

Printed by the State

January 27, 2011

Commissioner Bill Hagerty
State of Tennessee
Department of Economic and Community Development
312 Rosa L. Parks Avenue, 11th Floor
Nashville, TN 37243

Commissioner Hagerty,

RE: Report on Remaining Designated Capital

I am submitting this report on behalf of **Memphis Biomed Ventures Tennessee I, LLC** ("MBVTN") in compliance with the Statute 4-28-110 (a)(2)(A)-(D).

- A. The amount of the qualified TNInvestco's remaining un-invested designated capital at the end of the immediately preceding taxable year:
 - a. **\$4,541,886.10** (Note: This does not include any future tranches.)
- B. Whether or not the qualified TNInvestco has invested more than fifteen percent (15%) of its total designated capital in any one business:
 - a. **None.**
- C. All qualified investments that the qualified TNInvestco has made in the previous taxable year, including the number of employees of each qualified business in which it has made investments at the time of such investment and as of December 1 of the preceding taxable year:
 - a. **None.**
- D. For any qualified business where the qualified TNInvestco no longer has an investment, the qualified TNInvestco must provide employment figures for that company as of the last day before the investment was terminated.
 - a. **None.**

As you know, MBVTN was one of the firms most recently added to the TNInvestco program. Closing on our credits occurred just a few months ago. While we have screened and evaluated several interesting investment prospects, we have not yet made our first commitment. However, we have several in due diligence at the moment and hope to make our first investment in 1Q11.

Please let me know if you have any questions.

Sincerely,

Gary D. Stevenson
Memphis Biomed Ventures Tennessee I, LLC

cc. Lamont Price