



Capitol City and BandTel Join Forces to Provide Small to Mid Sized Companies Access to VoIP Solutions by Utilizing Existing Telephone Systems

Businesses to Experience Significant Cost Savings on Long Distance Charges

LINCOLN, NE — April 25, 2005 — Capitol City Telephone, an industry leader in telecommunications, announced today that the company has formed a strategic partnership with BandTel, a leading developer of Voice over Internet Protocol (VoIP) technology, to provide small to mid sized companies access to VoIP solutions by utilizing their existing telephone systems. BandTel's services are designed to leverage VoIP on an organization's current telecommunications infrastructure to produce significant cost savings on outbound and inbound 800 number long distance traffic charges.

BandTel delivers intelligent Business Class VoIP local and long distance calling over the internet that significantly lowers costs, simplifies the experience and delivers powerful communication tools, all from a single source provider. The solution eliminates the need for the long distance carrier on the front end of the call so no long distance charges are incurred. Taxes are also eliminated because the Internet is a non-regulated free trade zone, and currently is not taxed by state or federal agencies for this type of service. The solution works in conjunction with a traditional phone system so all of the same features are maintained. BandTel allows the customer, without any alterations, to leverage all of their existing phone equipment including desktop phones to take advantage of VoIP. Additionally, BandTel's VoIP service is transparent. The end user only knows a call is being transmitted via VoIP because he or she selects the BandTel VoIP trunks as a line appearance or set-up in a trunk group.

Traditionally businesses with multiple locations have had to endure many difficulties and high costs to provide seamless communication between locations. In many cases such businesses

had to resort to multiple systems. By providing BandTel as a solution the end user, can now link systems via a trunk-to-trunk transfer no matter how many different incompatible systems are in place. Many end users are paying high rates for long distance and toll charges for calls between offices. With BandTel's VoIP service, offices can have identical service at all offices and free on-net calling between multiple locations, no matter what type of phone system they have at the remote location.

"Our greatest advantage is the cost savings from long distance charges. In most situations, we can lower an organization's long distance charges to less than 3 cents per minute. This translates into savings in excess of 50% for most companies," said John Mazalewski, director of sales for the Northeast Region. "We've had great success implementing BandTel's solution in all types of businesses, regardless of their industry and our VoIP coverage spans the entire U.S. Our new partnership with Capitol City Telephone will help their customers greatly benefit from the new way companies communicate."

"After an extensive analysis of VoIP solutions we found that BandTel was the most comprehensive and fit very nicely with the needs of our customers," said Dilpreet Jammu, chairman, business manager, and partner of Capitol City Telephone. "We believe so strongly in this solution that we've been utilizing it in our own facility and the benefits have exceeded our expectations. We're excited about this partnership and its ability to help our customers tap into VoIP right away."

ABOUT BANDTEL

BandTel provides VoIP enhanced communication solutions over the largest state-of-the-art pure IP Network in North America. BandTel is an outgrowth of a very successful telecommunications company called CD Communications

(CDCS). CDCS is in the business of supplying, installing and managing IVR applications for half the regional shopping malls in America. The company was founded in 1994 with corporate offices located in Newport Beach, California.

BandTel is committed to be the premier supplier of VoIP enhanced communications services. Our extremely competitive pricing structure, unsurpassed Quality of Service and Reliability positions BandTel at the forefront of the VoIP technology. BandTel has partnered with the finest communication companies in the technology sector, which permits us to provide our customers with the highest quality products and services available today.

BandTel is located at 13 Corporate Plaza, Suite 120, Newport Beach, CA 92660. For more information, please call 949.640.5400 or visit www.BandTel.com

ABOUT CAPITOL CITY TELEPHONE

Capitol City Telephone was founded in 1993 by Bob Walter to provide the highest levels of service to businesses in eastern Nebraska. Previously, Walter was a co-owner of Midwest Telephone and Sound for 11 years. Capitol City Telephone is a factory authorized dealer of a number of telephone systems, including ESI, NEC, and all Panasonic systems. Capitol City Telephone is a member of the Technology Assurance Group (TAG), the nation's leading organization of independently owned telecommunications companies. The TAG relationship enhances Capitol City Telephone's ability to provide its business customers with voice and data services on a national basis as well as access to a wide variety of products and the industry's best rates for long distance and Internet services. For more information on Capitol City Telephone, please call 402-467-2121 in Lincoln, or visit www.cctelephone.com.