February 13, 2013

State of Tennessee
Department of Economic and Community Development
Attn: Lamont Price, Director of Internal Audit and Consulting
312 Rosa L. Parks Avenue, 11th Floor
Nashville, TN 37243

RE: NEST-TN 2012 Report - Remaining Designated Capital (Revised to include 2012 investment amount)

To Whom It May Concern:

As required by Section 4-28-110(a)(2) (A)-(D) of the Tennessee Small Business Investment Company Credit Act, NEST-TN, LLC hereby reports the following:

(A) NEST-TN, LLC's remaining un-invested designated capital on December 31, 2012, is THREE MILLION, EIGHTY THOUSAND, SIX HUNDRED, and EIGHTY SIX DOLLARS and THIRTY FOUR CENTS ($3,080,686.34).

(B) NEST-TN, LLC has not invested more than fifteen percent (15%) of its total designated capital in any one business.

(C) NEST-TN, LLC has made the following qualified investments:

1. Agilum Healthcare Intelligence, Inc.
   a. $400,000 Invested in 2012
   b. 19 Employees as of December 1, 2012
   c. 19 Employees as of December 31, 2012
   d. 07 Women and/or Minority Employees as of December 1, 2012
   e. 07 Women and/or Minority Employees as of December 31, 2012

2. American Geothermal
   a. $0.00 Invested in 2012
   b. 10 Employees as of December 1, 2012
   c. 09 Employees as of December 31, 2012
   d. 02 Women and/or Minority Employees as of December 1, 2012
   e. 02 Women and/or Minority Employees as of December 31, 2012
NEST-TN 2012 Report – (Revised) Remaining Designated Capital

3. Apax Group, The (DBA CORTAC)
   a. $650,000 Invested in 2012
   b. 05 Employees as of December 1, 2012
   c. 05 Employees as of December 31, 2012
   d. 01 Women and/or Minority Employees as of December 1, 2012
   e. 02 Women and/or Minority Employees as of December 31, 2012

4. Big Box Overstocks
   a. $402,500 Invested in 2012
   b. 06 Employees as of December 1, 2012
   c. 06 Employees as of December 31, 2012
   d. 04 Women and/or Minority Employees as of December 1, 2012
   e. 04 Women and/or Minority Employees as of December 31, 2012

5. Consensus Point
   a. $765,000 Invested in 2012
   b. 06 Employees as of December 1, 2012
   c. 06 Employees as of December 31, 2012
   d. 02 Women and/or Minority Employees as of December 1, 2012
   e. 02 Women and/or Minority Employees as of December 31, 2012

6. Cutting Edge Wheels
   a. $380,000 Invested in 2012
   b. 02 Employees as of December 1, 2012
   c. 02 Employees as of December 31, 2012
   d. 00 Women and/or Minority Employees as of December 1, 2012
   e. 00 Women and/or Minority Employees as of December 31, 2012

7. Gayle Technologies Inc. (GTI)
   a. $15,000 Invested in 2012
   b. 07 Employees as of December 1, 2012
   c. 06 Employees as of December 31, 2012
   d. 02 Women and/or Minority Employees as of December 1, 2012
   e. 02 Women and/or Minority Employees as of December 31, 2012

8. J2 Software Solutions, LLC
   a. $475,000 Invested in 2012
   b. 36 Employees as of December 1, 2012
   c. 32 Employees as of December 31, 2012
   d. 13 Women and/or Minority Employees as of December 1, 2012
   e. 09 Women and/or Minority Employees as of December 31, 2012

9. NuScriptRx
   a. $171,368.25 Invested in 2012
   b. 94 Employees as of December 1, 2012
   c. 91 Employees as of December 31, 2012
   d. 57 Women and/or Minority Employees as of December 1, 2012
   e. 63 Women and/or Minority Employees as of December 31, 2012
10. Opti-Logic Corporation
   a. $1,099,516.45 Invested in 2012
   b. 31 Employees as of December 1, 2012
   c. 19 Employees as of December 31, 2012
   d. 11 Women and/or Minority Employees as of December 1, 2012
   e. 08 Women and/or Minority Employees as of December 31, 2012

