WV JOBS INVESTMENT TRUST BOARD
ANNUAL INVESTMENT ANALYSES
JUNE 30, 2014

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Message from WVJIT Executive Director

To our WVJIT Board of Directors and State Legislators:

Since our inception in 1992, the WVJIT has played an instrumental role in our state's economic development. WVJIT was created to develop, promote and expand our state's economy by direct investment in West Virginia's enterprises to create jobs, sustain growth, and provide new opportunities. Our investments touch major sectors within this state's economy such as manufacturing and energy, yet we have also been able to invest in emerging sectors that will play a role for our state's future growth such as healthcare, biotechnology, software, and engineering.

As of 2014, WVJIT has invested a little over $12 million dollars across 22 companies in a broad array of sectors. Total equity investment and loans provided are $7.2 million dollars and $4.8 million dollars, respectively. A total of 425 full-time equivalent jobs have been created, which equates to $28,267 of WVJIT investment for each full-time equivalent job created. This is in-line with a study, which reflected that for every $30,668 of private venture capital invested between 1970 through 2005, there was one job in the year 2010. Though the national government provides subsidies, which are a direct cost to the taxpayer, directly to corporations with the intention of creating demand for workers for low salary jobs, venture capital investment not only provided a substantial monetary return, but also sustainable high salary grade job creation.

In January 2012, the State of West Virginia received the State Small Business Credit Initiative (SSBCI) funding to give the state's small businesses access to new capital. This new funding has given West Virginia enterprises access to $13.1 million dollars, all of which is administered through the West Virginia Capital Access Program (WVCAP). We have had the pleasure to partner up with many of our fellow state economic developers, to provide capital to small enterprises across West Virginia and create jobs. To date, the WVCAP has had success in attaining the objective of having retained 396 jobs and create 652 projected new jobs. WVCAP has been so successful that it is currently the 2nd highest achieving SSBCI initiative program in the nation

While we are aware of the challenges that lay ahead, I could not be more proud of our accomplishments this past year and could not be more optimistic for our state's economic future. On behalf of the WVJIT staff, I thank you for your assistance and continuous support in us to fulfill our economic and entrepreneurial mission to this great state.

Yours Truly,

C. Andrew Zulauf

Snapshot:

Company: **Aither Chemicals, LLC**
Website: aitherchem.com
Location: South Charleston, WV
Total Employees: FT/0; PT/0
WV Employees: FT/0; PT/0

WVJIT Investment: $0
WVJIT Ownership: 0.0%
Subject to GASB62: NO

Leadership

Steve Adelkoff, Chief Financial Officer

Background

The genesis of Aither Chemicals began in 2010 as an effort by the Mid-Atlantic Technology, Research & Innovation Center (MATRIC) to evaluate the utilization of unique, demonstrated technologies to create value added chemicals from ethane. Throughout 2010, MATRIC's team of highly experienced technical and management staff worked to evaluate the opportunity created by tremendous supplies of ethane coming from the wet natural gas in shale plays. As a result of this valuation and additional technical work, Aither was officially formed in 2010 by MATRIC.

Aither Chemicals is building next generation chemical plants based upon a proven, proprietary, patent-pending chemical process that converts a natural gas feedstock (ethane) into higher value chemical products (petrochemicals) in a cost effective manner. Aither's manufacturing process is the lowest cost production method to make petrochemicals. Using Aither's proprietary process, their facilities have advantages over traditional ethane cracking technologies.

WVJIT Investment History

- **June 2012:**
  - $300,000 Convertible Debenture; 10% Interest; Maturity date of June 26 2014.
  - Current Balance: $300,000

- **July 2011:**
  - $250,000 Convertible Debenture; 10% Interest; Maturity Date of June 26, 2014.

WVJIT FY14 Revenue: $0

Total WVJIT Investment: $550,000 ($300,000 funded through WVCAP)

Warrant Coverage:

- **July 2011:** 200% Warrant Coverage into Preferred A Units, 7 year term, strike price at the initial Series A Preferred Price.

- **June 2012:** 100% warrant coverage into Preferred A Units, 7 year term, strike price at a 20% discount of the Series A Preferred price.

Co-Investors/Lenders:

INNOVA	$200,000 Convertible Debenture
RMG	$300,000 Convertible Debenture
MAH	$40,000 Loan

Board of Directors

Steven Adelkoff, MBA/J.D., Renewable Manufacturing Gateway

For over two decades, Steven Adelkoff has worked in all aspects of the power, alternative energy and commodities industries. He has led teams negotiating domestic and international transactions involving commodities, power generation development, renewable energy development, and commodity exploration. Mr. Adelkoff's diverse skill set includes expertise in the legal, regulatory, tax and accounting fields. He earned an MBA from Cornell University's Johnson School of Business and a J.D. from the University of Pittsburgh's School of Law. He is currently the President of Renewable Manufacturing Gateway (www.renewmfg.org) and an equity owner of International Electric Power, LLC (www.iepwr.com). Prior to holding those roles, Mr. Adelkoff was the Chief Financial Officer and General Counsel of Shariah Capital, Inc. (www.shariahcap.com) and an equity partner of K&L Gates, LLP (www.klgates.com).

Patrick A. Bond, Partner, Mountaineer Capital

Pat Bond is a founding General Partner of Mountaineer Capital, LP, West Virginia's only active SBIC. He came to Mountaineer with a wealth of experience in finance, administration, strategic planning, general management, and information technology. Prior to founding Mountaineer, he worked for McCabe Henley, LP. Prior to that he owned and operated an independent consulting practice, Growth Management Group, specializing in the areas of Business Environment Assessments, new product development, investment and financial analysis and strategic planning. Mr. Bond previously served as President & CEO of Atlantic Financial Federal, a $750M federal savings bank. In addition to his service on Board of Directors of numerous portfolio companies, Mr. Bond serves on the Board of Directors of the Federal Home Loan Bank of Pittsburgh, a $79B wholesale bank serving Delaware, Pennsylvania and West Virginia. Mr. Bond graduated from West Virginia University where he received both his Master's and Bachelor's Degrees in Industrial Engineering.

Greg W. Clutter, Chief Operating Officer, MATRIC

Greg Clutter joined MATRIC after having served for five years as Director of Commercialization for the West Virginia High Technology Consortium Foundation, where he was responsible for all aspects of focused technology commercialization and the entrepreneurship initiative. He coordinated relationships with all West Virginia venture capital companies, and was involved in negotiating investments for multiple West Virginia startup companies. He previously held positions in commercial marketing, customer service, and operations at Nortel Networks in North Carolina and France. Mr. Clutter also served as a Senior Accountant with Deloitte & Touche LLP in Charlotte, NC. He received a B.S. in Business Administration (Summa cum Laude) from West Virginia University and an MBA from the Kenan-Flagler Business School at the University of North Carolina.

C. Andrew Zulauf, Executive Director, WV Jobs Investment Trust

Andy Zulauf has extensive experience in finance and venture capital, having served as Executive Director and Senior Loan Officer for the West Virginia Capital Corporation, as a Partner and Managing Director of West Virginia operations for Adena Ventures, and as Vice President and Upper Middle Market Commercial Relationship Officer for Fifth Third Bank. Mr. Zulauf is a graduate of Marshall University and the University of Charleston's Executive MBA program.

