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Z-TEL'S VOIP VISION BECOMING REALITY

With Help of Acme Packet and Ubiquity, Z-Tel Differentiates Its Planned Broadband Offering with Highly Personalized Services

TAMPA, Fla. (February 11, 2004) – Z-Tel Communications, Inc., a wholly owned subsidiary of Z-Tel Technologies, Inc. (Nasdaq/SC: ZTEL) and leading provider of local, long distance and enhanced telecommunications services, today announced the selection of Ubiquity and Acme Packet™ as strategic technology partners in Z-Tel's planned voice over Internet protocol ("VoIP") program. Concurrent with this selection, Z-Tel purchased software and equipment from both companies intended to make its existing enhanced telecommunications services compatible with its forthcoming VoIP products. Z-Tel's enhanced services offer its current customers a highly personalized communications experience and include its award-winning voice-activated dialing and conference calling feature, Personal Voice Assistant™, as well as Web-accessible voicemail, multiple-number call forwarding and voicemail message notification by email, cell phone or pager.

Ubiquity's Session Initiation Protocol ("SIP") Application Server is a carrier-class deployment platform and application creation environment that Z-Tel expects to enable delivery of cost-effective, reliable new services, differentiate its offering and drive new revenue streams. Ubiquity's platform is designed not only to allow Z-Tel to originate and terminate IP communications services over Z-Tel's VoIP network, significantly increasing service margins, but also to provide powerful call handling services that are a core capability of the second generation of Personal Voice Assistant. The company anticipates that its relationship with Ubiquity will bolster its differentiation among US-based service providers through the creation of new, exciting IP communications services.

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Z-Tel selected Acme Packet's Net-Net™ session border controllers for its hosted NAT traversal and advanced security and topology hiding features, which are important when offering hosted IP services. Later this year, when Z-Tel plans to begin exchanging traffic with other leading IP service providers, Acme Packet's signaling interworking functionality will prove critical. The architecture of Acme Packet's Net-Net products tightly couples the signaling with the media control, which is important when dealing with real-time interactive communications such as VoIP. Z-Tel expects the Net-Net products to allow the company to maximize its network reach and increase revenue and profits.

Gregg Smith, president and chief executive officer for Z-Tel, said, "We are putting the best hardware, software and partners in place to prepare for the launch of our VoIP services. We expect our relationships with Ubiquity and Acme Packet, as well as our recently announced relationship with Cisco, to help us introduce the Z-Tel brand to the VoIP world. Through these relationships, we look forward to bringing our customers a vastly personalized experience with their communications services while offering them the highest level of service quality and security."

Mr. Smith continued, "These relationships are important stepping stones for Z-Tel as we broaden our service structure and our brand to include IP telephony and as we continue our move to becoming a complete communications management company. We look forward to long and successful relationships with both Acme Packet and Ubiquity as we further that transition."

About Z-Tel

Z-Tel offers consumers and businesses nationwide enhanced wire line and broadband telecommunications services. All Z-Tel products include proprietary services, such as Web-accessible, voice-activated calling and messaging features, that are designed to meet customers' communications needs intelligently and intuitively. Z-Tel is a member of the Cisco Powered Network Program and makes its services available on a wholesale basis to other communications and utility companies, including Sprint. For more information about Z-Tel and its innovative services, please visit www.ztel.com.

About Ubiquity

Ubiquity Software Corporation develops and markets SIP-based communications software, including its award-winning SIP Application Server (SIP A/S) and Speak Conference Director. The SIP A/S is both a carrier-class deployment platform and a programmable, standards-based application creation environment (ACE) that allows providers to develop and deploy next-generation converged communications services. Speak Conference Director is a rich media conferencing application built using the SIP A/S and sold to service providers worldwide. Use of the SIP A/S is extended to service providers and Independent Software Vendors (ISVs) through open, standards-based application programming interfaces (APIs). Ubiquity has corporate offices in the US, UK and Canada. For more information, please visit www.ubiquity.net or email info@ubiquity.net.

About Acme Packet

Acme Packet enables network service providers to deliver premium, interactive communications - voice, video and multimedia sessions - across IP network borders. Our award-winning Net-Net family of session border controllers satisfies critical security, service assurance and law enforcement requirements in wireline, wireless and cable networks. The Net-Net session border controllers are deployed in over 30 production networks worldwide, spanning all application areas - service provider IP peering, hosted IP services and voice ASP services -- and all protocols - SIP, H.323, and MGCP. For more information, contact us at +1 781.756.6800, or visit us at www.acmepacket.com.

Cautionary Statements About Forward-Looking Statements

This press release contains forward-looking statements. These forward-looking statements are based on the belief of our management, as well as assumptions made by and information currently available to our management. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. The words "believe," "anticipate," "intend," "expect," "estimate," "project" and similar expressions are intended to identify forward-looking statements. Forward-looking statements describe our expectations today of what we believe is most likely to occur or may be reasonably achievable in the future, but they do not predict or assure any future occurrence and may turn out to be wrong. Forward-looking statements are subject to both known and unknown risks and uncertainties and can be affected by inaccurate assumptions we might make. Consequently, no forward-looking statement can be guaranteed. Actual future results may vary materially. Accordingly we caution readers that there can be no assurance that the launch of our VoIP services will occur as planned, that the Ubiquity and ACME technologies will work as expected and that our enhanced services will distinguish us from significantly competitors for a significant period of time. We do not undertake any obligation to publicly update any forward-looking statements to reflect new information or future events or occurrences. These statements reflect our current views with respect to future events and are subject to risks and uncertainties about us, including risk factors that are described in detail in Z-Tel's 2002 Annual Report on Form 10-K filed on March 31, 2003; and in Z-Tel's other filings with the Securities and Exchange Commission.