January 30, 2012

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

Dear Commissioner Hagerty:

The information provided below represents Tennessee Angel Fund’s Report on Remaining Designated Capital for the taxable year 2011.

A. At the end of the taxable year 2011, the un-invested portion of Tennessee Angel Fund’s designated capital, net of qualified tax credit sale expenses, qualified start-up expenses, qualified expenses, and management fees, was $4,264,758.61. This amount does not include anticipated future tranches of capital.

B. Tennessee Angel Fund has not invested more than fifteen percent (15%) of its designated capital in any one business.

C. Tennessee Angel Fund invested in six companies during 2011:

1. Silvercare Solutions
   i. Investment amount: $744,541.50
   ii. Number of employees, including minority and women employees, as of initial closing: 30
   iii. Number of employees, including minority and women employees, as of Dec. 1, 2011: 42

2. Inova Payroll
   i. Investment amount: $750,000
   ii. Number of employees, including minority and women employees, as of closing: 8
   iii. Number of employees, including minority and women employees, as of Dec. 1, 2011: 17

3. NuScriptRx
   i. Investment amount: $750,000
   ii. Number of employees, including minority and women employees, as of closing: 55
   iii. Number of employees, including minority and women employees, as of Dec. 1, 2011: 68

4. Shareable Ink Corporation
   i. Investment amount: $525,000
   ii. Number of employees, including minority and women employees, as of closing: 18
   iii. Number of employees, including minority and women employees, as of Dec. 1, 2011: 21

5. American Hometown Media
   i. Investment amount: $749,999.50
ii. Number of employees, including minority and women employees, as of closing: 14
iii. Number of employees, including minority and women employees, as of Dec. 1, 2011: N/A – Closing occurred after December 1st

6. NeighborMD Management
   i. Investment amount: $750,000
   ii. Number of employees, including minority and women employees, as of closing: 6
   iii. Number of employees, including minority and women employees, as of Dec. 1, 2011: N/A – Closing occurred after December 1st

D. Tennessee Angel Fund did not exit any qualified investments during 2011.

Thank you,

Chase Perry
Tennessee Angel Fund, LP
40 Burton Hills Boulevard, Suite 250
Nashville, TN 37215