Products

Aither Chemicals is building next generation chemical plants based upon a proven, proprietary, patent-pending chemical process that converts a natural gas feedstock (ethane) into higher value chemical products (petrochemicals) in a cost effective manner. Aither's manufacturing process is the lowest cost production method to make petrochemicals. Using Aither's proprietary process, their facilities will have the following advantages over traditional ethane cracking technologies:

- Lower capital cost
- Lower operating cost
- Shorter time to commercial operations
- Lower energy input
- Lower CO2 output
- Smaller plant footprint
- Simpler process to product higher-value products

Competition/Market Summary

"The US ethylene market could have six new world-scale steam crackers online by 2017-2019", Dow Chemical's Jim Fitterling said. Speaking at the IHS World Petrochemical Conference in Houston, Fitterling announced expansions for the energy industry -- as many as 120 projects worth $100 billion in investment -- have outpaced all projections. "Companies are placing bets that the energy revolution is real," said Fitterling, Dow's executive vice president for Feedstock's, a performance plastics and supply chain. "The revival is unprecedented."

Dow is one of several chemical majors looking to expand ethylene production through greenfield projects to take advantage of cheap ethane, a preferred feedstock in the manufacturing of ethylene. Other companies planning to build steam crackers include Axiall, ChevronPhillips Chemical, ExxonMobil Chemical, Formosa Plastics, Shell Chemical, Occidental/Mexichem, Odebrecht, Shell and Shin-Etsu.

"We have 10 new ethane crackers announced, eight of them in the US Gulf Coast region," Fitterling said, adding that six of the 10 are past the feasibility phase. "Announced doesn't mean built, but it's still an indication of what companies think of the investment thesis."

If all projects -- greenfield as well as expansions/debottlenecks -- are realized, US ethylene production could grow as much as 12-14 million mt/year by 2020, according to Platts data. That translates into an increase of nearly 50% from today's production levels. Fitterling warned that major hurdles remain, including skilled labor shortages and the threat of higher feedstock prices resulting from exports, and not all projects will be realized, "Advantage goes to those who strike first," Fitterling said. "I see some of these projects mothballed or scrapped altogether."

Industry Summary

The United States, followed by Canada, leads the world in producing natural gas from shale formations as the controversial practice of fracking spreads, the U.S. government reports.

Shale gas accounted for 39% of all natural gas produced last year in the United States, compared to 15% of that in Canada and less than 1% in China, according to data from the Energy Information Administration, the statistical arm of the Department of Energy.

The main reason for the recent U.S. boom in natural gas production -- up more than a third since 2005 -- is the cost-effective combination of horizontal drilling and hydraulic fracturing or fracking. This process typically blasts huge quantities of water, mixed with sand and chemicals, underground to break apart rock and allow the natural gas to flow from the shale into the well.

Natural gas is already cutting into the share of U.S. electricity provided by coal-fired power plants, which has fallen from 53% in 1993 to 42% in 2011. During that period, EIA says natural gas' share nearly doubled from 13% to 25% and is projected to hit 30% by 2040.

The agency expects U.S. natural gas production will increase 44% between 2011 and 2040, saying almost all this growth will be due to shale gas. Yet, it says there are long-term uncertainties about the productivity of shale formations because many are so large that only limited portions have been widely tested for production.

Fracking has brought economic revival to areas with the largest shale formations, including the Barnett in central Texas, the Eagle Ford in southern Texas, the Bakken in North Dakota and the Marcellus in Pennsylvania and several neighboring states.

Source: America's Natural Gas

WV Cracker Project

An industry analyst said with the amount of natural gas coming out of the ground, the United States needs at least a dozen more cracker plants to handle the load.

Tom Gellrich of Topline Analytics, explained that could mean more than one cracker plant in West Virginia. Gellrich was a guest speaker at the Marcellus to Manufacturing Ethane Development Conference in Charleston. Cracker plants, which can span hundreds of acres, use extreme heat to convert ethane separated from a natural gas stream into ethylene. Antero Resources announced it would be supplying the proposed cracker complex in Wood County with 30,000 gallons of natural gas each day.

With the amount of ethane available in West Virginia and at different shale sites around the country, Gellrich stressed a need for more cracker complexes, like the one near Parkersburg, and the industries that go along with it.

"Those crackers mean jobs, not only in the states where the crackers are located, but they produce chemicals and plastics that can be produced and used by other industries," Gellrich said.

He stressed West Virginia, with all its ethane, isn't the only prime location for production in the U.S. The Gulf Coast has its fair share as well. What sets West Virginia apart is the state's desire to attract crackers and those downstream industries to locate here.

"It is very aggressive in bringing together the educational or academic areas, businesses as well as the government, in creating a real partnership," said Gellrich. "That's what really makes it happen."

Another plus in West Virginia's cracker corner, is the state's universities and colleges.

"We need to have the universities studying some of these new processes and new ways of manufacturing, say, 'Hey, here's an easier way to make a product out of this,' or 'Here's what else you can do.' That creates innovation. That creates a virtuous cycle for the area," said Gellrich. "And West Virginia is one of the leaders in bringing those pieces together."

Gellrich believes there is a chance West Virginia could attract multiple crackers that are grouped together. "That's a good thing to have two crackers or more in the same location because they can act as back up for the downstream people if one cracker goes offline."

Source: Charleston Gazette/WV State Journal

Significant Events

June 2014: Aither Board of directors submitted a draft agreement to a regional energy holding company for a potential investment into the Company.

March 2014: Company had a meeting with a Taiwanese Petrochemical Company looking to negotiate a joint venture/M&A for rights to the catalyst for their cracker plant.

November 2013: Governor Earl Ray announced that the state has secured a deal to have its own "multi-billion dollar ethane cracker chemical plant" located in Wood County, WV. Brazilian petrochemical firm, Odebrecht, will explore the development of the new petrochemical complex and if built, the complex would include an ethane cracker, a facility that would process ethane from Marcellus Shale Natural Gas production to make ethylene, one of the primary building blocks for petrochemicals and important raw materials.

October 2013: A mutual confidentiality agreement was signed by a regional energy holding company and the Aither Board of Directors and Management team for a potential interest in the Company.

September 2013: WVJIT recommended to its board of directors to reserve 100% of the outstanding principal balance on the existing debentures ($250,000 and $300,000) and put the loan on non-accrual. The recommendation was approved.

August 2013: MATRIC and Aither put together a plan on a small production plant located at the technology park. The budget for such the project is $2.5M; $1.56M for the commercial tube, $350K for the catalyst, $210K for IP, and another $200+ in soft costs. WVJIT prepared a $2.5M term sheet for the Company under the condition that the first domestic plant be built in WV.

May 2013: Company submitted a grant application to Tech Connect WV in partnership with the Chemical Alliance Zone for a preliminary study for a potential small scale plant in the Kanawha Valley.

