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PRESS RELEASE

PointOne's Managed IP Network Makes VoIP Ready For Prime Time

StarPoint IP™ Provides More Reliable Phone Service than Non-Facilities- Based Alternatives; Cable Operators Provide Local Presence

AUSTIN, July 14, 2004 -- PointOne today announced details of its StarPoint IP™ service, which is bringing superior residential and SOHO Internet Voice services over the largest managed Voice over IP network in North America. PointOne is teaming with regional cable operators to provide local facilities-based VoIP services to consumers accustomed to reliable and high-quality phone services.

The service, available as StarPoint IP™ Home and StarPoint IP™ Office, will be delivered through cable operators to ensure the highest Quality of Service (QoS) and provide consumers with a local presence.

PointOne has invested over \$100 million in developing a facilities-based network that covers 75% of the U.S. population with a privately managed IP network, which ensures end-to-end network performance rivaling the public switched network. PointOne's converged voice and data IP network will in most cases carry the entire phone call without touching the public Internet, ensuring that it can constantly maintain quality and performance.

"Broadband communications has evolved to the point where VoIP is ready for prime time, so long as service providers deliver the same quality and reliability that consumers have come to expect from the public phone system," said Mike Holloway, president and CEO of PointOne. "With PointOne's network behind it, StarPoint IP™ will become the platform for new voice and enhanced applications that are only possible over an IP-based network."

The ubiquity of the Internet makes it possible for entrepreneurs to offer hosted VoIP services with no investment in networking and operations infrastructure. But such services, which are being announced on an almost weekly basis, do not have the ability to guarantee – or even monitor -- consistent quality and reliability. Because local broadband suppliers are not involved in providing the service, such services likely dilute network performance in local areas as subscribers increase.

PointOne is teaming with cable operators throughout the U.S. to provide superior IP phone service to their customers, along with locally set rates, service and installation. "StarPoint IP provides a complete turnkey solution for cable providers," said Sam Shiffman Executive Vice President of PointOne. "We provide a server at the cable head end that connects the cable provider's network to the PointOne network to ensure a managed connection and assured bandwidth. This delivers the highest quality of service currently available in the industry."

StarPoint IP™ will deliver a full range of robust features to residential and SOHO customers, including long distance; local service with e911, directory assistance and operator services; enhanced features including call waiting, call return, call forward, caller ID/ID block; voice mail; 3 – way calling, conferencing; and a service provider web portal.

In addition, StarPoint IP™ Office will include abbreviated dialing; call hunt; reservation-less and multi-way conferencing; an Auto Attendant to receive incoming calls via an automated voice response system that provides directory listing and automatic call forwarding based on user extension; and free fax line.

About PointOne

Established in April 1998, PointOne operates the largest VoIP network in North America utilizing all next generation technology with over 75% on-net coverage in the U.S., designed from the ground up to provide 100 % IP based applications and services. Utilizing the industry's leading IP technologies, along with proprietary patented applications and processes; PointOne offers high-quality, QoS IP communication services. Ranked #1 vendor in performance and reliability by the largest carriers in the U.S.; PointOne, a Unipoint Holdings, Inc. company, is a privately held company headquartered in Austin, Texas. For more information, contact us at +1.512.735.1200, or visit us at www.pointone.com.

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