



## Founders Equity Portfolio Company - CTi Continues Quest to Build World Class Converged Network Systems Integrator

*AAA Networks is third major acquisition of CTi's consolidation strategy*

August 19, 2005 | WHITE PLAINS, NEW YORK—Convergence Technologies, Inc. (CTi), a White Plains, New York based company specializing in the integration of voice and data networks, announced today the closing of its acquisition of AAA Networks of Falls Church, Virginia.

Len Fassler, Chairman of CTi said, "We started CTi in November of 2004 and have previously acquired two companies: Open Systems Technologies of Clifton Park, New York and WorldNet Technology Consultants of Reading, Pennsylvania. With the acquisition of AAA Networks, we expand our geographic reach into the Washington, D.C./Virginia/Maryland areas and also acquire impressive service offerings, including voice, video, carrier services, and network design, including VoIP."

Mr. Fassler continued, "In the past, the CTi senior management team has successfully built several companies through an acquisition and integration strategy. We believe that the time and market are right for a convergence centric systems integrator to assist customers with the transition from separate voice, video and data networks to highly efficient converged network technology. Our initial footprint will be from Boston to Washington D.C."

AAA Networks was founded in 1992 by Don Eckrod, President of the Company. Over the years, AAA Networks has grown dramatically both in the number of clients and capabilities by providing turnkey services to its customers, which include network design and integration, provisioning of carrier network services, and continued support and maintenance.

Don Eckrod, President of AAA Networks, commented, "For the past several years, we have sought to expand our company's capabilities and reach to further assist our customers with their voice, video, data and security needs. While we have been successful in growing the Company quite substantially over the years, we see a real opportunity in joining with CTi to build a strong regional presence. My team and I are very impressed with CTi's management and business model. We look forward to an exciting and rewarding experience as we join our companies, expand our geographical reach and technical capabilities, and continue to deliver superior levels of customer and employee satisfaction.

AAA Networks is a Cisco Silver partner, Tandberg Platinum partner, a Verizon Platinum Solutions Partner and also sells products and services from EMC, Microsoft, NEC and APC. The Company's ability to quickly provision and install communications circuits from ISDN to Optical Carrier has distinguished it with its customers. Through Tandberg, the Company provides full interactive video conferencing and also designs and installs video conferencing centers for its customers including numerous Federal Agencies and commercial customers. AAA Networks is one of the country's leading Cisco IP Communication providers and is a leading Cisco solution provider in the Washington DC metro region."

Founders Equity, Inc., a New York City based private equity firm, is the majority investor in Convergence Technologies, Inc. J.D. White, a partner at Founders Equity said, "We believe the AAA acquisition will be an excellent complement to the CTi family. We are highly impressed by AAA Networks' outstanding relationship with Verizon and other

key vendors such as Cisco and Tandberg. We continue to invest capital in CTi which signals our continuing support and commitment to our mutual vision to build a world class converged network systems integrator and therefore we welcome AAA Networks to CTi.”

Mr. Fassler, Chairman of CTi concluded, “In the last ten months, we have put together a unique, profitable and very accomplished company by blending the talents, customer base and vendor relationships of our acquired companies. With the acquisition of AAA Networks, CTi is at an annual revenue run rate of approximately \$50 million and we have a number of additional exciting acquisition opportunities before us at this time.”

#### About Founders Equity Inc.

Since 1969, Founders Equity has been actively engaged in private equity investing and enhancing the value of small to mid-cap enterprises. All of its principals have had significant operating experience and, accordingly, Founders Equity strives to be added-value partners with entrepreneurial owners and management teams. It focuses on later stage growth equity investments, recapitalizations or buyouts of established businesses and management teams pursuing an acquisition growth strategy. Founders Equity has a \$140 million fund and is actively adding to its portfolio of companies. For more information on Founders Equity, please visit our website at [www.fequity.com](http://www.fequity.com).

#### About CTi.

CTi was founded in 2004 with the objective of acquiring and integrating profitable voice and data systems integrators who have demonstrated proficiency in designing, deploying and managing voice, video, data, and security networks. CTi seeks to acquire highly qualified and successful systems integrators in the Boston to Washington corridor with the purpose of consolidating these entities into a single super-regional force in the convergent technologies business. For more information, please visit our website at [www.converge-it.com](http://www.converge-it.com).