August 2012: An article in the Charleston Daily Mail mentioned that the Marcellus Shale is about to become the most productive natural gas field in the United States.

July 2012: A late July press release from Aither indicates they have been very "pleased" with the responses they have received about the products their catalytic ethane cracking technology can deliver. These responses include technology licensors, engineering procurement and construction (EPCs) companies, as well as organizations looking to relocate to the Kanawha Valley.

June 2012: Aither signed a memorandum of understanding with Bayer Material Science to launch an "Open Season" for ethylene from a potential catalytic ethane cracker site in Kanawha Valley. In addition, Len Dolhert was selected to be the keynote speaker for Pittsburgh Chemical Day on September 25, 2012.

January 2012: Aither closed on a financing transaction with Renewable Manufacturing Gateway (RMG).

Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Aither Chemicals, LLC at value, which is currently presumed to be **$0,** due to a one-hundred percent reserve against the loan.

Snapshot:

Company: **American Benefit Corp.**
Website: abcwv.com
Location: Ona, WV
Total Employees: FT/58; PT/1
WV Employees: FT/58; PT/1

WVJIT Investment: $699,650
WVJIT Ownership: 12.47%
Subject to GASB62: NO

Leadership

C. Ryan Jones,	Chief Executive Officer
John Galloway	Chief Financial Officer
Jim Kirk	Chief Information Officer
Kimberly A. Wood	Chief Administration Officer

Background

American Benefit Corporation has been in existence for over 60 years having been formed in 1948 as the Raymond Hage Company and was renamed American Benefit Corporation (ABC) in 1976. It specializes in managing plans for hard-working Americans and provides best-in-class service to teamsters, plumbers, pipe fitters, steel workers, carpenters, electrical workers, operating engineers, miners, laborers and many others. Following a succession of owner-operators, the Company was purchased by Charles W. (Bill) Eastwood, Jr. in 2007. ABC is the only third party administrator (TPA) in West Virginia that handles Taft Hartley plans. Its principal offices are located in Ona, WV.

ABC has developed relationships that provide competitive advantages, specifically being able to offer discounts on medical procedures through a relationship with Anthem Blue Cross and Blue Shield. The Company has also established additional advantages such as state of the art information management, wellness program offerings, and consumer-driven healthcare.

WVJIT Investment History

- **December 2009:**
  - $700,000 Series A Preferred Unit Investment
  - 8% Cumulative Monthly Dividend
  - 825 Shares

Dividends Received FY2014: $55,971.96

Co-Investors/Lenders

JP Morgan Chase Bank $1,500,000 LOC

Management Team

Charles W. Eastwood, Board of Directors Chairman

With more than 25 years of experience in the sales and service of employee benefit programs, Charles Eastwood was appointed as American Benefit Corporation's CEO in 2007. Over his considerable career, he has performed a variety of roles at such notable companies as Prudential and John Hancock Insurance. Mr. Eastwood served 13 years with Blue Cross and Blue Shield of West Virginia prior to becoming a National Account Executive with Cigna. While at Cigna, Mr. Eastwood and his sales team received the Superior Achievement Award for delivering the highest level of sales and service to their client base. After a 10 year stint with Cigna, Mr. Eastwood took the knowledge and expertise he had gained and opened Eastwood Consulting. Mr. Eastwood holds a Bachelor's degree in Political Theory and Philosophy from West Virginia State University.

C. Ryan Jones, Chief Executive Officer

Ryan Jones joined American Benefit Corporation in 2007. Mr. Jones is a CPA who has an extensive background in public practice including a regional firm that concentrated its practice in the healthcare field. Mr. Jones works closely with the IT and Sales departments to achieve the financial goals of the organization. Mr. Jones holds a Bachelor's degree in Business Administration with a concentration in Accounting from West Virginia State University.

Kenneth L. Joos, Past President and Consultant

American Benefit Corporation’s President, Mr. Joos, has been with the organization for more than 40 years in a variety of leadership roles.

A native of North Dakota, Mr. Joos joined the company in 1979 after several years with a major insurance company. Mr. Joos became assistant Vice President in 1987, and has since served as Vice President, Senior Vice President, Secretary and Treasurer. He was appointed President in 2005.

Mr. Joos holds a Bachelor’s degree in Economics with a minor in Accounting and English from the University of Northern Iowa.

Jim Kirk, Chief Information Officer

Mr. Kirk joined American Benefit in 2008, after spending 20 years with Dow Chemical Company as their International Infrastructure Architect. Mr. Kirk is responsible for the design and implementation of information systems and operations.

Mr. Kirk earned his Associate’s degree in Chemical Technology from West Virginia State University in 1990 and his Bachelor of Science in Business Information Systems from Bellevue University in 1999. Mr. Kirk also holds a MCSE and numerous other certifications.

Kimberly A. Wood, Chief Compliance Officer

Ms. Wood joined American Benefit Corporation in 1998 as Assistant Actuary, and was named Director of the Actuarial Department in 2005. She now also serves the company as an actuary and consultant. She has extensive experience in working with both health and pension funds, including administration, plan design, benefit studies, and federal compliance.

Ms. Wood's holds a Bachelor of Arts and Master of Arts degrees in Mathematics from Marshall University. She earned the designation of Enrolled Actuary in 2009.

John D. Galloway, Chief Financial Officer

Mr. Galloway joined American Benefit Corporation in 2012, bringing over 17 years of experience in public accounting. Mr. Galloway is a Certified Public Accountant licensed in West Virginia. Mr. Galloway is responsible for coordinating accounting and finance functions as well as identifying opportunities to improve financial and operational systems through internal control evaluations.

Prior to joining American Benefit Corporation, Mr. Galloway served as a Partner at Gibbons & Kawash, A.C. He gained extensive experience addressing complex financial reporting, accounting, internal control, and auditing matters for closely-held businesses, governmental entities, nonprofit organizations, and employee benefit plans.

Mr. Galloway holds a Bachelor's degree in Business Administration from the University of Charleston. Mr. Galloway is a member of the American Institute of Certified Public Accountants and the West Virginia Society of Certified Public Accounts. Additionally, he is a graduate of the 2011 class of Leadership West Virginia Program in conjunction with the West Virginia Chamber of Commerce.

Robyn T. Dilley, Senior Account Executive

Ms. Dilley joined American Benefit Corporation in 1979, and has held several positions within the company. She has served as Administrative Assistant since 1992 and was named Administrative Consultant Assistant in 2004 and Senior Account Executive in 2006.

Ms. Dilley earned her Associate degree in Business Management from the Huntington Junior College of Business and is currently sitting for the CEBS examinations.

Board of Directors

Charles W. Eastwood, Board of Directors Chairman

With more than 25 years of experience in the sales and service of employee benefit programs, Charles Eastwood was appointed as American Benefit Corporation's CEO in 2007. Over his considerable career, he has performed a variety of roles at such notable companies as Prudential and John Hancock Insurance. Mr. Eastwood served 13 years with Blue Cross and Blue Shield of West Virginia prior to becoming a National Account Executive with Cigna. While at Cigna, Mr. Eastwood and his sales team received the Superior Achievement Award for delivering the highest level of sales and service to their client base. After a 10 year stint with Cigna, Mr. Eastwood took the knowledge and expertise he had gained and opened Eastwood Consulting. Mr. Eastwood holds a Bachelor's degree in Political Theory and Philosophy from West Virginia State University.

