January 29, 2015

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 2014.

A. At the end of the taxable year 2014, the un-invested portion of Tennessee Angel Fund’s designated capital was $2,550,326.05 according to the year-end statement for TAF’s state-held LGIP account.

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 seven companies during 2014:

1. LiveSchool  
   i. Investment amount: $250,000.00  
   ii. Number of employees as of initial closing: 6  
   iii. Number of employees as of December 31, 2014: 5 (1 women and minority)

2. Unity Physician Partners  
   i. Investment amount: $81,818.00  
   ii. Number of employees as of initial closing: 4  
   iii. Number of employees as of December 31, 2014: 72 (50 women and minority)

3. Inova Payroll  
   i. Investment Amount: $300,000.00  
   ii. Number of employees as of initial closing: 8  
   iii. Number of employees as of December 31, 2014: 71 (50 women and minority)

4. Digital Reasoning  
   i. Investment Amount: $750,000.00  
   ii. Number of employees as of initial closing: 70  
   iii. Number of employees as of December 31, 2014: 79 (15 women and minority)

5. NextGxDx  
   i. Investment Amount: $600,000.00  
   ii. Number of employees as of initial closing: 14  
   iii. Number of employees as of December 31, 2014: 16 (2 women and minority)
6. Edo Interactive
   i. Investment Amount: $250,000.00
   ii. Number of employees as of initial closing: 78
   iii. Number of employees as of December 31, 2014: 83 (38 women and minority)

7. Ampersand Health
   i. Investment Amount: $700,000.00
   ii. Number of employees as of initial closing: 8
   iii. Number of employees as of December 31, 2014: 8 (4 women and minority)

D. Tennessee Angel Fund did not exit any of its portfolio companies during the taxable year 2014.

Thank you,

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