



## FOR IMMEDIATE RELEASE

### Contact:

Pamela Reinero  
916.233.4676  
[preinero@o1.com](mailto:preinero@o1.com)

## **O1 Communications Signs Definitive Agreement to Sell Small and Medium Business Customer Base to TelePacific Communications**

**Sacramento, CA (August 2, 2010)** - O1 Communications, a competitive local exchange carrier (CLEC) serving retail and wholesale business customers, today announced it has signed a definitive acquisition agreement to sell the company's retail customer base to TelePacific Communications, a leading business telecommunications provider in California and Las Vegas, Nevada. O1 Communications will retain its wholesale customer base and its name.

Under the terms of the agreement, following regulatory approval, TelePacific will acquire O1 Communications' small and medium size business (SMB) accounts and assets primarily dedicated to serving that customer segment. The transaction will include purchase of O1 Communications' Sacramento data center. This is a strategic move for O1 Communications which will allow the company to pursue a more efficient service provider model.

"O1 Communications has been growing its client base in the service provider market with aggressive pricing and flexible peering arrangements," said Max Seely, O1 Communications co-founder and senior vice president. "By realigning company assets we believe we can develop this business to its full potential."

Going forward, O1 Communications will focus exclusively on its wholesale and carrier business, which has historically experienced the highest return on investment and greatest growth potential. O1's wholesale services include call origination, call termination and SIP (session initiation protocol) peering services. New services are in development.

"We believe this transaction is positive for all our customers," said Brad Jenkins, chief executive officer of O1 Communications. "TelePacific has the network assets and resources to provide our SMB customers the same high standards of support and service reliability they previously experienced." The two companies will work closely together to ensure a seamless transition for O1's SMB customers.

Dick Jalkut, president and chief executive officer of TelePacific, said, "O1's small and medium business customer base is a perfect fit for TelePacific as both companies share high standards for customer service and support. We are looking forward to serving these new customers."

In addition to acquiring the assets of the O1 SMB business, TelePacific will also be offering employment to all of the SMB employees upon close. "Our number one goal is to make the transition as seamless and successful as possible to our new customers which means giving them the same experience and first line support that they are used to on a daily basis," said Jalkut. "We know that retaining the O1 employees are our best resource for meeting this goal."

Following regulatory approval, TelePacific will assume responsibility for service and support of O1 Communications' SMB customers. O1 Communications will continue operations from a new headquarters in El Dorado Hills, California. More information about the pending acquisition is available on the websites of both companies: [www.o1.com](http://www.o1.com), [www.telepacific.com](http://www.telepacific.com).

#### **About O1 Communications, Inc.**

O1 Communications, Inc. is a competitive local exchange carrier serving enterprise businesses throughout California and other carriers in the global wholesale market from its Sacramento headquarters. Founded in 1998, O1 offers service providers wholesale VoIP peering solutions, call origination and call termination in California and the domestic US. Small and medium size business voice and data services include MPLS, dedicated and dynamic voice services, high-speed bandwidth, hosting, colocation, managed security, backup/recovery solutions and SIP Trunking. For more information, call 888.444.1111 or visit [www.o1.com](http://www.o1.com).

#### **About TelePacific Communications**

TelePacific Communications is a competitive carrier that serves customers throughout California and Nevada. Headquartered in Los Angeles, the Company is the leading competitive carrier in its footprint, with customer care centers in Los Angeles and Stockton in California and Las Vegas in Nevada. In business since 1998, TelePacific provides services through a combination of TelePacific-owned switches and network infrastructure, including its own and leased robust fiber-optic network assets. Offering local and long distance voice, dedicated Internet access, private networking and data transport services as well as bundled voice and Internet solutions and wholesale services, TelePacific manages more than 39,000 customer accounts with more than 1.1 million access lines in service. For more information, visit [www.telepacific.com](http://www.telepacific.com).