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January 14, 1999

VIA FEDERAL EXPRESS

Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: Claricom Networks, Inc.

990066-TI

Dear Sir or Madam:

On behalf of Claricom Networks, Inc. ("Claricom Networks"), we hereby respectfully notify the Florida Public Service Commission (the "Commission") of an indirect change in control of Claricom Networks that will occur as a result of the proposed merger of Claricom Holdings, Inc., the parent corporation of Claricom Networks, with Sigma Acquisition Corp. ("Sigma"), a newly-formed, wholly-owned subsidiary of Staples, Inc.

Claricom Holdings owns 100% of the outstanding capital stock of Claricom Networks. Claricom Holdings has entered into a Merger Agreement pursuant to which Sigma, a newly-formed, wholly-owned subsidiary of Staples, Inc., will merge with and into Claricom Holdings (the "Merger"). Claricom Holdings will be the surviving corporation of the Merger. As a result of the Merger, Staples, Inc. will own the majority of shares in Claricom Holdings. It is anticipated that post-merger, Staples, Inc. will own in excess of 90% of the shares of Claricom Holdings and that no other shareholder of Claricom Holdings will own in excess of 5% of the shares. Claricom Networks will continue to be a wholly-owned subsidiary of Claricom Holdings following the Merger. Claricom Networks will not change its name as a result of the Merger, and will continue to resell the long-distance telecommunications services of its underlying carriers pursuant to Claricom Networks' existing tariff provisions, including rates and charges. In addition, Claricom Networks' current Chief Executive Officer and current Chief Operating Officer/President will continue in these positions following consummation of the Merger.

As stated above, Claricom Networks is a wholly-owned subsidiary of Claricom Holdings, a Delaware corporation with its principal place of business at 478 Wheelers Farms Road, Building B, Milford, Connecticut 06460. Claricom Holdings does not provide telecommunications services in the State of Florida; however, per Commission Order No. PSC-97-0755 in Docket No. 961472-11 (issued July 18, 1998), Claricom Networks has authority to operate as a switchless reseller of interexchange (toll) telecommunications services statewide in Florida. Neither Sigma, Staples, Inc. nor any of Staples, Inc.'s subsidiaries provide any telecommunications services in the State of Florida.

Claricom Networks' headquarters will remain at 478 Wheelers Farms Road, Building B, Milford, Connecticut 06460 following consummation of the Merger. Claricom Networks will continue to resell the long-distance telecommunications services of its underlying carriers, under its own name, and pursuant to Claricom Networks' existing tariff provisions, including rates and charges. Substantially all of the personnel who currently comprise the telecommunications resale division of Claricom Networks will remain employees of the company; service complaints and responses will be handled in the same manner; and customers will continue to contact the same toll-free 800-number to obtain service, make billing inquiries, and report outages. The indirect change in control of Claricom Networks resulting from the Merger will be completed in a seamless fashion that will not adversely affect either Claricom Networks' customers or Claricom Networks' provision of telecommunications services in the State of Florida. Customers will be able to purchase the same high quality services from Claricom Networks that they currently purchase. Thus, all resale customers of Claricom Networks will continue to obtain service from the same people they have come to rely upon.

There will be neither a direct transfer of control of Claricom Networks nor an assignment of Claricom Networks' authority to operate in the State of Florida as a result of the Merger. Rather, the Merger will result only in an indirect change in control of Claricom Networks. As stated above, following the consummation of the Merger, Claricom Networks will continue to operate under its existing name and pursuant to its existing tariff, and will continue to provide service in the same manner as it does currently.

Based upon our conversations with members of the Commission's staff, it is our understanding that no prior approval by the Commission is required in order to proceed with the above-described indirect change in control of Claricom Networks. We believe this notification regarding the Merger and its effect on Claricom Networks' Florida operations satisfies any obligation Claricom Networks may have.

We have included an extra copy of this notification letter, marked "Receipt Copy," as well as a self-addressed, pre-paid overnight airbill and delivery envelope. Please stamp and return the extra copy to confirm your receipt.

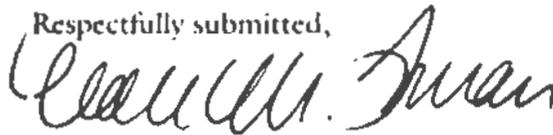
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As early consummation of the Merger is contemplated, please notify the undersigned immediately if there are any questions regarding this matter.

Respectfully submitted,



Valerie M. Furman

Counsel for Claricom Networks, Inc.

VMF/gsw

Enclosure