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Ryan Jones joined American Benefit Corporation in 2007. Mr. Jones is a CPA who has an extensive background in public practice including a regional firm that concentrated its practice in the healthcare field. Mr. Jones works closely with the IT and Sales departments to achieve the financial goals of the organization. Mr. Jones holds a Bachelor's degree in Business Administration with a concentration in Accounting from West Virginia State University.

C. Andrew Zulauf, Executive Director, West Virginia Jobs Investment Trust

Andy Zulauf has extensive experience in finance and venture capital, having served as Executive Director and Senior Loan Officer for the West Virginia Capital Corporation, as a Partner and Managing Director of West Virginia operations for Adena Ventures, and as Vice President and Upper Middle Market Commercial Relationship Officer for Fifth Third Bank. Mr. Zulauf is a graduate of Marshall University and the University of Charleston's Executive MBA program.

Products

American Benefit Corporation provides intelligent planning and management on employee health plans. The company also provides administrative support to ensure efficiency in the life of the benefit plan. Other services include:

- Benefit plan design assistance
- Medical, dental and vision claim processing and adjudication
- Pharmacy Benefits Manager evaluation, implementation and integration
- COBRA/HIPAA administration
- Consumer Directed Health Plans
    - FSA
    - HRA
    - HAS
    - VEBA

- Comprehensive care management suite of services
- Network analysis and optimization
- Claims re-pricing
- Disability/loss of time processing
- Coordination of benefits, including Medicare Part D
- Claim Subrogation

Over the past year, the company has not introduced any new products or services into the market.

Competition/Market Summary

Benefit Assistance Corporation (BAC)

Established in 1992 and in Hurricane, WV, BAC has become one of the largest independent regional TPAs servicing the eastern United States. Their client base ranges from 50 to 3,000 employees and the company prides itself for not being tied to the large “national” claim paying systems, and thereby having the flexibility to customize the claims processing service.

Blue Cross Blue Shield

The Blue Cross Blue Shield Association (BCBSA) is a federation of 39 separate health insurance organizations and companies in the United States. Combined, they directly or indirectly provide health insurance to over 100 million Americans. The company is headquartered in Chicago, IL.

Cigna

Cigna is a global health services company providing health care plans as well as administrative services. In addition, Cigna has an expanding international footprint in the health services arena. The company is headquartered in Philadelphia, Pennsylvania.

Industry Summary

According to PWC’s Health Research Institute, nearly 70% of insurers will sell health plans on the new Obamacare exchanges by 2015. Most Insurers are primarily motivated by a desire to sell plans to new members and to retain existing members. PWC projects that by 2023; there will be 24 million customers in the state exchanges generating $210 billion in premium revenue annually. Those 51 exchanges in every state and Washington, D.C., are a central part of President Barack Obama's Affordable Care Act health reform plan, which mandates that individuals obtain health insurance by 2014. The exchanges will connect insurers offering a range of competing plans to individuals who can buy at different premium amounts, often with government subsidies to offset cost.

PWC’s research found that 64 percent of insurers are selling plans on the exchanges starting next month, and another 5 percent will join them by 2015. However, the degree to which those insurers participate will vary, some insurers will participate in only one or a handful of state exchanges and others will be on many more. About 25 percent of insurers don't plan to sell plans on the exchanges citing concerns about profitability and worries that their plans would be swamped by enrollees who already have health needs as opposed to people less likely to seek treatment.

Ten of 18 national health insurance executives said their companies would not offer plans in all state exchanges where they now do business, and 50 percent said they expect to offer plans on additional state exchanges after 2014, according to PwC. A total of 91 percent of executives surveyed expect premium prices to be the main factor in how people decide which plans to buy. That finding tracks other experts' beliefs about how people will select plans.

Affordable Healthcare Act

President Obama announced on March 1, 2014 that 7.1 million Americans have signed up for health plans under the Affordable Care Act, the most ambitious federal effort in nearly half a century to widen access to coverage.

The tally, which signified a sharp turnaround from the troubled beginnings of enrollment last fall, was driven upward by a late rush of consumers seeking coverage in the days and hours before the deadline of midnight Monday to select health plans for 2014. Even after the official cutoff, more than 100,000 people at a time were on HealthCare.gov, the online federal insurance marketplace into the early morning hours, according to a person familiar with the details of the last-minute surge. People who have started to enroll on the federal exchange, as well as on some state exchanges, have a grace period to finish their applications.

“This law is doing what’s it’s supposed to do,” a buoyant Obama said in late-afternoon remarks in the White House Rose Garden. “It’s working. It’s helping people from coast to coast.”

The 7.1 million total means that the six-month sign-up period achieved results that congressional budget analysts had first anticipated — and more recently had thought would be impossible. Two months ago, the analysts downgraded their forecast from 7 million to 6 million, taking into account massive computer trouble with HealthCare.gov for much of the fall that frustrated many people trying to shop for health plans.

The cities, listed below, were chosen because they are home to the largest populations of uninsured individuals, at least in the three dozen states where the federal government is running the health insurance marketplace. Six of the cities are in Texas, four are in Florida and two each are in Ohio and Pennsylvania. The remaining 11 are each in different states.

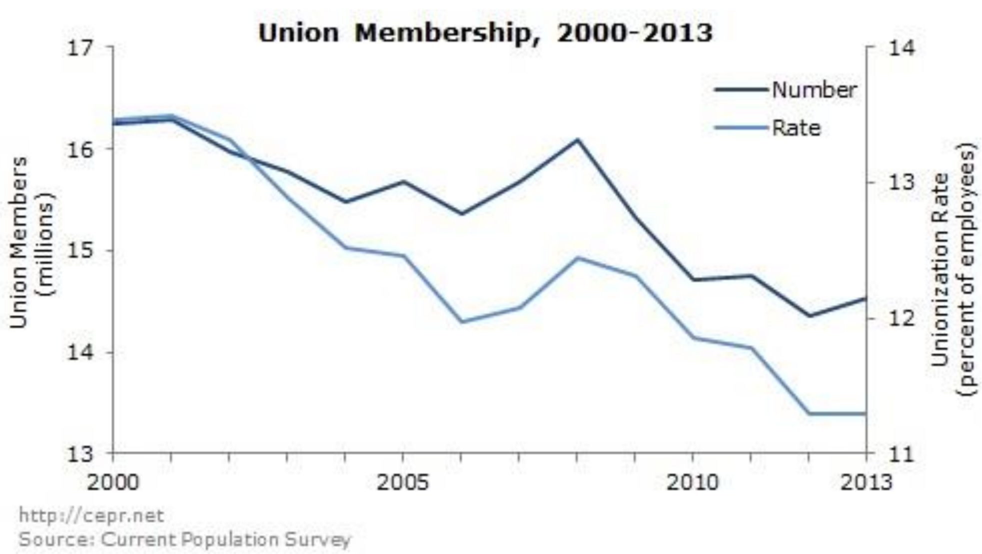
<u>Union Membership</u>

In 2013, the union membership rate--the percent of wage and salary workers who were members of unions--was 11.3 percent, the same as in 2012, the U.S. Bureau of Labor Statistics reported today. The number of wage and salary workers belonging to unions, at 14.5 million, was little different from 2012. In 1983, the first year for which comparable union data are available, the union membership rate was 20.1 percent, and there were 17.7 million union workers.

