

Dear Shared Technologies Customer:

The purpose of this letter is to address Nortel's Chapter 11 bankruptcy filing on January 14, 2009. I thought it might be helpful for me to outline some important points to consider as Nortel goes through the process of their restructuring.

It has been known for some time that Nortel was experiencing financial trouble. The two major areas of concern were that they had \$4.8B of long-term debt as well as \$3B-\$4B pension liability.

I am thankful that Nortel's management had the foresight to take action now while they still had \$2.4B in cash to manage through a restructuring. In today's credit market, if they had waited, they ran the risk of being unable to raise additional funding to get through the process.

The good news is they still have the largest telecommunications infrastructure customer installed base in the world. To put it in perspective, the Canadian government, much of the U.S. military and government infrastructure, the New York Stock Exchange, some of the largest financial institutions in our country, and other critical enterprises and governments utilize Nortel. There is absolutely no chance that Nortel will not exit post Chapter 11. In years past, companies such as Dow Corning, Delta Airlines, Continental Airlines, MCI, Global Crossing, Winn Dixie, and countless others have gone through this same process and have come out much healthier for the long-term good of their customers, employees, and stakeholders. I firmly believe they have plenty of cash on hand to manage to a successful exit from bankruptcy.

Nortel's leadership has also made provisions with Flextronics, their lead contract manufacturer prior to bankruptcy. This agreement assures that fulfillment on all parts and new systems will be handled business as usual on a going forward basis. In addition, Shared Technologies has in excess of \$13M in spare parts on hand to maintain the highest level of service for our customers.

In preparation of Nortel's announcement, Shared Technologies has spent the better part of 2008 positioning our company to provide support to our Nortel customer base independent of using Nortel's service directly. We have invested and built internal skill sets and tools that enable us to provide the best possible service for the Nortel product line in today's market. We have over 1,400 Nortel certifications across our technical work force, and we are strategically positioned as a nationwide provider for Nortel services. We have invested significantly in our professional service organization and built a Nortel monitoring practice that can monitor and provide professional and managed services to Enterprise customers as well as Nortel carrier grade, VoIP, and advanced applications.

Shared Technologies is in great financial shape. We had a record year for revenues and earnings in 2008, something that we are very proud of in these very difficult economic times. We were also recognized in 2008 as #25 on FORTUNE's Top 100 Companies to Work for in America.

I realize Nortel's Chapter 11 filing can generate concerns. I am very confident that when Nortel completes this process, they will be a stronger and healthier company for the future. We have been a long time Nortel distributor, and we plan to continue the relationship in the years to come.

Finally, I want to personally thank you for your trust in Shared Technologies. I really appreciate your support as a customer and realize it's a competitive market out there. We take providing the best possible service for your business very seriously.

Warmest regards,

Tony Parella

Tony Parella
President and CEO
Shared Technologies Inc.