

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: August 15, 2007

Subject: Inter-Tel Incorporated (INTL/TPQ) Pending Merger

On Friday, June 29, 2007, the shareholders of Inter-Tel Incorporated (INTL) voted to approve the proposed merger with Mitel Networks Corporation. Pursuant to the merger terms each INTL share will be converted into the right to receive \$25.60 cash. **The merger is anticipated to become effective after the close of trading on Thursday, August 16, 2007.**

***The foregoing is an unofficial summary of the terms of the Merger, prepared by the PHLX for the convenience of its members. PHLX 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.*

Pursuant to Options Clearing Corporation (OCC) By-Laws, all outstanding TPQ options will be adjusted as follows:

EFFECTIVE DATE: Option changes are expected to become effective on Friday, August 17, 2007
NEW DELIVERABLE: \$2,560.00 cash per contract (\$25.60 x 100)

Existing open interest in all TPQ options will remain until options are exercised or expire. Since they are American style options, they are exercisable at the option of the holder.

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-1508.