In 2013, 7.2 million employees in the public sector belonged to a union compared with 7.3 million workers in the private sector. The union membership rate for public-sector workers (35.3 percent) was substantially higher than the rate for private-sector workers (6.7 percent). Within the public sector, the union membership rate was highest for local government (40.8 percent), which includes employees in heavily unionized occupations, such as teachers, police officers, and firefighters.

In the private sector, industries with high unionization rates included utilities (25.6 percent), transportation and warehousing (19.6 percent), telecommunications (14.4 percent), and construction (14.1 percent). Low unionization rates occurred in agriculture and related industries (1.0 percent), finance (1.0 percent), and in food services and drinking places (1.3 percent).

Among occupational groups, the highest unionization rates in 2013 were in education, training, and library occupations and protective service occupations (35.3 percent each). Farming, fishing, and forestry occupations (2.1 percent) and sales and related occupations (2.9 percent) had the lowest unionization rates.



Significant Events

May 2014: ABC recognized a 6.5% year-over-year increase in total revenue for the 1Q 2014. Revenue booked for the quarter was $20K over budget, mostly related to Actuarial and Consulting revenue. Gross Profit Margin achieved for the period was 5.7% higher versus the same period one year ago and a Gross Margin of 99%. The Company continued to maintain a healthy balance sheet with a current ratio of 1.8 and an ROE and ROA of 33% and 14%, respectively.

January 2014: ABC closes on the acquisition of Stoner & Associates. Company utilizes operational assistance through WVCAP for marketing and website development for the newly formed company.

December 2013: WVJIT and WVCAP Board of Directors approve an investment, which is a closely held company similar to ABC to assist in the asset purchase of Stoner & Associates and for working capital. For FY2013, ABC reported a 6.5% year-over-year increase in revenue and a 286% year-over-year increase in Net Income.

September 2013: ABC announces it will acquire Stoner & Associates, a leading provider of custom benefit plan administration headquartered in Cincinnati. Stoner was founded in 1934 to administer health insurance policies at the local level and has now become a sophisticated TPA specializing in complex plans requiring high client and participant levels. The company has 13 employees and administers 14 plans with 100 to 6,000 participants and over $400 million in assets. WVJIT and ABC negotiated in the setup of the transaction.

April 2013: ABC relocated its Trust Department from Chesapeake, Ohio to their main office in Ona, WV. ABC paid off the WVJIT loan of $100,000 and YTD 2013 WVJIT received interest of $9,171.34.

The Company also announced first quarter results. 1Q13 revenue was $2.1M, an 11% increase versus the Company's budget. While COGS went up 12%, the Company's total expenses dropped 3%. Much of the decrease was attributed to administrative and operating expenses. Net income was up 147% vs. budget.

December 2012: ABC ended 2012 with revenue of $6,053,885, which was an 11% increase year-over-year. P&L statement showed a net income of $343,194, which represented a $679,320 improvement over 2011 net income. Projections for 2013 were based on sales that have closed.

January 2012: ABC named one of two TPA's that can offer JAA to commercial (non-union) clients in the state of Ohio. The initial scope of the project will be school systems and hospitals.

September 2011: ABC successfully renegotiated the employee union contract that allowed ABC to no longer "self -fund" their employee insurance program.

June 2011: ABC reported an 11% increase in gross revenues due to groups added for Anthem discounts. In addition, the Company picked up additional union-based business. The Anthem/WellPoint partnership, in selling the VEBA/HRA product, is nearly market ready. The ABC Board of Directors elected Ryan Jones as President. Charles Eastwood remains active with the Company as the CEO.

March 2010: ABC launched its Health Reimbursement Accounts (HRAs) to its clients and hired Rodney Napier as Chief Marketing Officer to oversee this launch and other new product development. Funds to launch this program and hiring Mr. Napier were part of the WVJIT equity investment.

December 2009: The WVJIT Board of Directors approved an investment in ABC, and the Company issued $700,000 in convertible preferred stock. As part of the equity financing, ABC secured a loan with Chase Bank, backed by an SBA guarantee. The loan was for $1,150,000 and the entire proceeds were used for the consolidation of five pre-existing loans with relatively short repayment terms and the Company's current line of credit. The Chase/SBA loan is for 7 years at 5.75% interest. In addition to the SBA guarantee loan, Chase also established a $200,000 line of credit.

Overall Conclusion

Based on the foregoing, WV Jobs Investment Trust finds it most appropriate to record its investment in American Benefit Corporation at value, which is currently presumed to be the same as cost or **$699,650**.

Company: **ABC Holding Company**
Website: abcwv.com
Location: Ona, WV
Total Employees: FT/71; PT/2
WV Employees: FT/71; PT/2

WVJIT Investment: 499,230
WVJIT Ownership: 8.20%
Subject to GASB 62: NO

Leadership

Charles W. Eastwood, Board Chairman
C. Ryan Jones, Chief Executive Officer
Jim Kirk, Chief Information Officer
Kimberly A. Wood, Chief Compliance Officer
John D. Galloway, Chief Financial Officer
Kenneth L. Joos, Consultant

Background

ABC Holding Company formed in December 2013 following ABC's acquisition of Cincinnati-based TPA, Stoner & Associates. The $500,000 transaction allowed ABC to have an entry into the Ohio market. Stoner & Associates in comparison to ABC is much smallerl in headcount as well as clientele. Stoner provides administration solutions for benefit plan management for defined contribution and defined retirement plans, long-term and short-term disability plans, medical, dental, cafeteria, and medical reimbursement plans. The Company's major clients include the Ohio Bricklayers Health & Welfare Plan, Ohio Bricklayers Pension Plan, Laborers Local #265, GMP & Employee Pension Plan, and M.I.R.A./GMP Trust.

WVJIT Investment History

- **January 2014**
  - $300,000 Convertible Debenture Investment, 8% interest rate. (**$200,000 from WVCAP**)
  - Converted in April 2014.
  - 517 shares of common stock.

FY14 Interest Income: $13,444.46

Products

American Benefit Corporation provides intelligent planning and management on employee health plans. The Company also provides administrative support to ensure efficiency in the life of the benefit plan. Other services include:

- Benefit plan design assistance
- Medical, dental and vision claim processing and adjudication
- Pharmacy Benefits Manager evaluation, implementation and integration
- COBRA/HIPAA administration
- Consumer Directed Health Plans
    - FSA
    - HRA
    - HAS
    - VEBA

- Comprehensive care management suite of services
- Network analysis and optimization
- Claims re-pricing
- Disability/loss of time processing
- Coordination of benefits, including Medicare Part D
- Claim Subrogation

Over the past year, the Company has not introduced any new products or services into the market.

