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June 6, 2007

VIA OVERNIGHT DELIVERY

Ms. Elizabeth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615
(502) 564-3940

RECEIVED

JUN 07 2007

PUBLIC SERVICE
COMMISSION

Re: Inter-Tel NetSolutions, Inc.

Dear Ms. O'Donnell:

Please be advised that Inter-Tel NetSolutions, Inc. will be undergoing an indirect change of control. In connection therewith, we provide the following information:

I. The Parties

Inter-Tel NetSolutions, Inc. ("ITNS") is a Texas corporation whose principal offices are located at 4310 East Cotton Center Blvd., Suite A-100, Phoenix, Arizona 85040. Inter-Tel NetSolutions, Inc. is a wholly-owned subsidiary of Inter-Tel Incorporated, a publicly held Delaware corporation ("Inter-Tel"), whose principal offices are located at 1615 South 52nd Street, Tempe, Arizona 85281.

The Commission accepted ITNS' Interexchange Tariff, which was effective on February 25, 1999 and accepted ITNS' Local Exchange Tariff, which was effective November 2, 2006. ITNS is authorized to provide, and is currently providing, long distance service in all 50 states and the District of Columbia. ITNS is currently authorized to provide local exchange service in Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nevada, New Jersey, New Mexico, New York, Oklahoma

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Ohio, Oregon, Pennsylvania, Tennessee and Washington. Inter-Tel NetSolutions, Inc. has applications pending to provide local exchange service in North Carolina, South Carolina, Utah, and the District of Columbia; and also has authority to provide domestic interstate and international services pursuant to FCC rules and regulations. ITNS is in the process of obtaining all required approvals for the Merger from both the FCC and all applicable state regulatory authorities, and is filing all required notices.

Inter-Tel is a single-point-of-contact, full-service provider of IP and converged voice, video and data business communications platforms, multi-media contact center applications, remote-control software to provide real-time communications and instantaneous, browser-to-browser Web conferencing and help desk support solutions. Inter-Tel also provides a wide range of managed services, including voice and data network design and traffic provisioning, local and long distance calling services, custom application development, maintenance, leasing, and support services for its products. Inter-Tel's customers include business enterprises, government agencies and non-profit organizations. Inter-Tel was originally incorporated in Arizona in 1969 and was reincorporated in Delaware in 2006.

Mitel Networks Corporation ("Mitel"), a corporation organized and existing under the laws of Canada, is a leading provider of integrated communications solutions and services for business customers. Mitel's Internet Protocol, or IP, based communications solutions consist of a combination of telephony hardware products, such as communications platforms and desktop devices, and software applications that integrate voice, video and data communications with business applications and processes. Mitel complements its communications solutions with a range of services, including the design of communications networks, implementation, maintenance, training and support services. Mitel has been a leading vendor of business communications systems for over 25 years. Mitel offers packaged software applications that are designed to solve particular business communications challenges, including applications for contact centers, mobility, teleworking, messaging and collaboration. Mitel also develops solutions that focus on specific industries as well as custom software applications that address the needs of specific customers. Mitel's customers include prominent hotel chains, governmental agencies, retail chains and healthcare providers worldwide. Mitel operates from over 40 locations around the world and sells its communications solutions through a distribution network of over 1,400 channel partners that includes wholesale distributors, solutions providers,

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authorized resellers, communication services providers, systems integrators, and other distribution channels. Mitel is not currently providing telecommunications in any state.

Arsenal Acquisition Corporation is a Delaware corporation and a wholly-owned subsidiary of Mitel. Arsenal Acquisition Corporation was organized solely for the purpose of entering into the Merger Agreement with Inter-Tel and completing the Merger and has not conducted any business operations.

II. Description of Transaction

Inter-Tel Incorporated ("Inter-Tel"), Mitel Networks Corporation ("Mitel") and Arsenal Acquisition Corporation ("Arsenal"), a wholly owned subsidiary of Mitel, have entered into an Agreement and Plan of Merger dated as of April 26, 2007. Pursuant to the terms of the Agreement and Plan of Merger, at the Effective Time of the Merger, Arsenal shall be merged with and into Inter-Tel, whereupon the separate existence of Arsenal shall cease, and Inter-Tel shall be the surviving corporation. Each shareholder of Inter-Tel shall receive cash in exchange for his stock. Upon consummation of the Merger, Mitel will own one hundred percent (100%) of the issued and outstanding capital stock of Inter-Tel which will remain as the 100% Shareholder of Inter-Tel Netsolutions, Inc.

The proposed transaction will provide Inter-Tel NetSolutions, Inc. with greater operating flexibility to pursue operating purposes, including, without limitation, (a) expansion of its telecommunications infrastructure; (b) improvement of customer service, billing, financial reporting and other management information systems; and (c) possible acquisitions, future investments or strategic alliances.

There is no plan to notify customers. There will be no impact on customers, since the transaction will be transparent to customers; the transaction will only result in an indirect change in ownership for the service provider. There will be no change in name, and the company will continue to provide services pursuant to the terms and conditions of its tariff on file with the Commission.

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DESIGNATED CONTACTS

The designated contact for questions concerning this Notice is:

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PUBLIC INTEREST

The proposed transaction is in the public interest. The following factors demonstrate that the transaction will not harm rates, employees, or the provision of services at just and reasonable rates, and will result in positive benefits to customers and the State of Kentucky.

The only change to ITNS will be to its ultimate ownership and control and the transfer of control of ITNS will be transparent to customers and will not have any adverse impact to them. Upon consummation of the transactions contemplated by the Agreement, ITNS will continue to operate under the same name and operating authority as at present. The proposed transfer of control of ITNS involves no disruption, impairment, or other changes in the entity providing service to customers, the facilities used to provide such services, or the rates, terms and conditions of such service. All existing tariffs will remain in place.

ITNS' corporate management and officers will be unchanged as a result of the Merger. Similarly, the principal corporate officers for ITNS will remain unchanged. ITNS' current management team responsible for its day-to-day operations is expected to remain essentially the same. The proposed transaction will not have an adverse effect on non-management employees of ITNS and no staff reductions are presently contemplated. In addition, the contact points for customers and Commission inquiries will remain the same after the transfer of control.

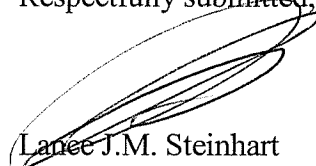
All existing customer service numbers/operations, contracts and procedures of ITNS will remain in place after the Merger, including procedures relating to billing and repair complaints. Further, the transaction will not result in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

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I have also enclosed an extra copy of this letter to be date-stamped and returned to me in the enclosed preaddressed, postage prepaid envelope.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Lance J.M. Steinhart", written over a horizontal line.

Lance J.M. Steinhart
Attorney for Inter-Tel NetSolutions, Inc.

c: Mr. Jon Brinton
John Gardner, Esq.