11. Opti-Source
   a. $0.00 Invested in 2012
   b. 01 Employees as of December 1, 2012
   c. 01 Employees as of December 31, 2012
   d. 00 Women and/or Minority Employees as of December 1, 2012
   e. 00 Women and/or Minority Employees as of December 31, 2012

12. Parental Health
   a. $170,000 Invested in 2012
   b. 05 Employees as of December 1, 2012
   c. 05 Employees as of December 31, 2012
   d. 01 Women and/or Minority Employees as of December 1, 2012
   e. 01 Women and/or Minority Employees as of December 31, 2012

13. Primocare
   a. $0 Invested in 2012
   b. 00 Employees as of December 1, 2012
   c. 00 Employees as of December 31, 2012
   d. 00 Women and/or Minority Employees as of December 1, 2012
   e. 00 Women and/or Minority Employees as of December 31, 2012

   a. $400,000 Invested in 2012
   b. 04 Employees as of December 1, 2012
   c. 04 Employees as of December 31, 2012
   d. 01 Women and/or Minority Employees as of December 1, 2012
   e. 01 Women and/or Minority Employees as of December 31, 2012

15. Senior Living
   a. $20,000 Invested in 2012
   b. 02 Employees as of December 1, 2012
   c. 04 Employees as of December 31, 2012
   d. 00 Women and/or Minority Employees as of December 1, 2012
   e. 01 Women and/or Minority Employees as of December 31, 2012

16. SIGNiX, Inc.
   a. $520,000 Invested in 2012
   b. 13 Employees as of December 1, 2012
   c. 14 Employees as of December 31, 2012
   d. 02 Women and/or Minority Employees as of December 1, 2012
   e. 03 Women and/or Minority Employees as of December 31, 2012
17. Venture Incite
   a. $250,000 Invested in 2012
   b. 03 Employees as of December 1, 2012
   c. 03 Employees as of December 31, 2012
   d. 00 Women and/or Minority Employees as of December 1, 2012
   e. 00 Women and/or Minority Employees as of December 31, 2012

(D) NEST-TN, LLC has not divested any investment, thus all employment data is shown in item (C) above.

Please feel free to contact Cameron Newton, President/COO, NEST-TN or myself at (931) 455-0155 if you have any questions.

Sincerely,

[Signature]

Fran F. Marcum
Chairman/CEO

NEST-TN, L.L.C.
414 Wilson Ave., Suite 102 - P.O. Box 578
Tullahoma, TN 37388-0578
Office 931-455-0155
www.nest-tn.com
Fax 931-455-4375
# TNInvestco Escrow

## Balance Sheet

**All Transactions**

<table>
<thead>
<tr>
<th>Date</th>
<th>Dec 31, 10</th>
<th>Dec 31, 11</th>
<th>Dec 31, 12</th>
<th>Jan 25, 13</th>
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<tr>
<td><strong>ASSETS</strong></td>
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<tr>
<td><strong>Current Assets</strong></td>
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<tr>
<td>Checking/Savings</td>
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<td>2,237,524.62</td>
<td>3,080,686.34</td>
<td>2,958,025.34</td>
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<tr>
<td><strong>Total Checking/Savings</strong></td>
<td>1,995,009.28</td>
<td>2,237,524.62</td>
<td>3,080,686.34</td>
<td>2,958,025.34</td>
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<tr>
<td><strong>Total Current Assets</strong></td>
<td>1,995,009.28</td>
<td>2,237,524.62</td>
<td>3,080,686.34</td>
<td>2,958,025.34</td>
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<tr>
<td><strong>Other Assets</strong></td>
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<tr>
<td><strong>Investments</strong></td>
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<tr>
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<td><strong>Total Other Assets</strong></td>
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<tr>
<td><strong>TOTAL ASSETS</strong></td>
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<td>14,304,621.04</td>
<td>14,304,621.04</td>
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<td><strong>LIABILITIES &amp; EQUITY</strong></td>
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<tr>
<td><strong>Equity</strong></td>
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<tr>
<td>TNInvestco Equity</td>
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<td><strong>Total Equity</strong></td>
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