

MIHAYLO STEVEN G  
Form DFAN14A  
June 20, 2007  
SCHEDULE 14A

(Rule 14a-101)

**INFORMATION REQUIRED IN PROXY STATEMENT**

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934**

Filed by the Registrant //

Filed by a party other than the Registrant /x/

Check the appropriate box:

// Preliminary Proxy Statement

// Confidential, for the use of the Commission only (as permitted by Rule 14a-6(e)(2))

// Definitive Proxy Statement

// Definitive Additional Materials

/x/ Soliciting Material under §240.14a-12

INTER-TEL (DELAWARE), INCORPORATED  
(Name of Registrant as Specified In Its Charter)

STEVEN G. MIHAYLO  
SUMMIT GROWTH MANAGEMENT LLC  
THE STEVEN G. MIHAYLO TRUST  
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

/x/ No fee required.

// Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

// Fee paid previously with preliminary materials.

## Edgar Filing: MIHAYLO STEVEN G - Form DFAN14A

// Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- 1) Amount previously paid:
- 2) Form, Schedule or Registration Statement No.:
- 3) Filing party:
- 4) Date filed:

---

On June 20, 2007, Steven G. Mihaylo issued the following press release:

### **Media Contact:**

Sitrick And Company

Terry Fahn or John Lippman

(310) 788-2850

### **Investor Contact:**

MacKenzie Partners

Dan Burch or Amy Bilbija

(212) 929-5500

### **ISS Recommends Shareholders Vote AGAINST Inter-Tel Buyout by Mitel**

*Mihaylo Receives Financing Commitments Demonstrating Feasibility  
of Recapitalization Proposal*

*Mihaylo Urges Shareholders to VOTE NO on Mitel Proposal*

**TEMPE, AZ June 20, 2007** Steven G. Mihaylo, founder and former Chief Executive Officer of Inter-Tel (Delaware), Incorporated (NasdaqNM: INTL - News) today announced that Institutional Shareholder Services ( ISS ), one of the world's leading providers of proxy voting and corporate governance solutions to the institutional marketplace, recommended that shareholders vote AGAINST the merger with Mitel Networks Corporation ( Mitel ) at the June 29<sup>th</sup> shareholder meeting.

## Edgar Filing: MIHAYLO STEVEN G - Form DFAN14A

In its report, ISS stated that Based on our review of the terms of the transaction, in particular, the relatively low 7.6 percent 1-day offer premium, the flawed sale process, lack of an imminent reason to sell the company without conducting a proper sale process, and valuation, we believe that the merger agreement does not warrant shareholder support. <sup>1</sup>

I am gratified ISS agrees with my position that shareholders should not vote in favor of the Mitel buyout at \$25.60 per share. I believe we are here today due to a flawed process that resulted in an undervalued offer, stated Mr. Mihaylo. Based on the assumptions underlying the recapitalization analysis, the Company is worth more than the Mitel offer. Indeed, I believe a proper auction should have been conducted to win the highest price for shareholders, he said.

Furthermore, as ISS recognized, Mr. Mihaylo is not alone in his concerns regarding the process and valuation: Millenium Management LLC, which owns approximately 3.2% of the outstanding shares, sent a letter to Inter-Tel on June 13, 2007, stating that, in their view, the process was not a full and fair auction and the proposed purchase price fails to value the Company adequately.<sup>2</sup>

Mr. Mihaylo added, Absent a higher bid, I believe Inter-Tel has a better alternative through a leveraged recapitalization, which will provide greater value to all shareholders and will at the same time preserve the opportunity for future growth and upside potential, including a potential sale at a later date. I urge all shareholders, especially current and former employees who care as

---

<sup>1</sup> Permission to use quoted statements was neither sought nor obtained.

<sup>2</sup> Permission to use statements cited was neither sought nor obtained.

2

---

much about the Company as I do, to stand up, be heard and vote their shares AGAINST this buyout proposal.

With regard to his proposed recapitalization plan, Mr. Mihaylo also announced that the Royal Bank of Canada and RBC Capital Markets have committed a total of \$255 million to finance Mr. Mihaylo's recapitalization plan subject to customary closing conditions similar to those contained in the Mitel financing commitments.

The Senior Secured Financing Commitment Letter consists of the following:

First-lien term loan facility in an aggregate principal amount of up to \$125.0 million

\$30.0 million revolving credit facility

Second-lien term loan facility in an aggregate principal amount of up to \$100.0 million

## Edgar Filing: MIHAYLO STEVEN G - Form DFAN14A

With Royal Bank of Canada and RBC Capital Markets as my financing partners and their firm commitment to my recapitalization plan, I am confident Inter-Tel shareholders will agree that my proposal is superior to Mitel's buyout offer and will vote AGAINST the merger at the upcoming meeting of shareholders on Friday, June 29, 2007, stated Mihaylo. I believe the \$255 million commitment should more than adequately address concerns raised by the Board concerning the financeability of the recapitalization proposal and should not require any asset disposition.

Mr. Mihaylo added, "The Board has had ample time to pursue its strategic options" but I believe the Board never had a coherent plan as evidenced by its recent agreement to sell the Company to Mitel. Thus, if the shareholders vote AGAINST the merger, I believe it should be viewed as an unequivocal vote of no-confidence for the Board and the Company's leadership over the past 15 months.

### **Participant Legend**

Shareholders are advised to read the proxy statement and other documents related to the solicitation of proxies filed by Steven G. Mihaylo for use at the June 29, 2007 Special Meeting of Shareholders because they contain important information. The preliminary proxy statement was filed on June 8, 2007, and along with other relevant documents, is available at no charge at the Securities and Exchange Commission's website at <http://www.sec.gov> or by contacting MacKenzie Partners, Inc. by telephone at (800) 322-2885 or by e-mail at [proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com). Information relating to the participants in the solicitation of proxies by Mr. Mihaylo is contained in the preliminary proxy statement filed by Mr. Mihaylo with the Securities and Exchange Commission and can be obtained as described above.

###