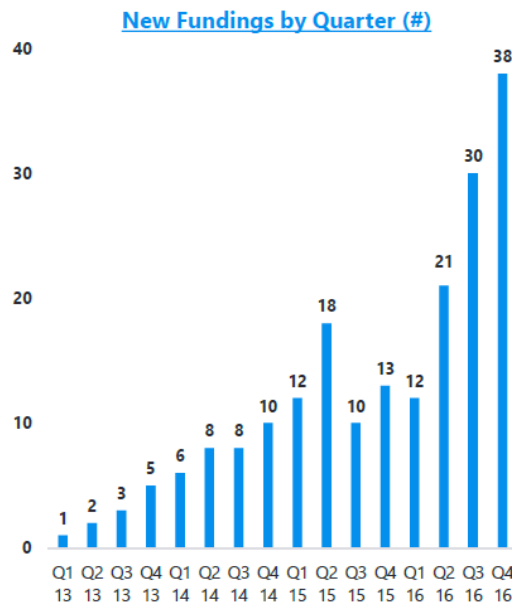


February 3, 2017

Dear Echelon LC Holdings, LLC Partners,

We are pleased to provide you with a brief summary of the 2016 year for Echelon LC Holdings, LLC and its underlying position in Lighter Capital, Inc. 2016 was a strong year for Lighter Capital in terms of loan origination, revenue and operational growth.

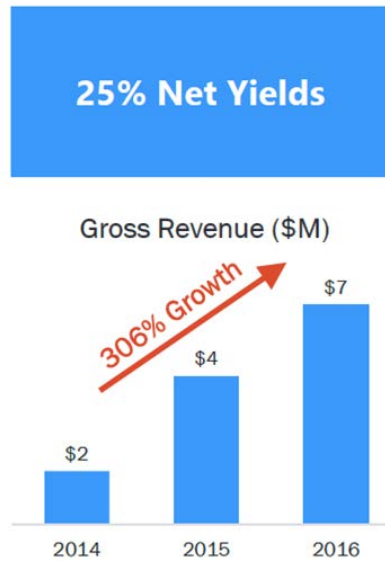
Similar to many finance companies, Lighter Capital's growth is dependent on its deal origination and funding of those potential deals. As you may remember, the company started originating deals through the founder's network of entrepreneurs and investors. This produced quality leads, but it was not a scalable method for the company. As Lighter has grown, so have its partnerships including arrangements with major companies like Salesforce and Microsoft. Along with these partnerships and a larger dedicated marketing team focused on proprietary deal flow, Lighter closed a record number of deals in 2016. From the chart below, you'll notice the marketable increase in the third and fourth quarters of the year when compared to prior quarters. Lighter closed 101 deals in 2016 up from 53 in 2015, a +90% increase. While it's still a bit early to see if 2017 will show the same trajectory, we expect another great year. Also, it's important to note the increased deal flow has not led to a measurable increase in defaults or material decline in the portfolio yield. Lighter is simply doing more quality deals.



2016 was another positive year in terms of revenue for Lighter Capital. It ended the year with \$6.6M in revenue, a +60% increase over 2015 revenue of \$4.1MM. Another encouraging sign was that the majority of income stemmed from interest income as opposed to extraordinary income and other non-recurring revenue. While the growth in revenue is positive, it missed the original budget set for 2016. The first quarter underperformed expectations due to one particular loan needing an abundance of time and effort which left the rest of the year's goals in jeopardy. After resetting its forecast, Lighter found its groove and loan production increased. As mentioned earlier, overall, Lighter continued to fund good deals as opposed to taking extra risk in order to put capital to work. The company is taking a pragmatic approach to writing down loans and while we expect the pure number of loan losses to increase as the portfolio grows, we do not anticipate a much larger increase in the percentage of bad deals.

Like most start-ups, Lighter Capital is not profitable despite its growing revenue. In 2016 the company lost -\$3.2M, a larger amount than its 2015 loss of -\$2.2M. The majority of this increase was due to an uptick in marketing spend. We anticipate

the company could become break-even profitable in the next 12-18 months and has sufficient cash to reach that point. However, it is most likely the company will go back to the market this year and seek additional equity capital at a higher valuation to fuel continued growth. Below is a quick look at historical revenue.



In addition to its financial growth, the company was able to make several key additions to its team. In late 2016, Allen Johnson came on board as the head of sales. Prior to Lighter Capital, Allen managed the western US for GE Capital, deploying funds to small and growing business. In addition to a head of sales, Lighter added a head of risk and underwriting. Michael Desimone spent 10 years at KeyBank prior to joining Lighter and has taken the role of Senior Director of the underwriting team. Jacob Colker was hired to manage the marketing team and has instituted a number of new programs that have led to increased deal flow. Along with these senior hires, Lighter added another 10 employees to bring its total team to 36.

We are pleased to report on the progress of the company and expect growth to continue.

#### Administrative Update:

You may have also noticed the new name for this investment entity, Echelon LC Holdings LLC. This name change was brought on by the combination of Summit Capital with Merriman Wealth in 2016 and to better align the entity's name with that of the General Partner and its other partnership, Echelon Partners, LP.

We anticipate the 2016 K-1s to be completed by March 2017, which we will forward accordingly.

As always, please do not hesitate to reach out if you have any questions, and we welcome your calls to discuss this investment or other opportunities at Echelon.

Sincerely,  
Robert J. Martin  
Managing Member

Historical performance is not indicative of future results. This information was prepared by or obtained from sources which Echelon Capital believes to be reliable but does not guarantee its accuracy.