



Press Release

FOR IMMEDIATE RELEASE

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Covad Expands Contract with Sylantro Systems for Hosted Communications Solutions

Expanded Relationship and Multi-Year Commitment Reflect Rising Market Adoption of IP Centrex and Hosted PBX Services

At SUPERCOMM 2005, CHICAGO, June 6, 2005 – Sylantro Systems Corporation today announced it has entered into a 3-year agreement with Covad Communications Group to power the expansion of Covad's hosted voice over IP (VoIP) services. Under the terms of the agreement, Sylantro will provide subscriber licenses and associated services for its award-winning hosted communications platform. Covad VoIP vPBX utilizes the Sylantro applications feature server, combined with Covad's own value-added enhancements and channel strategies, to deliver the industry's most successful hosted VoIP service offering.

Covad recently completed a nationwide rollout of business-class VoIP services, including the Sylantro-based vPBX service, to address 125 major metropolitan markets covering more than 900 U.S. cities. Covad VoIP vPBX is a complete hosted alternative to premise-based PBXs with additional advanced features such as find me/follow me, audio and web conferencing, directory services and instant messaging. The vPBX service includes the award-winning Covad Dashboard, a browser-based portal that allows users to manage and control their VoIP services from a single, easy-to-use interface.

"Covad's investment affirms our research indicating that business users are increasingly considering hosted solutions for their communications needs," said Keith Nissen, senior analyst, business and residential networks for In-Stat, an industry analyst firm. "We expect to observe

additional significant investments by service providers as they migrate from legacy architectures to the latest fixed/mobile convergent solutions.”

The Sylanro applications feature server is scalable to support a multitude of users and provides the operability and regulatory compliance required for large-scale hosted communications deployments. This service platform gives service providers a full range of advanced communications features, including basic to advanced PBX-type capabilities and sophisticated IP-based features such as integration with popular desktop applications.

“We are very pleased to expand upon our relationship with Sylanro Systems,” said Charles Hoffman, president and chief executive officer of Covad. “Sylanro is a valued partner in the growth of our business-class VoIP services – a key element of our overall strategic plan.”

Covad VoIP vPBX service has garnered numerous industry awards including recognition as one of the top 100 mid-market products by CMP’s VARBusiness magazine. Covad also received the 2004 Service Provider Innovation Award from Cisco Systems, Inc. for the Covad VoIP business-class hosted voice service.

“We are extremely honored and pleased by Covad’s extended commitment to Sylanro and our applications feature server platform,” said Pete Bonee, president and chief executive officer of Sylanro Systems. “Covad is respected as a leader in providing national voice and data services and as a company that responds to customer needs. We look forward to an ongoing relationship with Covad as the hosted communications marketplace continues to grow and flourish.”

About Sylanro Systems Corp.

Sylanro Systems provides the premier software platform for advanced IP Centrex and hosted communications services for business, residential, wireless and other applications. The company leads the market in deployments, with carriers such as SBC, PTTs such as Swisscom, and next-generation service providers such as NuVox and Covad using the Sylanro platform. With a unique combination of advanced applications, a carrier-class platform, and proven go-to-market services, Sylanro allows service providers to rapidly deliver high-value, high-margin managed telephony services. These award-winning solutions offer business users sophisticated communications services without the cost and complexity of today’s in-house PBX and key systems, and give consumers new flexibility in their communications services. Sylanro is a privately held company backed by premier investors. On the Web: www.sylanro.com

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