

CALLTOWER ACQUIRES APPIA COMMUNICATIONS

Highly complementary product offering and addition of key personnel broadens CallTower's position as a leading global communications provider with expanded offerings to meet growing demand

CallTower Inc., a global leader in delivering cloud-based enterprise-class unified communications and collaboration solutions, announced today that it has purchased Appia Communications Inc., a Traverse City, Michigan based industry leader of cloud-based applications and communication services.

In joining forces, CallTower will be able to deliver a broader range of services and solutions to the combined customer base and new business customers of all sizes. The combination further broadens employees, shareholders, partners and customer's overall value while strengthening CallTower communication service offering.

"The acquisition of Appia creates an exciting opportunity for our customers, partners and shareholders," said CallTower's Chief Executive Officer, Bret England. "In addition to expanding product offerings and market position, this is a strategic transaction for our customers and partners. We believe this combination will give our customers greater product choices, expanded support, and more resources. We are looking forward to working diligently and expeditiously to integrating Appia into CallTower, releasing additional innovative products and services, and continuing to provide best in class customer experience."

Both companies are highly rated by customers and partners on implementations, service, along with product and technical knowledge base. Collectively, CallTower and Appia have successfully implemented and support more than 150,000 users on cloud-based communication services.

Q Advisors, a global TMT investment banking boutique, acted as the exclusive financial advisor to CallTower.

Financing for the transaction was provided by Bregal Sagemount.

Financial terms of the deal were not disclosed.

About CallTower

CallTower exists to enable people to easily connect to transact business communications. Since its inception in 2002, CallTower has become a leading provider of cloud-based, enterprise-class Unified Communications solutions for growing organizations worldwide. CallTower provides, integrates and supports industry-leading, cloud-based, Unified Communications and Collaboration solutions, including Cisco® Unified Communications Manager, Microsoft® Skype for Business, Office 365 and Adobe Connect services for business customers.

CallTower enhances customers' strategic and operational capabilities by integrating VoIP service, mobile applications, email hosting, unified messaging, instant messaging, audio, web and video

conferencing, collaboration tools, contact center, cloud services and global networks solutions into one reliable platform. For more information visit www.calltower.com.

About Appia

Headquartered in Traverse City, Michigan, Appia has operations in Chicago, Dallas, Indianapolis, Los Angeles, St. Louis, Atlanta, and Ashburn, VA. Appia delivers service to customers with locations across in the U.S. and around the world. Appia has been recognized as one of the fastest-growing private companies in America (Inc., 2007, 2008, 2009, 2010, 2011), one of the fastest-growing solution providers in the technology industry CRN, (2009, 2010, 2011), and one of the top managed service providers in the world (MSPmentor, 2009, 2010, 2011, 2012). Appia's managed solutions simplify customer operations and save capital and operating dollars. Appia customers range in size from one to 60,000 employees and from one to over 200 locations. Appia represent all the major verticals, including construction, education, engineering, entertainment, government, healthcare, legal, manufacturing and nonprofit.

About Bregal Sagemount

Bregal Sagemount is a growth-focused private capital firm with \$1.7 billion in committed capital. Founded in 2012, the firm provides flexible capital and strategic assistance to market-leading companies in high-growth sectors across a wide variety of transaction situations. Bregal Sagemount invests \$8 million to \$150 million per transaction into both control and non-control positions and will make equity and/or debt investments. Targeted sectors include software, digital infrastructure, healthcare IT services, business and consumer services, and financial technology / specialty finance. For more information, please visit www.sagemount.com.

About Q Advisors

Q Advisors LLC is a world-class global boutique investment bank formed in 2001 serving public and private companies, PE firms, entrepreneurs and large multi-nationals in the telecom, media, and technology (TMT) sectors. The firm has extensive, global reach, while also providing the personalized service of a boutique advisory firm. Thanks to our partners and senior staff, who come from leading investment banks and operating companies, we leverage extensive industry knowledge and analytical insights to help our clients achieve successful M&A and capital markets transactions. For more information, please visit www.qllc.com.

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