

From: Bob McCullough [REDACTED]
Sent: Tue, 12 Dec 2017 22:01:11 -0500 (EST)
To: "Thomas [REDACTED]" <[REDACTED]>; Dave
Mirolli <[REDACTED]>; David [REDACTED]
Cc: "Robert [REDACTED]" <[REDACTED]>; V [REDACTED]; Pat
[REDACTED]
Subject: Re: Azul Bay call with Sirote Permutt 10am ET

We will be happy to provide the qualified appraisal, but pursuant to FINRA rules can only do so after we receive a signed Non-Disclosure Agreement. We will circulate the NDA first thing in the morning, and upon receipt of the executed NDA will provide a link to the qualified appraisal. Whom should we include in the NDA?

Additionally, once the NDA is executed, we can also provide access to the appraisal review (performed by Integra, a nationally recognized appraisal firm) as well as the appraisal review reliance letter, which is provided by Ronald Levitt of Sirote, who will be joining the call tomorrow morning. These are the steps that we take to have independent experts test the appraisal for accuracy, methodology, completeness, etc.

Thanks to all.

Bob McCullough
Senior Vice President & CFO



EcoVest Capital, Inc.
[REDACTED]

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From: "Thomas [REDACTED]" <[REDACTED]>
Date: Tuesday, December 12, 2017 at 9:49 PM
To: Dave Mirolli <[REDACTED]>; David [REDACTED]
Cc: "Robert [REDACTED]" <[REDACTED]>; Bob McCullough <[REDACTED]>
Subject: RE: Azul Bay call with Sirote Permutt 10am ET

OK, but could you please circulate a copy of the appraisal in advance. Thank you.
Tom

Sent with Good (www.good.com)

From: Dave Mirolli
Sent: Tuesday, December 12, 2017 7:20:11 PM
To: David [REDACTED]; Thomas [REDACTED]
Cc: Robert [REDACTED]; Bob McCullough
Subject: Re: Azul Bay call with Sirote Permutt 10am ET

Tom

David suggested we have a conference call with Ron Levitt tomorrow morning to discuss the EcoVest investment and the audit potential on a conservation easement. I will send another email with the call information but please clear your schedule to be able to discuss tomorrow since time is of the essence.

Dave

David S Mirolli | Managing Partner | Catalyst Wealth Management

On Dec 9, 2017, at 11:37, Dave Mirolli <[REDACTED]> wrote:

David,

I will address Tom's issues but want to also make available a conference call with all interested parties on Monday to verify you are comfortable proceeding with this investment.

As referenced in the circular 230 tax opinion, a conservation easement appraisal is very different from a normal real estate appraisal since it takes into account all future economic benefit on the land and takes future value discounted to present day. Claude Clark of Clark Davis Appraisal has the most experience of any conservation easement appraiser in the country with over 500 CE appraisals to his credit. Claude has been tested under fire with the tax courts particularly in the Kiva Dunes case in known to be a huge victory for conservation easements. Claude is often brought in by other tax payers to do valuations on properties under audit and his work in that capacity was accepted by the IRS. He personally has a track record with the IRS of having anywhere from a zero change to a 20% reduction in the CE valuations as the CE appraiser.

Sirote & Permutt is the attorney firm out of Birmingham that is retained by EcoVest known to be the premier experts in the country with respect to conservation easements. Ron Levitt was also the attorney on the Kiva Dunes case. <https://www.sirote.com/attorney/ronald-levitt>

EcoVest has approximately 25% of their offerings over the last 5 years under audit with only having a final ruling of a 20% reduction of the appraised value and thus reduction of investors charitable deduction. As Bob McCullough EcoVest CFO mentioned on the phone with you (and the following day with Lauren) that final settlement with the IRS waived all penalties and interest.

On top of the expert appraisal from Clark-Davis, EcoVest has a second appraiser performs an appraisal review, employs a national economist to complete a market study on the area to confirm the development option can be supported and will not purchase a property unless it is already zoned for the development option. To address the issue of the listed transaction which took place 12/23/16, Bob McCullough mentioned that the additional 8886 form filed with your individual tax return is an added inconvenience it is no different than what you are currently having to complete with your 831b captive insurance company.

A copy of the appraiser can be obtained by EcoVest with a signed NDA but unless Tom has experience with a conservation easement appraisals I don't believe he will be satisfied. I would strongly suggest he call the experts at Sirote & Permutt and verify the quality of work that EcoVest is known for in this space.

Finally, Lauren [REDACTED] and I spoke yesterday afternoon to confirm your intentions and her knowledge and analysis of the investment was positive enough for her to recommend to a few of her partners at [REDACTED] who have clients in a similar tax position.

At your service,

| David S Mirolli | Managing Partner
Atlanta Magazine Five Star Wealth Manager Award Winner



[REDACTED]

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[REDACTED]

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From: David [REDACTED]
Date: Saturday, December 9, 2017 at 8:35 AM
To: D Mirolli <[REDACTED]>
Subject: Fwd: Azul Bay

David,

Can you work this out with them?

David

[REDACTED]

Begin forwarded message:

From: "Thomas [REDACTED]"
Date: December 9, 2017 at 4:25:34 AM GMT
To: "Robert [REDACTED]" >, David [REDACTED]
Subject: RE: Azul Bay

I would steer well clear of this. It is a "syndicated conservation easement" tax shelter deal. These have been labeled tax avoidance transactions by the IRS, and are "listed transactions." An audit is guaranteed. And the odds are heavily in favor of the IRS prevailing. How do you justify paying less than \$3 million for a property that an appraiser says is worth \$81 million, with a conservation easement worth \$78 million? At a minimum, if you want to avoid 20% or 40% penalties, you'd better ask for a copy of that appraisal. I'm happy to discuss.

Tom

From: Robert [REDACTED]
Sent: Thursday, December 07, 2017 6:57 PM
To: David [REDACTED]
Cc: Thomas [REDACTED]
Subject: RE: Azul Bay

David, I'll send it on to my tax partner Tom [REDACTED] for his opinion. I'll speak to Lauren first to get a handle on the type of income and gains you have this year to see how the losses match up.

Rob

Sent with Good (www.good.com)



From: David [REDACTED]
Sent: Thursday, December 07, 2017 5:09:23 PM
To: Robert [REDACTED]
Subject: FW: Azul Bay

Rob,

I'm investing in this personally as a tax shelter. Can someone from your firm review to check its legitimacy prior to me wiring the funds? Lauren from [REDACTED] approved it with some caveats, but I want a legal perspective. I'll send you the other emails describing the "investment".

David

From: Laura [REDACTED]
Sent: Thursday, December 07, 2017 5:01 PM
To: David [REDACTED]
Subject: Azul Bay

Here you go, I'm sending to Lisa [REDACTED] as well.



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