

## FAQ for Stakeholders of Non-U.S. Subsidiaries

---

### 1. What did Avaya announce?

- Avaya has entered into a Restructuring Support Agreement (the “Financial Restructuring”) with an overwhelming majority of our secured lenders (the “Investor Group”) that will accelerate our ongoing business transformation and result in a comprehensive de-leveraging of our balance sheet.
- Completing the Financial Restructuring will reduce our total debt by more than 75%, from approximately \$3.4 billion today to approximately \$800 million. Additionally, it will substantially increase our cash and liquidity position, enabling us to make significant investments in our innovative cloud-based communications portfolio and position Avaya for long-term success.
- To efficiently implement the Financial Restructuring, we are utilizing an expedited court-supervised process. Accordingly, Avaya and all of our U.S. subsidiaries have initiated voluntary prepackaged Chapter 11 proceedings in the U.S. **Our subsidiaries outside of the U.S. are not included in the court-supervised process and are not expected to file their own insolvency proceedings as part of the U.S. proceedings.**
- Due to the broad support of our financial stakeholders, we expect to complete this process within 60 to 90 days, an accelerated timeframe, paying vendors and suppliers in full and employees as usual.
- We have secured commitments for approximately \$780 million in new financing. Together with cash on hand and cash generated from ongoing operations, this new financing is expected to provide substantial liquidity to support Avaya during the restructuring process and beyond.
- These actions will not impact Avaya’s customers, channel and strategic partners, suppliers, vendors or employees, and we are operating normally. We look forward to emerging from this process as a well-capitalized company with one of the strongest balance sheets in our industry.

### 2. What is Chapter 11?

- Chapter 11 is a section of the U.S. Bankruptcy Code that allows companies to reorganize their capital structures while they continue to operate their businesses in the normal course.
- This is **not** a liquidation or insolvency proceeding that occurs in Europe and other parts of the world, and our business is **not** shutting down.

### 3. What is a prepackaged Chapter 11 filing?

- A prepackaged filing means that we have already reached agreements with the overwhelming majority of our financial stakeholders and have their support for how we intend to restructure our debt.
- As a result of this support from our financial stakeholders, we expect to complete this process within 60 to 90 days, an accelerated timeframe.

**4. Why did Avaya file for Chapter 11? Why now?**

- Chapter 11 is an efficient and binding mechanism for implementing the terms of the Financial Restructuring, which provides for a comprehensive de-leveraging of Avaya's balance sheet.
- The Financial Restructuring is the culmination of months-long, constructive engagement with our financial stakeholders to strengthen our capital structure, increase liquidity and accelerate our investment in innovative products and solutions.
- This a positive step for Avaya, and we look forward to moving ahead as a well-capitalized company with one of the strongest balance sheets in our industry and substantial cash to invest in the business.
- Importantly, these actions will not impact Avaya's customers, channel and strategic partners, suppliers, vendors or employees.

**5. Is Avaya going out of business?**

- No. Our business will remain intact, and we are not selling or splitting off any of its parts.
- We will continue operating normally, and the actions we are taking will not impact Avaya's customers, channel and strategic partners, suppliers, vendors or employees.
- We expect to emerge from this process as a well-capitalized company with one of the strongest balance sheets in our industry – positioned for long-term success with substantial cash to make significant investments in our innovative cloud-based communications portfolio.

**6. How will the restructuring process affect the Company's day-to-day operations?**

- We will continue operating normally, and the actions we are taking will not impact Avaya's customers, channel and strategic partners, suppliers, vendors or employees.
- This a positive step for Avaya, and we look forward to moving ahead as a well-capitalized company with one of the strongest balance sheets in our industry and substantial cash to invest in the business.

**7. Will there be any changes to the products, service or support Avaya provides as a result of the restructuring process?**

- No. We are continuing to provide our full suite of communications solutions and outstanding service and support.
- As we move forward, we will continue operating normally, and the actions we are taking will not impact Avaya's customers, channel and strategic partners, suppliers, vendors or employees.

