

BEDFORD FUNDING ACQUIRES KZO INNOVATIONS

\$1.4B Private Equity Firm Invests in Leading Video Platform; New Healthcare Collaboration Technology to Increase Provider-Patient Engagement and Diagnostic Resources

WHITE PLAINS, NY – April 24, 2013 – Bedford Funding, a private equity firm specializing in information technology investment opportunities in the Human Capital Management and Healthcare markets, today announced that it has made the first investment of its second fund, Bedford Funding II, with the acquisition of KZO Innovations, a leading video content management and delivery provider. Bedford Funding II is strategically focused on technology investments within the Healthcare arena designed to increase efficiency, enable collaboration, accelerate diagnostic outcomes and address the changing models of provider-patient delivery and care.

“Visual imaging technologies have always been a formative diagnostic tool within the healthcare arena. We are now seeing the expansion and ever-increasing opportunity of video technology in every aspect of the provider-patient engagement model. Today’s investment in KZO’s video platform technology is the first in a series of acquisitions we will pursue with our newest \$1 billion fund dedicated to addressing the needs of healthcare providers and consumers within the evolving healthcare landscape,” said Charles S. Jones, Managing Partner of Bedford Funding. “With KZO, we intend to help doctors alleviate the increased pressures they are facing in the managed care environment to triage patients efficiently and reach diagnosis quickly while we also meet the information and engagement requirements of patients, who are making critical and emotional decisions about their health, well-being and longevity.”

KZO has pioneered user engagement with video to enable new collaborative approaches for organizations through advanced video solutions, driving effectiveness and efficiencies in training, education and communication. The KZO video technology is strongly differentiated in its marketplace with extensive content search capabilities and first-of-its-kind collaboration

functionality, which enables audio tagging, content searching, video tabbing, discussion threading and interactive dialog within all types of digital and audio resources. The applications also enable, live chat with experts or content owners, companion document and digital resource synchronization and an increasingly rich library of viewer contributions and content, expanding the value and relevance of digital content properties.

Bedford Funding will drive better solutions in the Healthcare market with practical and immediate technology applications that increase information access and provider efficiency and improve patient readiness and outcomes. For doctors, this new video platform enables real-time collaboration and virtual discussions with specialists, immediate access to video libraries of data, statistics and procedures, advanced training opportunities, and enhanced patient provider engagement outside of the office in a controlled, but personal online environment. For patients, video enabled interactions promote a more complete understanding of conditions, treatment regimens and longer-term care, assist in surgery preparation and expectations, offer statistics and research around diagnoses, enable ongoing personal interactions with healthcare providers through virtual office visits and deliver increased patient empowerment and readiness.

Mr. Jones concluded, “We see ever-increasing innovation in the Healthcare Information Technology marketplace and are delighted that our investors have so strongly supported our investment strategy and initial targets for this fast-growing vertical with a \$1 billion endorsement. We continue to examine several target technologies in the healthcare marketplace to fulfill the vision of Bedford Funding II.”

Bedford Funding’s first fund of \$400 million is focused on integrated and complementary information technologies solely in the Human Capital Management (HCM) market. Despite an uncertain global economic market, Bedford Funding I, with five acquisitions in three years, has seen demonstrable revenue growth year over year. KZO video technology will also have key applications across Bedford Funding’s HCM portfolio (see Peoplefluent Launches Digital Enterprise Group, April 22, 2013).

Under the daily direction of Mr. Jones, Bedford Funding has expanded its financial and analyst teams to accommodate the additional fund. Mr. Jones has been a middle market M&A banker as well as an executive operator. He executed a global industry roll-up from the U.K., completed sixty middle-market corporate finance transactions and had notable success at Geac, where he built the stock price from US\$1.12 in April of 2001 to US\$11.10 in March of 2006, when he led the sale of the company for \$1 billion.

About KZO Innovations

Founded in 2007, KZO is a social online video platform used to manage, distribute and capture video content. Differentiated by extensive search and collaboration capabilities, KZO helps its commercial enterprise and government agencies increase efficiency, collaboration, training and engagement through advanced video capture and management services. The company is based in Reston, VA and serves customers worldwide. For more information, please visit www.kxoinnovations.com.

About Bedford Funding

Bedford Funding is a private equity firm providing long-term capital to businesses in the consolidating and fragmented technology industry with experienced industry focus in the software and IT services sectors. Our extensive operating backgrounds have led to a keen understanding of the opportunities inherent in technology enterprises. Bedford Funding was founded in 2006 with launch of its initial fund- Bedford Funding I- and recently raised Bedford Funding II in December, 2011. Bedford Funding makes investments worldwide from its headquarters located in White Plains, New York. . For more information, please visit the company's website at www.bedfordfunding.com.