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Affiliates of Siris Enter into Agreement to Acquire TPx Communications Investment to Help Accelerate TPx's Robust Growth in Enterprise Managed Services Market

NEW YORK and LOS ANGELES, August 19, 2019 – [Siris](#), a leading private equity firm focused on investing and driving value creation in technology and telecommunications companies, today announced that affiliates of Siris have entered into a definitive agreement to acquire U.S. TelePacific Holdings Corp. dba [TPx Communications](#) ("TPx"), the premier managed services provider, from investors including affiliates of Investcorp and Clarity Partners. Terms of the transaction were not disclosed.

With a 21-year history of delivering critical business communications services, TPx today provides an award-winning product line that includes unified communications, contact center, managed security, managed WAN, other managed IT services and network connectivity solutions. Serving approximately 30,000 business, government and not-for-profit customers with more than 50,000 locations across the U.S., TPx designs and delivers the comprehensive, performance-guaranteed solutions that enable customers to effectively grow and manage their enterprises.

Siris' acquisition of TPx will provide the company with the resources it needs to continue the rapid growth it is realizing in the fast-growing addressable market for UCaaS, CCaaS and managed IT services, as well as supporting its continued delivery of industry-leading customer satisfaction to its large and diversified customer base.

"TPx has created a tremendous growth story over the past decade and we're going to keep that narrative going strong," said Dick Jalkut, Chairman of the Board and Chief Executive Officer of TPx. "Adding Siris' experience and expertise in the UCaaS and managed IT services markets will make us even better-positioned to build on our award-winning track record of innovation and service quality for the benefit of our customers. With our new partners at Siris, we look forward to building our product portfolio, customer base, and customer satisfaction to new heights as we write the next chapter in TPx's evolution and success."

Commenting on the transaction, Frank Baker, Co-Founder of Siris, said, "For more than two decades, TPx has been a leader in developing premier managed service and connectivity solutions for the growing North American market. A key factor driving TPx's growth has been its ability to evolve its product line successfully into the UCaaS and managed services markets while maintaining its outstanding commitment to operational excellence, translating to world class service quality. We have long admired TPx's innovative products and deep customer relationships.



“TPx is a strong fit with our investment strategy. We look forward to working closely alongside the TPx team to help the company address evolving customer needs and drive new opportunities for innovation and growth.”

Joe Cozzolino, a Siris Executive Partner, said, “TPx is a best-in-class UCaaS and managed IT services provider and recently received multiple awards, including being named the #2 MSP on Channel Futures MSP 501 rankings. TPx expertly serves its large, diversified customer base through the deployment of a highly scalable and reliable UC platform and comprehensive suite of managed security, managed WAN and other managed IT services. We believe that, by partnering with Siris, TPx will be optimally positioned to address evolving customer needs and remain at the forefront of innovation in UC and IT solutions. I look forward to supporting the company’s continued growth and helping the team achieve its strategic objectives.”

The transaction is expected to close in the first or second quarter of 2020, subject to the satisfaction of regulatory approvals and other customary closing conditions.

Financing & Advisors

Equity financing will be provided by investment funds affiliated with Siris.

Sidley Austin LLP is serving as corporate counsel, Kirkland & Ellis LLP is serving as financing counsel, and PJT Partners is serving as lead financial advisor to Siris in connection with the transaction. Macquarie Capital is also serving as financial advisor to Siris. Evercore is serving as lead financial advisor to TPx. Q Advisors is also serving as financial and strategic advisor to TPx, and Gibson, Dunn & Crutcher LLP is serving as TPx’s legal counsel. Morgan Lewis and Bockius is serving as TPx’s regulatory counsel.

About Siris

Siris is a leading private equity firm that invests primarily in mature technology and telecommunications companies with mission-critical products and services, facing industry changes or other significant transitions. Siris’ development of proprietary research to identify opportunities and its extensive collaboration with its Executive Partners are integral to its approach. Siris’ Executive Partners are experienced senior operating executives that actively participate in key aspects of the transaction lifecycle to help identify opportunities and drive strategic and operational value. Siris is based in New York and Silicon Valley and has raised nearly \$6 billion in cumulative capital commitments.
www.siris.com

About TPx

Founded in 1998, TPx is a leading provider of UCaaS, Managed IT services and Managed Connectivity services, with approximately 30,000 customers and 53,000 customer locations across the U.S. TPx has best-in-class customer service embedded in its corporate DNA, offering guaranteed performance to all customers wherever there’s a broadband connection. TPx customers serve every business sector and include many government and not-for-profit enterprises. Throughout its history, the company has steadily executed strategically and delivered more than 16 years of uninterrupted growth over a period



that has included two recessions. For more information, visit www.tpx.com or follow @TPxComm on Twitter.

FORWARD LOOKING STATEMENTS

This press release contains forward-looking statements, including with respect to the anticipated benefits and timing of the proposed transaction. Forward-looking statements can be generally identified by the use of words such as “may,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “intends,” “continue” or similar terminology. These statements reflect the parties’ current expectations and are not guarantees of future performance or results. These statements are subject to various risks and uncertainties that could cause actual results to differ materially from those contained in, or implied by, the forward-looking statements. These risks and uncertainties include, but are not limited to, conditions to the closing of the proposed transaction may not be satisfied, including that a governmental entity may prohibit, delay or refuse to grant a necessary regulatory approval; the proposed transaction may involve unexpected costs, liabilities or delays; TPX’s ability to recognize the anticipated benefits of the proposed transaction; the effect of the announcement or pendency of the proposed transactions on TPX’s business relationships, operating results, and business generally; the risk that revenue opportunities, cost savings, synergies and other anticipated benefits from the proposed transaction may not be fully realized or may take longer to realize than expected; and risks related to the equity and debt financing entered into in connection with the proposed transaction. These forward-looking statements speak only as of the date on which the statements were made. Neither Siris nor TPX undertakes any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by applicable law.

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