Management Team

Charles W. Eastwood, Board of Directors Chairman

With more than 25 years of experience in the sales and service of employee benefit programs, Charles Eastwood was appointed as American Benefit Corporation's CEO in 2007. Over his considerable career, he has performed a variety of roles at such notable companies as Prudential and John Hancock Insurance. Mr. Eastwood served 13 years with Blue Cross and Blue Shield of West Virginia prior to becoming a National Account Executive with Cigna. While at Cigna, Mr. Eastwood and his sales team received the Superior Achievement Award for delivering the highest level of sales and service to their client base. After a 10 year stint with Cigna, Mr. Eastwood took the knowledge and expertise he had gained and opened Eastwood Consulting. Mr. Eastwood holds a Bachelor's degree in Political Theory and Philosophy from West Virginia State University.

C. Ryan Jones, Chief Executive Officer

Ryan Jones joined American Benefit Corporation in 2007. Mr. Jones is a CPA who has an extensive background in public practice including a regional firm that concentrated its practice in the healthcare field. Mr. Jones works closely with the IT and Sales departments to achieve the financial goals of the organization. Mr. Jones holds a Bachelor's degree in Business Administration with a concentration in Accounting from West Virginia State University.

Kenneth L. Joos, Past President and Consultant

American Benefit Corporation's President, Mr. Joos, has been with the organization for more than 40 years in a variety of leadership roles.

A native of North Dakota, Mr. Joos joined the company in 1979 after several years with a major insurance company. Mr. Joos became assistant Vice President in 1987, and has since served as Vice President, Senior Vice President, Secretary and Treasurer. He was appointed President in 2005.

Mr. Joos holds a Bachelor's degree in Economics with a minor in Accounting and English from the University of Northern Iowa.

Jim Kirk, Chief Information Officer

Mr. Kirk joined American Benefit in 2008, after spending 20 years with Dow Chemical Company as their International Infrastructure Architect. Mr. Kirk is responsible for the design and implementation of information systems and operations.

Mr. Kirk earned his Associate's degree in Chemical Technology from West Virginia State University in 1990 and his Bachelor of Science in Business Information Systems from Bellevue University in 1999. Mr. Kirk also holds a MCSE and numerous other certifications.

Kimberly A. Wood, Chief Compliance Officer

Ms. Wood joined American Benefit Corporation in 1998 as Assistant Actuary, and was named Director of the Actuarial Department in 2005. She now also serves the company as an actuary and consultant. She has extensive experience in working with both health and pension funds, including administration, plan design, benefit studies, and federal compliance.

Ms. Wood's holds a Bachelor of Arts and Master of Arts degrees in Mathematics from Marshall University. She earned the designation of Enrolled Actuary in 2009.

John D. Galloway, Chief Financial Officer

Mr. Galloway joined American Benefit Corporation in 2012, bringing over 17 years of experience in public accounting. Mr. Galloway is a Certified Public Accountant licensed in West Virginia. Mr. Galloway is responsible for coordinating accounting and finance functions as well as identifying opportunities to improve financial and operational systems through internal control evaluations.

Prior to joining American Benefit Corporation, Mr. Galloway served as a Partner at Gibbons & Kawash, A.C. He gained extensive experience addressing complex financial reporting, accounting, internal control, and auditing matters for closely-held businesses, governmental entities, nonprofit organizations, and employee benefit plans.

Mr. Galloway holds a Bachelor's degree in Business Administration from the University of Charleston. Mr. Galloway is a member of the American Institute of Certified Public Accountants and the West Virginia Society of Certified Public Accounts. Additionally, he is a graduate of the 2011 class of Leadership West Virginia Program in conjunction with the West Virginia Chamber of Commerce.

Robyn T. Dilley, Senior Account Executive

Ms. Dilley joined American Benefit Corporation in 1979, and has held several positions within the Company. She has served as Administrative Assistant since 1992 and was named Administrative Consultant Assistant in 2004 and Senior Account Executive in 2006.

Ms. Dilley earned her Associate degree in Business Management from the Huntington Junior College of Business and is currently sitting for the CEBS examinations.

Board of Directors

Charles W. Eastwood, Board of Directors Chairman

With more than 25 years of experience in the sales and service of employee benefit programs, Charles Eastwood was appointed as American Benefit Corporation's CEO in 2007. Over his considerable career, he has performed a variety of roles at such notable companies as Prudential and John Hancock Insurance. Mr. Eastwood served 13 years with Blue Cross and Blue Shield of West Virginia prior to becoming a National Account Executive with Cigna. While at Cigna, Mr. Eastwood and his sales team received the Superior Achievement Award for delivering the highest level of sales and service to their client base. After a 10 year stint with Cigna, Mr. Eastwood took the knowledge and expertise he had gained and opened Eastwood Consulting. Mr. Eastwood holds a Bachelor's degree in Political Theory and Philosophy from West Virginia State University.

C. Ryan Jones, Chief Executive Officer

Ryan Jones joined American Benefit Corporation in 2007. Mr. Jones is a CPA who has an extensive background in public practice including a regional firm that concentrated its practice in the healthcare field. Mr. Jones works closely with the IT and Sales departments to achieve the financial goals of the organization. Mr. Jones holds a Bachelor's degree in Business Administration with a concentration in Accounting from West Virginia State University.

C. Andrew Zulauf, Executive Director, West Virginia Jobs Investment Trust

Andy Zulauf has extensive experience in finance and venture capital, having served as Executive Director and Senior Loan Officer for the West Virginia Capital Corporation, as a Partner and Managing Director of West Virginia operations for Adena Ventures, and as Vice President and Upper Middle Market Commercial Relationship Officer for Fifth Third Bank. Mr. Zulauf is a graduate of Marshall University and the University of Charleston’s Executive MBA program.

Industry Summary

Union Membership

Unions representing government workers are expanding while organized labor has been shedding private sector members over the past half-century.

A majority of union members today now have ties to a government entity, at the federal, state or local levels.

Roughly 1-in-3 public sector workers is a union member, compared with about 1-in-15 for the private sector workforce, according to the Bureau of Labor Statistics. Overall, 11.3 percent of wage and salary workers in the United States are unionized, down from a peak of 35 percent during the mid-1950s in the strong post-World War II recovery.

The typical union worker now is more likely to be an educator, office worker or food or service industry employee rather than a construction worker, autoworker, electrician or mechanic. Far more women than men are among the union-label ranks.

In a blow to public sector unions, the Supreme Court ruled that thousands of health care workers in Illinois who are paid by the state cannot be required to pay fees that help cover a union's cost of collective bargaining.

The justices said the practice violates the First Amendment rights of nonmembers who disagree with stances taken by unions.

The ruling was narrowly drawn, but it could reverberate through the universe of unions that represent government workers. The case involved home-care workers for disabled people who are paid with Medicaid funds administered by the state.

Also in June, a California judge declared unconstitutional the state's teacher tenure, dismissal and layoff laws. The judge ordered a stay of the decision, pending an appeal by the state and teachers union.

