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## **M\*Modal Files Voluntary Chapter 11 Petitions to Facilitate Financial Restructuring**

### **Worldwide Operations to Continue as Normal**

Franklin, Tenn. – March 20, 2014 – [M\\*Modal](#), a leading provider of cloud-based clinical documentation and Speech Understanding™ solutions, today announced it has filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code in the U.S. Bankruptcy Court for the Southern District of New York. M\*Modal expects to use the Chapter 11 process to align the Company's debt structure with its vision, strategy and operations to better position the Company for long-term success. The Company has been -- and remains -- in constructive discussions with its lenders and bondholders regarding the terms of a consensual financial restructuring plan and is focused on achieving a resolution as expeditiously as possible. M\*Modal's worldwide operations are expected to continue in the normal course throughout the restructuring process.

Duncan James, M\*Modal's Chief Executive Officer, said, "When M\*Modal was taken private in 2012, the acquisition was financed with a capital structure aligned with a specific set of assumptions that are no longer relevant. As a result, there is a need to restructure the Company's balance sheet to better align with changing market dynamics and refinements to our strategy. We intend to use the Court process to significantly strengthen M\*Modal's balance sheet and improve the Company's financial flexibility by reducing our debt burden and establishing a capital structure that supports our investment in the future."

Mr. James continued, "Throughout this process we are not changing our operational execution or strategy, and our operations will continue as normal. Importantly, we will continue what we are known for: providing innovative technologies and offering healthcare providers a superior choice when selecting their clinical documentation and speech understanding technology partner. M\*Modal has solid revenue, strong operating margins, cash flows consistent with industry norms, a large and growing customer base, and we are continuing to invest in the future. We intend to emerge with a strong financial footing so we can continue growing our market share and delivering innovative solutions to our customers."

The Company expects that its cash on hand, combined with funds generated from ongoing operations, will provide sufficient liquidity to continue operating in the ordinary course throughout this process.

Dechert LLP is serving as legal counsel, Lazard Frères & Co. L.L.C. is serving as investment banker, and Alvarez & Marsal is serving as financial advisor to M\*Modal.

#### About M\*Modal

M\*Modal is a leading healthcare technology provider of advanced clinical documentation solutions, enabling hospitals and physicians to enrich the content of patient electronic health records (EHR) or electronic medical records (EMR) for improved healthcare and comprehensive billing integrity. As one of the largest clinical transcription service provider in the U.S., with a global network of medical editors, M\*Modal also provides advanced cloud-based Speech Understanding™ technology and data analytics that enable physicians and clinicians to include the context of their patient narratives into electronic health records in a single step, further enhancing their productivity and the cost-saving efficiency and quality of patient care at the point of care. For more information, please visit [www.mmodal.com](http://www.mmodal.com), [Twitter](#), [Facebook](#) and [YouTube](#).

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