



Ecuity Selects Xten as Its Preferred VoIP Softphone Client for Its V-Tone Smart Call Service

V-Tone Smart Call Integrates with Traditional Telephone Networks

Making it Easy to Leverage the Advantages of VoIP

BELLEVUE, WA – May 31, 2005 – Ecuity, Inc., (OTCBB: ECUI), a Voice-over-Internet Protocol (VoIP) communications company delivering solutions for the small-to-medium-sized business and residential markets, today announced it has selected Xten Networks, Inc. (OTCBB: XNWK), as Ecuity's preferred softphone client for V-Tone Smart Call, Ecuity's global Public Switched Telephone Network (PSTN) service. Xten Networks is a software provider of VoIP, Video over IP, Instant Messaging (IM), and Presence SIP softphones for laptops, desktops and Pocket PC hand held PDA's.

V-Tone Smart Call is a service from Ecuity which integrates traditional telephone networks with VoIP, enabling customers to turn their PC or Pocket PC into an enhanced telephone system. The combination of Ecuity's VoIP service and Xten's softphones allows people to place and receive phone calls conveniently over any private Wi-Fi network, public HotSpot or broadband network.

"Xten softphones enable delivery of quality voice communications on laptops, PCs, and Pocket PC mobile devices over any broadband IP network," explained Jon Schnelz, vice president of technology for Ecuity, Inc. "Xten also supports Session Initiation Protocol (SIP) open standards, a critical factor in Ecuity's selection of the company as its preferred softphone client for V-Tone Smart Call."

"We are very pleased to have been selected as Ecuity's preferred softphone client for V-Tone Smart Call," said Erik Lagerway, COO and president of Xten. "It is important to us that we offer consumers, road-warriors and enterprise customers excellent sound quality, comfort and convenience for IP-based communications."

Shane Smith, Ecuity's CEO added, "The ability for our customers to add Smart Call soft IP phones to their laptops provides another level of flexibility to our hosted offerings. This mobile service is an extremely productive tool for single user or multi-user PBX environments."

About V-Tone Smart Call

V-Tone Smart Call delivers call quality that is equal to or superior to fixed phone service, with a range of service plans that include numerous features as well as fixed minute or unlimited long distance for local, national or worldwide calling. Features of the service include voice mail, caller ID, Unified Messaging, Simultaneous Ring and click-to-dial integration with Microsoft Outlook.

V-Tone Smart Call is available virtually anywhere in the United States and in international markets. Customers can call 1 866-41 VTONE (1 866-418-8663) to arrange installation of service or secure a custom solution quotation.

About Xten Networks, Inc.

Xten Networks is a developer of award-winning, high-quality, carrier-grade VoIP (Voice over IP) and Video over IP SIP softphones for service providers, cable operators, Internet telephony service providers, IP PBX manufacturers and OEMs. Xten's SIP softphones are available either pre-configured or as a software development kit (SDK), and provide VoIP (Voice over IP), Video over IP, IM (Instant Messaging), and Presence functionality. eyeBeam -- Xten's feature-rich SIP Video over IP softphone with IM and Presence -- recently received both Communications Solutions® Magazine's and INTERNET TELEPHONY® Magazine's "Product of the Year" Award for 2004. Through deployments with leading service providers, Xten technology is deployed in more than 5,400,000 IP endpoints worldwide. For more information please visit www.xten.com.

About Ecuity, Inc.

Ecuity is a VoIP communications service provider for ISP's, Internet Telephony Service Providers, SMB and residential markets. Ecuity's carrier network and SIP-based infrastructure provide for the delivery of full-featured PBX, IP trunking and individual residential services over broadband and fixed wireless networks. As a facilities-based carrier, Ecuity operates as both an Internet and traditional telephone company providing competitive Internet and long distance services to tens of thousands of customers across the country. Ecuity has offices in Bellevue, Washington. For more information please call 1 866-41 VTONE (1 866-418-8663).

For more information on Ecuity, please contact:

Jennifer Gehrt or Karen Dawson, Communiqué Public Relations

+1.206.282.4923

jennifer@communiquepr.com or karen@communiquepr.com

For Ecuity Investor Relations:

Laina Cole

+1.206.210.5030

laina.cole@ecuityinc.com

For more information on Xten, please contact Investor Relations - KCSA Worldwide:

Todd Fromer

+1.212.896.1215

tfromer@kcsa.com

Michael Cimini

+1.212.896.1233

mcimini@kcsa.com

For more information on Xten products, please contact Media Relations:

Tiffany Zinck

+1.604.628.2127

pr@xten.com