"The basic structure of the labor union movement has changed, reflecting changes in the economy," said Ross Baker, a political science professor at Rutgers University. "Manufacturing is a diminishing segment of the economy. Also, a lot of the manufacturing that's being done today is being done nonunion."

Union members continue to be a powerful political force in politics, and Baker said he didn't see the role of unions diminishing. "I just think the colors of the collars are changing," Baker said.

In 2013, 14.5 million workers belonged to a union, about the same as the year before. In 1983, the first year for which comparable figures are available, there were 17.7 million union workers.

The largest union is the National Education Association, with 3.2 million members. It represents public school teachers, administrators and students preparing to become teachers.

Next is the 2.1-million Service Employees International Union. About half of its members work in the public sector.

The American Federation of State County and Municipal Employees have 1.6 million, followed by the American Federation of Teachers with 1.5 million and the International Brotherhood of Teamsters with 1.4 million.

There are 1.3 million members in the United Food and Commercial Workers International Union.

Until four years ago, the unionization rate was far higher in the private sector than in the public sector. Now the roles are reversed.

But it's been a bumpy road for public unions in some Republican-governed states.

In 2011, Gov. Scott Walker, R-Wis., took on public sector unions forcefully soon after he was swept into office. He got enacted a bill effectively ending collective bargaining for most public workers in the state. He withstood huge labor demonstrations at the State Capitol and then became the first governor in U.S. history to defeat a recall attempt. The law has been challenged in court, and continues to be. But its main thrust so far has been upheld.

A sign of the decline of traditional labor unions came in May when the United Automobile Workers raised its membership dues for the first time in 27 years to help offset declining membership. Also, the defeat in February of the UAW's effort to unionize workers at Volkswagen's Chattanooga, Tennessee plant was a setback to labor.

A 2013 Gallup poll showed that 54 percent of Americans said they approved of labor unions, down from the all-time high of 75 percent in both 1953 and 1957.

"Labor unions play a diminishing role in the private sector, but they still claim a large share of the public sector workforce," says Chris Edwards, director of tax studies at the libertarian, free-market Cato Institute.

"Public sector unions are important to examine because they have a major influence on government policies through their vigorous lobbying efforts. ... They are particularly influential in states that allow monopoly unionization through collective bargaining."

Since 2000, factories have shed more than 5 million jobs. Five states — Virginia, North Carolina, South Carolina Georgia and Texas — ban collective bargaining in the public sector.

Significant Events

May 2014: ABC Holding Company reported strong financial 1Q14 performance following the acquisition of Stoner & Associates. Management team has announced several prospects the Company is hoping to close by mid-year.

March 2014: Company engaged Malone Consulting, Kick-it, LLC and Wolfe Design for marketing and website development. Funds were provided through WVCAP's Operational Assistance Fund.

December 2013: WVJIT Board of Directors approved the investment in ABC Holding Company.

Overall Conclusion

Based on the foregoing, WV Jobs Investment Trust finds it most appropriate to record its investment in American Benefit Holding Company at value, which is currently presumed to be the same as cost or **$499,230**.

BERKELEY SPRINGS

Snapshot:

Company: **Berkeley Springs Instruments**
Website: bsientry.com
Location: Berkeley Springs, WV
Total Employees: FT/7; PT/3
WV Employees: FT/3; PT/0

WVJIT Investment: $500,000
WVJIT Ownership: 0.0%
Subject to GASB 62: NO

Leadership

Eugene Silverman, Ph.D., President
Rob Leary, Vice President of Sales

Background

Berkeley Springs Instruments, LLC (BSI), located in Berkeley Springs, WV, has pioneered the development of innovative remote sensing and remote controlled and robotic technology for over 30 years. BSI and their legacy companies have designed and fabricated remotely controlled inspection systems, robotic machines and unique monitoring systems for the real-time assessment of mechanical structures worldwide.

BSI specializes in the fabrication of innovative ultrasonic sensors and multi-parameter sensor networks for monitoring the mechanical integrity of tanks, pressure vessels and pipelines. BSI develops proprietary software and hardware that provides a positive environmental benefit, protects personnel, and enhances current and future energy resources while helping customers perform in a competitive environment.

BSI serves a broad range of industries including petroleum, petrochemical, electric utilities, pharmaceuticals and municipalities.

BSI's origins date back to 1980 when it was formed to provide engineering and process safety consulting services to the utilities, manufacturing and chemical industries. The original firm, ARD Corporation, pioneered the development of robotic inspection and vessel cleaning machines for the nuclear industry. The company expanded its development activities beyond the commercial nuclear industry and introduced in-service tank inspection solutions to the oil and gas industry.

A new entity emerged as In-Tank Services and offered a wide range of non-destructive testing and inspection services to a broad range of industries. In-Tank Services expanded its reach through private equity investment partnerships and later through its ownership by Praxair Services, Inc. In 2007, the intellectual property of In-Tank Services was purchased by BSI who later sold the robotic service business to A.Hak Industrial Services in order for BSI to focus on the development of multi-parameter sensor networks for the remote monitoring of the mechanical integrity of AST's, pressure vessels and pipelines.

WVJIT Investment History

- **April 2013**
  - $500,000 Convertible Note accruing 8% interest due at maturity (March 19, 2015). The Convertible was disbursed in two tranches upon meeting pre-determined milestones.
  - No Warrant Coverage

Total WVJIT Investment: $500,000 ($250,000 funded through WVCAP)

Co-Investors/Lenders:

Eugene Silverman	37.5%
Pamela Silverman	37.5%
Michael O' Connell	20.0%
Phil Sturman	5.0%

Board of Directors/Management

Eugene "Gene" Silverman, Ph.D., President

Dr. Eugene Silverman received a bachelor's of science degree in Physiology and Human Factor Engineering from the University of Maryland at College Park in 1969 and his doctorate in Human Factors, Mechanical Engineering and Acoustics from The Catholic University of America in 1976.

Dr. Silverman is an industrial technologist with over 35 years of experience in the design and fabrication of smart sensors and remotely controlled/mobile robotic systems for tank inspection, pipeline inspection and mechanical integrity assessment. His work includes equipment concept design, product development and product manufacturing. Dr. Silverman has pioneered the application of a range of mechanical integrity assessment techniques for storage tank, piping and pipeline management programs.

Dr. Silverman managed the development, fabrication and commercialization of over 12 unique robotic systems used for the cleaning and inspection of over 1,500 storage tanks worldwide. In addition, he has over 20 years of experience in the operation and maintenance of commercial nuclear reactors. He also has been granted six patents and has two additional patents pending.

Rob Leary, Vice President of Sales

Rob Leary is COO and Sales Manager of BSI. Mr. Leary has a deep knowledge of the oil and gas industry and the water and wastewater market.

Mr. Leary lists the following experiences and specialties: direct sales, international sales, business development, set up and management of manufacturer's representative network, negotiating multi-year contracts, launching new products, relationship building with key customers, relationship management with alliance partners, and Six Sigma.

