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SOLUTION-SOFT AND FALCONSTOR SIGN LONG-TERM PARTNERSHIP AGREEMENT

SafeCapacity Technology to Provide Automated Capacity Protection with IPStor for Self-Expandable Virtualized Storage

LAS VEGAS, NEVADA, May 8, 2001-- Solution-Soft Systems, Inc., the leading provider of Intelligent Data Optimization (IDO) solutions, today announced a business partnership with FalconStor Software, Inc. The companies signed a long-term partnership agreement, in which SafeCapacity will be integrated with FalconStor's IPStor to provide rule-based self-expandable virtual storage to application servers, thereby eliminating the recurrence of storage space crises faced by system administrators.

The OEM distribution agreement enables FalconStor to include a customized version of Solution-Soft's SafeCapacity software as part of its IPStor host management solution. SafeCapacity addresses the increasing need for management tools in the growing storage networking market. SafeCapacity provides easy to administer storage optimization and capacity overflow protection, providing great synergy with the virtual storage capabilities of IPStor.

"Our agreement with FalconStor to utilize our SafeCapacity technology to provide a complete managed storage solution for corporate data centers is very exciting," said Paul Wang, CTO and co-founder of Solution-Soft. "The products exceptionally complement each other, and the IPStor storage platform represents a great opportunity for Solution-Soft to tap into the fast growing storage networking market. The easy to use command-line-interface of IPStor allows us to deliver the combined solution with record time to market."

SafeCapacity uses a policy-based configuration to continuously monitor an application server's file systems, seamlessly allocating more storage space whenever needed. Additionally, SafeCapacity decreases the need to over-provision storage resources on individual systems, thus reducing storage related costs. As opposed to management by crisis, SafeCapacity automatically notifies system administrators when problems occur, and, based on pre-set rules, takes corrective action immediately to increase the amount of allocated storage. By automating capacity management, enterprises can greatly reduce their total cost of ownership of the storage system, thereby maximizing the return on investment.

"SafeCapacity is ideally suited for enterprises that need storage optimization, availability and automated capacity protection," said Wayne Lam, vice president of marketing and co-founder of FalconStor. "These features are vitally important in a mission critical, 24x7 data center environment. Rather than dealing with 'out-of-storage-space' crises on a case-by-case basis, an administrator can now program IPStor with rules to automate the correction. "

IPStor is the first open, high-performance software-only storage infrastructure to aggregate and virtualize diverse storage resources via industry standard interfaces including SCSI, Fibre Channel and iSCSI, and provision storage in the form of SAN and/or NAS over IP/iSCSI and Fibre Channel.

About FalconStor

FalconStor Software, Inc., is a storage infrastructure company bridging the divide between storage and IP networking. FalconStor's IPStor is the first software to centralize, virtualize and provision storage over IP using standard industry components such as Gigabit Ethernet, Fibre Channel, and SCSI, with future support for iSCSI and InfiniBand. Unlike network storage products that focus either on FC-to-IP tunneling or storage management, IPStor is the only product to combine IP-connectivity with essential enterprise-class storage services: virtualization, high availability (active-active fail-over), mirroring, replication, snapshot, and transparent integration with standard industry backup/recovery software. In addition, IPStor software unifies Storage Area Networks (SAN) and Network Attached Storage (NAS) under a common management umbrella, delivering both block and file level sharing to application servers and workgroup users.

Founded in 2000, the company is privately held with corporate headquarters based in Melville, NY. International headquarters include Paris, France; Taichung, Taiwan; and Tokyo, Japan. For more information, visit www.falconstor.com or call +1.631.777.5188.

About Solution-Soft

Solution-Soft is a storage software provider of Intelligent Data Optimization (IDO) solutions, which address the urgent need for automated management of data storage in a complex storage networking environment. IDO solutions facilitate automated data selection, movement and redirection that optimize high availability, storage scalability and system performance. The company has developed robust storage management software solutions for corporate data centers, XSP Infrastructure providers, and storage solution providers. Solution-Soft boasts more than 1,500 customers, including AT&T, Boeing, FedEx, and 3M. Solution-Soft's market presence is also bolstered by partnerships with Hewlett-Packard (NYSE:HWP), Sun Microsystems (NASDAQ:SUNW), Citrix Systems (NASDAQ:CTXS) and Microsoft (NASDAQ:MSFT).

Founded in 1993, Solution-Soft is privately held and based in Santa Clara, Calif. For more information, visit www.solution-soft.com or call +1.408.346.1400.

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