



TelePacific Communications to Acquire Telekenex

Acquisition builds on TelePacific's strategy of offering comprehensive, managed telecommunications solutions to meet the needs of today's businesses.

TELEKENEX ACQUISITION MESSAGE POINTS

Transaction Overview

- TelePacific Communications and Seattle and San Francisco-headquartered Telekenex have entered into a definitive agreement to acquire the assets, capabilities and customers of Telekenex.
- Under the agreement, TelePacific will acquire all of the assets and customer contracts of Telekenex, which includes more than 1,000 active customer accounts and 122 employees.
- Closing is expected in the second or third quarter of 2011, subject to regulatory approval.

Benefits

- The acquisition of Telekenex assets and its hosted VoIP solutions dramatically improves TelePacific's IP offerings and increases the Company's cloud-based offerings,
- TelePacific will now be able to offer customers hosted PBX solutions with nationwide voice capabilities, providing customers the robust features of an on-premise PBX system without the capital outlay of equipment expense.
- Telekenex's nationwide OC-192 fiber optic backbone and PCI compliant MPLS network will expand and enhance TelePacific's public and private out-of-region service capabilities.
- Managed network services will provide TelePacific customers advanced configuration and support for complex network deployments, including design, project management and backup services leveraging a single box 3G solution through its cloud-based firewall.
- TelePacific customers and bundled solutions will be able to leverage Telekenex's cloud-based firewall.
- This transaction continues TelePacific's track record of consolidating in-market CLECs that will further leverage TelePacific's operating structure.
- Telekenex customers will benefit from TelePacific's enhanced business services to improve employee productivity from wireless connectivity, redundancy solutions for both voice and data and high bandwidth Ethernet access services to customer portals that allow customers to pay their bills online, monitor their network and submit and track trouble tickets.

Company Descriptions

TelePacific Communications is a competitive telecommunications carrier that serves business customers throughout California and Nevada. Headquartered in Los Angeles, the Company is the leading competitive carrier in its footprint. TelePacific offers a host of IP, voice, data and Internet services, as well as business continuity, security and managed solutions. For more information, visit www.telepacific.com.

Headquartered in Seattle and San Francisco, **Telekenex** is a business-grade IP service provider with a robust private international network and innovative cloud based solutions, including hosted VoIP, call center, MPLS + Internet, managed ethernet and security. For more information, visit www.telekenex.com.