

FOR IMMEDIATE RELEASE

IMPACT TELECOM COMPLETES ACQUISITION OF SMS SOLUTIONS PROVIDER CITESSENTIALS

Acquisition creates new SMS services opportunities for residential, commercial, and wholesale users

DENVER – March 17, 2014 – Impact Telecom ("Impact"), a global provider of voice and data services, announced it completed the acquisition of SMS solutions provider Citessentials. The addition of Citessentials represents a strategic move for Impact creating an entirely new complementary product line for its residential, commercial, and wholesale customer bases. Financial terms of the transaction, which closed in eary March, were not disclosed.

"We are pleased the acquisition is complete and can now turn our attention to integrating the Citessentials capabilities into our product portfolio and roll out new messaging services to our customers," said Bob Beaty, President and CEO of Impact Telecom. "Due to a growing trend in the marketplace, there is significant interest in SMS products among our commercial, wholesale, and residential customers," he added.

Impact Telecom's new SMS offering, Impact SMS, includes a proprietary SMS platform supporting SMS termination services in the U.S. and Canada as well as to more than 850 MNOs worldwide for a large number of domestic and international carrier, enterprise and service provider customers. The company is also preparing the launch of Impact CMC, which will enable commercial customers to access mobile messaging from any computer with Internet connectivity without downloads, installation, or up-front costs and manage their own SMS messaging to end-customers. For residential customers, Impact will offer SMS to selected international destinations and integrate worldwide messaging into existing international long distance and VoIP services.

Steve Sherman, in his new role as Senior Vice President, Messaging Services, will lead the efforts in introducing Impact SMS to customers, as Citessentials is integrated into Impact.

Impact will also attend upcoming conferences including Comptel PLUS (Las Vegas) and Capacity Latam in March and ITW International Telecoms Week (Chicago) in May, where the company will debut its new messaging services.

About Impact Telecom

Impact Telecom, a leader in the telecommunications market, delivers flexible and effective solutions to carriers, businesses and homes. Dedicated to innovation, affordability and execution, Impact owns and operates a state-of-the-art VoIP network carrying billions of minutes monthly, using the largest implementation of an IP-based



network connected to a nationwide Feature Group D network. Led by an experienced team with decades of industry expertise, Impact delivers quality services at competitive rates.

More information is available at http://www.impacttelecom.com.

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