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PARAGON SOFTWARE GROUP SIGNS WITH VALUE ADDED DISTRIBUTOR VADIS SYSTEMS, ADVANCING ITS FOOTHOLD IN AUSTRALIA AND NEW ZEALAND

Irvine, CA — February 28, 2012 — Disaster recovery and data protection software developer Paragon Software Group (PSG), today announced that it signed with VADIS Systems, a value added distributor, to help expand its foothold in the Australia and New Zealand region. VADIS Systems will lead the effort to attract top VARs and MSPs to help Paragon service its fast-growing customer base for its backup and disaster recovery as well as storage management and optimization product lines throughout Australia and New Zealand.

Entirely channel focused, Paragon's two-tiered reseller program offers great benefits such as lead distribution, competitive upgrades, aggressive margins and joint marketing. All sales and technical training and certifications are free of charge for partners. With aggressive revenue goals for upcoming years, Paragon is focusing on VAR recruitment and training during 2012 to expand its presence in the ANZ IT channel.

Paragon's market share is growing rapidly, with about 70 percent of new customers switching to Paragon backup and disaster recovery products from Symantec, Acronis and StorageCraft. Industry reviewers frequently rate it above the competition.

"We only work with the best of the best vendors, so we are very careful about with whom we partner," said Sepp Stepanian, managing director and co-founder of VADIS Systems. "Paragon offers innovative technology, top technical support, and a channel-friendly business model; we look forward to growing business for both companies." In addition to offering highly competitive backup and disaster recovery solutions for small and mid-sized companies, Paragon is a market leader for imaging and storage media management solutions in the enterprise market segment, offering powerful DR, virtualization, migration, and partition structure and alignment optimization solutions.

"We are proud to have been selected as VADIS Systems' Backup and DR vendor of choice, and we are extremely excited to be working with VADIS. Their reputation in the storage space is outstanding, and with their focused expertise and vast experience, as well as their 'no-nonsense' way of doing business, VADIS will be instrumental in helping Paragon grow its business in Australia and New Zealand," said

Daniel Eickhoff, director of channel sales at Paragon Software Group, Inc. "Paragon is a great choice for companies looking for highly innovative, proven and cost-effective software products. We look forward to growing our relationship with VADIS for years to come."

VADIS Systems carries all of Paragon's product line, including the highest selling [Backup 10 Server/Virtual Server](), [Hard Disk Manager 11 Server/Virtual Server](), and the [Paragon Alignment Tool 3.0]().

About VADIS Systems

VADIS Systems delivers true value added service to all aspects of the pre and post-sales cycle. The company's aim is to add value to all members of the channel cycle – vendor, reseller and end-user. This is done through a pro-active and flexible business model that allows the different parties to build their business in a way that matches their needs. VADIS has a focus on three key technology areas: infrastructure solutions, security and cloud infrastructure services.

About Paragon Software Group

Paragon Software Group is an innovative software developer focused on two dynamic growth markets—data storage and mobile productivity. The company's comprehensive product line for the data storage market addresses the needs of data security, storage and management for PCs, servers and networks. A second portfolio of products focuses on mobile productivity applications for handheld devices. Founded in 1994, Paragon Software has offices in the USA, Germany, Japan, Poland and Russia delivering its solutions to consumers, small business and enterprise clients worldwide through a network of Value Added Resellers, distributors and OEMs as well as online through the company website. Paragon Software provides technology to a host of world class companies and partners including Cisco, Dell, HP, WD, ASUS, Seagate, LG, Logitech, Buffalo, Iomega, Siemens, Lenovo, Microsoft, Motorola, Nokia, and more. For more information please visit the company website at [www.paragon-software.com]().

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