**8. What did Avaya announce as it relates to RingCentral?**

- We have extended and expanded our global, strategic partnership with RingCentral, Inc., continuing the relationship we formed in 2019 to introduce and launch Avaya Cloud Office® by RingCentral.
- Avaya will continue to act as the exclusive sales agent for direct and partner sales of Avaya Cloud Office, our exclusive multi-tenanted cloud PBX solution, in the geographies where it is available.
- The partnership has also expanded to include additional go-to-market constructs that enable Avaya to sell Avaya Cloud Office to our installed base on a direct basis.
- We look forward to building on the Avaya Cloud Office footprint and continuing to support the adoption of seamless cloud functionality by our global customers at a pace that meets their business needs.

**9. Does Avaya have sufficient liquidity to continue operating?**

- Yes. We have secured commitments for approximately \$780 million in new financing. Together with cash on hand and cash generated from ongoing operations, this new financing is expected to provide substantial liquidity to support Avaya during the restructuring process and beyond.
- This includes:
  - Commitments for \$628 million in debtor-in-possession (“DIP”) financing, including a \$500 million new-money term loan from the Investor Group and a \$128 million ABL facility from a bank syndicate, which will roll into exit facilities upon Avaya’s emergence from the court-supervised process; and
  - Commitments for \$150 million of additional new-money financing through a fully backstopped debt rights offering at exit.
- In addition, completing the Financial Restructuring will reduce our total debt by more than 75%, from approximately \$3.4 billion today to approximately \$800 million.
- It will also substantially increase our cash and strengthen our liquidity position, enabling us to make significant investments in our innovative cloud-based communications portfolio and position Avaya for long-term success with one of the strongest balance sheets in our industry.

**10. Is the entity with which I do business included in the Chapter 11 filing?**

- Our subsidiaries outside of the U.S. are **not** included in the court-supervised process.
- Avaya and all our U.S. subsidiaries are included in the Chapter 11 filing.
- This includes Avaya CALA Inc., Avaya Cloud Inc., Avaya EMEA LTD., Avaya Federal Solutions, Inc., Avaya Holdings Corp., Avaya Holdings LLC, Avaya Inc., Avaya Integrated Cabinet Solutions LLC, Avaya Management L.P., Avaya Management Services Inc., Avaya World Services Inc., CAAS Technologies, LLC, CTIntegrations, LLC, HyperQuality, Inc., HyperQuality II, LLC, Intellisist, Inc., dba Spoken Communications, KnoahSoft, Inc., Sierra Asia Pacific Inc., Sierra

Communication International LLC, Ubiquity Software Corporation and VPNet Technologies, Inc.

**11. What does this announcement mean for me if I work with an Avaya entity that is not included in the Chapter 11 proceedings?**

- This has no impact on you.
- We are continuing to support our customers around the world and work with our massive partner ecosystem as usual.
- Vendors and suppliers to Avaya's non-U.S. subsidiaries will continue to be paid in the ordinary course, regardless of when goods or services were delivered.

**12. What does this mean for customers?**

- This has no impact on you.
- We are operating normally, and these actions will not impact Avaya's customers, channel and strategic partners, suppliers, vendors or employees.
- We expect to emerge from this process with one of the strongest balance sheets in our industry and substantial cash to invest aggressively in our innovative products and solutions for the benefit of our customers.
- As always, thank you for your continued partnership and trust in Avaya.

**13. What does this mean for vendors and suppliers?**

- Vendors and suppliers to Avaya's non-U.S. subsidiaries will continue to be paid in the ordinary course, regardless of when goods or services were delivered.
- In addition, all of under the terms of the Restructuring Support Agreement, all of Avaya's vendors and suppliers will be paid in full in the ordinary course, regardless of when goods and services were delivered.

**14. Where can I obtain additional information?**

- We will continue to keep you informed as milestones occur during the process. As always, please feel free to reach out to your usual Avaya representative with questions.
- Additional information is available on our restructuring website at [www.AvayaRestructuringInfo.com](http://www.AvayaRestructuringInfo.com).
- Court filings and other information related to the proceedings are available on a separate website administrated by the Company's claims agent, Kurtzman Carson Consultants (KCC), at [www.kccllc.net/avaya](http://www.kccllc.net/avaya), or by calling KCC toll-free at 877-709-4751, or 424-236-7231 for calls originating outside of the U.S. or Canada.