

XMi High Growth Development, LLC  
618 Church Street  
Nashville, TN 37219

January 26, 2011

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

Dear Lamont:

Per the requirements of the TNInvestco legislation, XMi High Growth Development, LLC (the "Fund") is required to report on the remaining designated capital as specified below –

- A) The amount of the qualified TNInvestco's remaining un-invested designated capital at the end of the immediately preceding taxable year;
- B) Whether or not the qualified TNInvestco has invested more than fifteen percent (15%) of its total designated capital in any one business;
- 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; and
- 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.

The Fund responds to the above request as outlined below:

- (A) As of December 31<sup>st</sup>, 2011, the Fund has \$1,974,321.54 in remaining un-invested designated capital. This amount has not yet been audited by our independent audit firm and is subject to verification. The remaining un-invested designated capital does not include any future tranches.
- (B) The Fund has not invested more than fifteen percent (15%) of its total designated capital in any one business.

(C) Below are the qualified investments and closing dates for the preceding taxable year.

- a. Dataium, LLC: February 2<sup>nd</sup>, 2011
- b. ProviderTrust, LLC: March 23<sup>rd</sup>, 2011
- c. Health Data Source, LLC: May 18<sup>th</sup>, 2011
- d. Industrial Ceramic Solutions, LLC: September 7<sup>th</sup>, 2011
- e. Criterion Holdings, LLC: September 20<sup>th</sup>, 2011
- f. Dataium, LLC: September 29<sup>th</sup>, 2011
- g. BorderJump, LLC: November 22<sup>nd</sup>, 2011

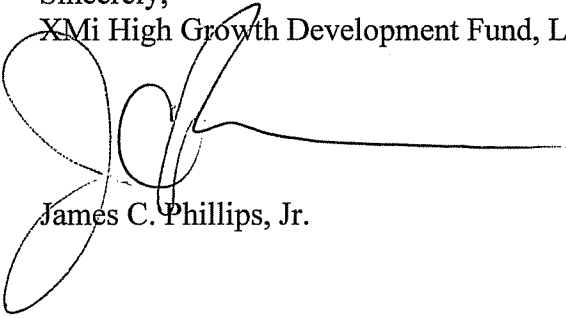
According to the State's definition, below is the employment information as requested above as provided by each portfolio company.

- a. Dataium, LLC: As of the Closing date on February 2<sup>nd</sup>, 2011, the Company had 0 employees. As of December 1<sup>st</sup>, 2011, the Company had 0 employees.
- b. ProviderTrust, LLC: As of the Closing date on March 23<sup>rd</sup>, 2011, the Company had 4 employees. As of December 1<sup>st</sup>, 2011, the Company had 7 employees. Of these employees, 2 were female and none were minorities.
- c. Health Data Source, LLC: As of the Closing date on May 18<sup>th</sup>, 2011, the Company had 1 employee. As of December 1<sup>st</sup>, 2011, the Company had 7 employees. Of these employees, 1 was female and none were minorities.
- d. Industrial Ceramic Solutions, LLC: As of the Closing date on September 7<sup>th</sup>, 2011, the Company had 2 employees. As of December 1<sup>st</sup>, 2011, the Company had 3 employees. Of these employees, none were female or minorities.
- e. Criterion Holdings, LLC: As of the Closing date on September 20<sup>th</sup>, 2011, the Company had 8 employees. As of December 1<sup>st</sup>, 2011, the Company had 30 employees. Of these employees, 6 were female and 3 were minorities.
- f. Dataium, LLC: As of the Closing date on September 29<sup>th</sup>, 2011, the Company had 0 employees. As of December 1<sup>st</sup>, 2011, the Company had 0 employees. (*See Note Below*)
- g. BorderJump, LLC: As of the Closing date on November 22<sup>nd</sup>, 2011, the Company had 3 employees. As of December 1<sup>st</sup>, 2011, the Company had 3 employees. Of these employees, none were female or minorities.

*Note: As previously discussed with the State, Dataium will be converting all of its contractors into employees in the Spring of 2012.*

(D) As of December 31<sup>st</sup>, 2011, the Fund maintains its investment in every qualified business in which an investment was made. None of the investments have been sold or liquidated.

Sincerely,  
XMi High Growth Development Fund, LLC

A handwritten signature in black ink, appearing to be 'JCP', with a long horizontal line extending to the right.

James C. Phillips, Jr.