

# Council & Enhanced Tennessee Fund, LLC

January 30, 2013

**CONFIDENTIAL**

VIA ELECTRONIC CORRESPONDENCE

Lamont Price, CGFM, CFE  
Director of Internal Audit and Consulting  
Department of Economic and Community Development  
312 Rosa L. Parks Avenue – 27<sup>th</sup> Floor  
Nashville, Tennessee 37243

*RE: Annual TNInvestco Report*

Dear Lamont:

Pursuant to Section 4-28-110(a)(2) of the Tennessee Small Business Investment Company Credit Act, please see the attached report due January 31<sup>st</sup> for Council & Enhanced Tennessee Fund, LLC (“C&E”).

Also, attached are the TnInvestco Fiduciary Duty and Ethics, Waste, Fraud & Abuse Policy signed by the following:

Dennis C. Bottorff  
Katie H. Gambill  
Richard D. Apple  
Andrew M. Paul  
Michael A.G. Korengold

Additionally, C&E will send the \$5,000 annual certification fee by check via FEDEX.

If you have any questions or comments or need any additional information, please do not hesitate to contact me.

Sincerely,



Nicole Fiorenza Antoon  
(formerly Nicole Fiorenza Ellender)  
Counsel and Director of Compliance

Cc: Mr. John Davis  
Mr. Rick Apple

150 2<sup>nd</sup> Avenue, North, Suite 415 Nashville, TN 37201 | tel 615-255-3707 | fax 615-255-3709 [www.enhancedcapital.com](http://www.enhancedcapital.com)

Council & Enhanced Tennessee Fund, LLC  
Annual Report 2012

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Base Investment Amount \$14,000,000.00

Seed / Early Stage Multiplier 3.00 (6%)  
above 1% credit for qualified investment amount up to \$3,500,000

Qualified Tennessee Business	Investment Date	Investment Amount	% of Base Investment Amount	Seed or Early Stage Investments	Total Investment Credit	Industrial Sector NAIC Code	Description of Industry
New Dts Pharmacy Corporation	4/6/2010	365,000.00	2.6%	365,000.00	1,095,000.00	44611	Institutional Pharmacy
New Dts Pharmacy Corporation	1/2/2011	238,230.08	1.7%	185,000.00	608,230.08		
New Dts Pharmacy Corporation	5/1/2011	176,470.59	1.3%	-	176,470.59		
New Dts Pharmacy Corporation	9/2/2011	392,837.00	2.8%	-	392,837.00		
New Dts Pharmacy Corporation	7/15/2012	117,061.00	0.8%	-	117,061.00		
New Dts Pharmacy Corporation	9/2/2012	175,591.00	1.3%	-	175,591.00		
			10.5%				
Energy Source Partners, LLC	8/20/2010	500,000.00	3.6%	500,000.00	1,500,000.00	541350	Solar Power Generating Facilities
Energy Source Partners, LLC	3/3/2011	500,000.00	3.6%	-	500,000.00		
			7.1%				
Fsi, Inc	9/27/2010	1,500,000.00	10.7%	-	1,500,000.00	454000	Supply chain business process outsourcing solutions
Csp/Concho, LLC	5/19/2011	250,001.00	1.8%	-	250,001.00	511210	Financial Information Technology
Shareholder/Insite (R/A/Csp/Concho)	8/13/2012	250,022.50	1.8%	-	250,022.50		
			3.6%				
Advanced Network Solutions	8/15/2011	500,000.00	3.6%	-	500,000.00	541512	Local area network computer systems integration design systems
Payment America Systems, Inc	11/2/2011	480,000.00	3.4%	-	480,000.00	561110	Healthcare Revenue Cycle Management
Network Contact Solutions, LLC	7/2/2012	300,000.00	2.1%	-	300,000.00	541511	Customized software application services
Network Contact Solutions, LLC	12/19/2012	110,000.00	0.8%	-	110,000.00		
			2.9%				
AHT Molecular Imaging, Inc	9/4/2012	500,000.00	3.6%	-	500,000.00	319110	Medical Equipment and Supplies Manufacturing
Daloon Communication Systems, Inc	11/9/2012	250,000.00	1.8%	-	250,000.00	334290	Other Communications Equipment Manufacturing
The Rehab Documentation Company, Inc	12/18/2012	1,100,000.00	7.9%	1,050,000.00	1,100,000.00	511210	Application Software computer packaged
<b>Totals:</b>		<b>7,706,513.17</b>		<b>1,050,000.00</b>	<b>9,905,213.17</b>		

Amount of Remaining Designated Capital Left to Invest \$4,194,786.83

Plus reinvestment required from partial liquidation by Energy Source Partners \$886,231.60

Total Amount of Remaining Designated Capital Left to Invest \$5,001,110.43