January 30, 2013

Lamont Price
State of Tennessee
Department of Economic and Community Development
312 Rosa L. Parks Avenue, 27th Floor
Nashville, TN 37243

Dear Lamont:

The information provided below represents Tennessee Angel Fund’s Report on Remaining Designated Capital for the taxable year 2012.

A. At the end of the taxable year 2012, the un-invested portion of Tennessee Angel Fund’s designated capital was $8,222,905.23. This includes the $7,522,905.23 year-end balance of TAF’s state-held account plus $700,000.00 in TAF’s private account for two investments that had been approved but not yet closed as of 12/31/12. Both of the pending investments were closed and funded in January 2013.

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 five companies during 2011:

1. Silvercare Solutions
   i. Investment amount: $99,999.00
   ii. Number of employees as of initial closing: 30
   iii. Number of employees as of Dec. 1, 2012: 19

2. Inova Payroll
   i. Investment amount: $162,000.00
   ii. Number of employees as of closing: 11
   iii. Number of employees as of Dec. 1, 2012: 43

3. Complete Holdings Group
   i. Investment amount: $250,000.00
   ii. Number of employees as of closing: 31
   iii. Number of employees as of Dec. 1, 2012: 37

4. NuScriptRx
   i. Investment amount: $182,337.31
   ii. Number of employees as of closing: 55
   iii. Number of employees as of Dec. 1, 2012: 94

5. NeighborMD Management
   i. Investment amount: $160,000.00
   ii. Number of employees as of closing: 6
iii. Number of employees as of Dec. 1, 2012: 11

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