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FOR IMMEDIATE RELEASE

vRad Announces Settlement of Intellectual Property Infringement and Misappropriation Lawsuit Against Tandem Radiology

Lawsuit filed to protect vRad's ability to invest in innovative technologies and solutions to enhance patient care and improve the practice of radiology

MINNEAPOLIS, MN — (September 19, 2014) vRad (Virtual Radiologic), the nation's largest telemedicine company and radiology practice with over 500 physicians, and its wholly owned subsidiary, NightHawk Radiology Services, LLC (NRS), today announced the resolution of the lawsuit filed in Arizona against Tandem Radiology asserting patent infringement against the Tandem teleradiology platform, along with other claims. The claims against all defendants have been settled. The settlement includes a consent judgment of patent infringement by Tandem and an injunction prohibiting use of the Tandem Platform. The parties have agreed to a wind-down period on use of the Tandem Platform to ensure continuity of patient care.

As part of the settlement, Tandem maintains that the patent infringement was innocent and non-willful, which vRad and NRS do not dispute. The individual Tandem defendants do not admit to patent infringement. Tandem and the individual defendants also did not admit, and continue to deny, the other allegations alleged in the complaint, including but not limited to trade secret misappropriation, copyright infringement and breach of contract.

"We are pleased with the resolution of our lawsuit, which vindicates the validity of our patents and protects ongoing investments in our teleradiology platform," said Jim Burke, CEO of vRad. "We will continue to transform radiology with innovative and patented solutions to enhance patient care, practice performance and physician satisfaction."

The suit is Virtual Radiologic v. Tandem Radiology LLC, Civil Action No. 2:13-cv-01705-DKD in District Court for the Federal District of Arizona.

About vRad

vRad (Virtual Radiologic) is a global telemedicine company and the nation's largest radiology practice with over 500 physicians. vRad's physicians and operational platform serve 2,000+hospitals, reading over 7 million patient radiology reports annually. vRad is also a leader in healthcare informatics: its RPCSM (Radiology Patient Care) Indices are the first findings-based national and peer group benchmarking metrics for the use of radiology imaging. Our analytics platform includes over 27 million imaging studies, growing at 600,000 per month. vRad's clinical expertise and evidence-based insight help clients make better decisions for the health of their patients and their practices. For more information about the Company, including vRad's recent 2014 Frost & Sullivan Best Practices Award, please visit www.vrad.com. For real-time updates, follow us on Twitter (@vRad), or "like" us on Facebook.