



FOR IMMEDIATE RELEASE

Vertical Communications Announces Debt and Equity Financing

Santa Clara, Calif., June 18, 2014—Vertical Communications®, a leading provider of business communications software and solutions, announced the completion of a debt and equity financing in conjunction with its merger with Fulton Communications, which was completed June 2, 2014. The financing was led by Columbia Partners Private Capital and current investors Pathfinder Ventures and William Tauscher. Silicon Valley Bank provided a new senior credit facility as part of the overall financing. Columbia Partners Managing Directors Chris Doherty and Jason Crist will join Vertical's board. Legal counsel for Vertical was provided by Andrews & Kurth for all aspects of the financing and merger transaction.

"Our merger with Fulton and the related financing provides Vertical with a direct channel to market in over 25 metro markets in North America and with the resources to grow our direct presence nationwide. In conjunction with our existing systems integrator channel, our overall distribution is increased dramatically, as well as our ability to deliver for customers," said Peter Bailey, CEO of Vertical.

"We are excited about Vertical's move to shift their business into a more direct sales and solution provision model through the merger with Fulton. In a world of complex and high-value-add voice infrastructure and software, Vertical has a unique opportunity to drive superior customer outcomes as a vertically integrated organization. We're excited about the growth prospects of the combined company," said William Tauscher, Executive Chairman of the Board at Vertical.

About Columbia Partners Private Capital

Columbia Partners Private Capital is the private investment group of Columbia Partners, L.L.C. Investment Management. It invests debt and equity in privately held, institutionally backed, growth companies and in select private capital funds. The team currently manages over \$380 million in investments across several portfolio companies and funds. Columbia Partners Private Capital is an excellent partner for companies and institutional investors seeking efficient and appropriately structured growth capital.

About Silicon Valley Bank

Banking the world's most innovative companies and exclusive wineries, SVB offers diverse financial services, knowledge, global networks, and world class service to increase its clients' probability of success. With more than \$29 billion in assets and more than 1,700 employees, SVB provides commercial, international and private banking through its locations around the world. *Forbes* Magazine ranks SVB among America's Best Banks, and *Fortune* named SVB one of the best places to work. (Nasdaq: SIVB) www.svb.com

Silicon Valley Bank is the California bank subsidiary and the commercial banking operation of SVB Financial Group. Banking services are provided by Silicon Valley Bank, a member of the FDIC and Federal Reserve System.

About Vertical Communications®

Vertical Communications, Inc. is a provider of unified communications (UC) and IP telephony solutions and services to enterprise and business customers throughout North America and Europe. The Company's flagship UC product - Wave IP - offers comprehensive integration into enterprise CRM, ERP, mobile and other critical enterprise systems, enabling companies to better communicate and serve customers, promote collaboration among employees and partners, as well as provide deep insights into customer communications through business intelligence and management tools. In addition, Vertical provides managed services, project management, custom development, deployment and enterprise support services. Together, the Vertical portfolio enables complete, turnkey deployment and management of voice infrastructure, software, enterprise integration and ongoing support. Vertical sells its products and services to business customers with a focus on vertical markets including retail, health care, state and local government, and other customer-facing industry segments where customer experience is a primary focus. The Company's recent merger with Fulton Communications (June 2014) provides the company with direct sales and professional services in over 25 metro markets in North America, which, in combination with Vertical's over 250 channel partners, provide the Company with broad North American and European reach. Vertical is a privately held company headquartered in Santa Clara, CA. For more information, visit www.vertical.com.

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