From 2003 to 2005, Mr. Leary was a Core Account Manager at Praxair, Inc., covering a $5 million territory in Alabama, Tennessee, Missouri, Arkansas and Georgia. From 2005 through 2007, Mr. Leary covered the northern

United States and Canada. In January of 2008, he became the Midwest Sales Manager for HMT Inc., covering a $13.5 million territory ranging from North Dakota and South Dakota to Kentucky and Ohio. In July of 2009, Mr. Leary served as HMT's National Sales Manager of Water and Wastewater, which covers the United States and Canada.

Guy Peduto, INNOVA Commercialization Group

Guy Peduto joined the INNOVA Commercialization Group in April 2006. Prior to joining INNOVA, he held the position of Director, Commercial Programs at the Institute for Scientific Research, Inc. While there, he developed strategies for the commercial utilization of ISR's technology and research applications in such areas as biomedical research, education, software development, mining safety and communication, VTOL aerial vehicles, and automotive controls and diagnostics.

Mr. Peduto's background includes 20 years of strategic planning experience with an emphasis on product introduction, leadership for early stage and start-up companies as well as market and business development. This experience includes business formation, product development, go-to-market and market development strategies for industrial and commercial manufacturers, consumer goods, advanced research and development, healthcare, financial institutions, Internet start-ups and retail chains.

As a participant and contributor to West Virginia's technology-based economic development movement, he serves on the Board of Directors of TechConnect and executive committee of TechConnect WV, as a member of the WV Angel Network working group, the West Virginia Development Office and the West Virginia Small Business Development Center's Advisory Board of Directors, the I-79 Development Council and West Virginia Biometrics Initiative.

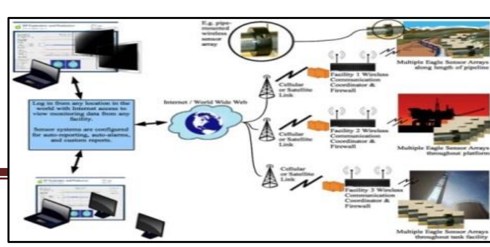
Mr. Peduto received a Bachelor's degree in Business Administration with a major in Marketing from West Virginia University. In addition, he is a graduate of the Competitive Strategy program at the Kellogg School, Northwestern University, the Commercialization and Technology Transfer program at Carnegie Mellon University, the National Association of Seed and Venture Funds Professional Development Program and the Venture Capital Institute. He is also a member of the Leadership West Virginia Class of 2004.

Michele O'Connor, West Virginia Jobs Investment Trust

Michele O'Connor has more than 25 years of experience in the finance and banking industry. She attained her Certified Financial Planner designation along with the Accredited Investment Fiduciary Manager designation. She was the Portfolio Manager for the Trust Department at First United Bank and managed over $600 million for the department. Currently, Ms. O'Connor is the Investment Manager for the West Virginia Jobs Investment Trust, a leading venture capital firm focused on turning the innovation of new ideas into successful world-class companies. Ms. O'Connor graduated Magna Cum Laude with a BA in Finance from the University of Maryland College.

Products

The BSI Eagle Array merges Ultrasonic Testing with wireless cellular technology.



Eagle Array: Wireless Remote Mechanical Integrity Monitoring System for Infrastructure Management

Features

- Low-power ultrasound material evaluation
- Wireless communication (cellular service provided by Sprint®)
- Solar-powered option
- Installed on wide variety of mechanical structures
- Expandable sensor inputs to accommodate vibration, moisture and atmospheric monitoring
- Inexpensive to manufacture
- Internet-accessible: Sensor gateway through a portal onto the customers desktop

Advantages

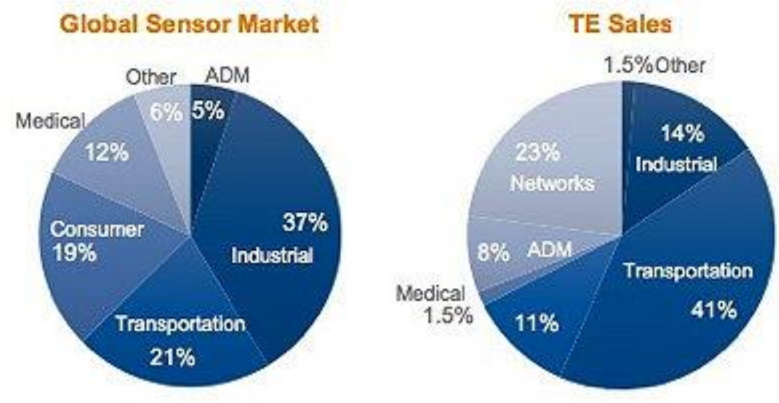
- Proprietary and patented (software)/patent pending technology (system)
- Provisional system utility and method patent
- Prototype system operational: existing remote monitoring sensor (corrosion monitoring and seismic) gateway established
- Oil industry endorsement and collaboration

Development

- 7 Commercial (beta) units in the field
- Validation program near completion for one customer (AERA, Bakersfield, CA)
- Collecting monthly monitoring revenue
- Currently working on 2nd generation electronic packaging
- Initiated guided wave development to expand capability
- Underground installation complete and monitoring underway
- Beta solar unit completed and operational
- Joint testing program underway with major global mechanical testing and inspection organization

Competition/Market Summary

The big players who provide the different level sensor technologies for end user applications and customized services are Siemens AG (Germany), ABB Ltd. (Switzerland), Endress+ Hauser AG (Switzerland), Emerson Electric Co. (U.S.), Honeywell International, Inc. (U.S.), Gems Sensors & Control Co. (U.S.), Magnetrol International Inc. (U.S.), Vega GmbH (Germany), and Pepperl+Fuchs AG (Germany). Swiss-based TE Connectivity acquired US-based Measurement Specialties for $1.7B in June 2014.



Industry Summary

Level sensors are one of the largest applications for sensor technology in the world today. According to a recently published report from iRAP, Inc., S-101 -'Level Sensors – A Global Industry, Technology and Market Analysis', the 2012 global market for level sensors was estimated to be $2.7 billion. The market is estimated to reach $3.8 billion by 2017 showing a compounded annual growth rate (CAGR) of 5.5% per year.

Currently, industries use several different types of sensors to detect levels of fluids and help stop overflows. These sensors may be used to measure the level of fluids in a container or in a natural environment such as a lake. Fluid level measurement occurs in several ways. In the immersion method, for example, the capacitance of the sensor circuit changes as it is immersed in fluid, thus changing the frequency response as the fluid level rises or falls. Fluid level can also be measured from the outside of a non-conductive container. The response frequency from the sensor is dependent upon the inductance of the container plus the combination of fluid and air inside it, which corresponds to the level of liquid inside the container. Other types of more efficient sensors that are used by industry, such as optical level switches and magnetostrictive tank-gauging switches, offer high accuracy but at higher costs.

From a regional market perspective, The Asian region is expected to exhibit growth that exceeds some of the world's most vibrant markets of the Americas and Europe from $915.6 million in 2012 to $1.24 billion by 2017 with a rate of 6.2% annually. This exceptional growth trend is expected to prevail throughout the dynamic markets of the Asian region. This study also reveals that Europe will experience reasonable growth of an estimated 5.0% in the demand for level sensors from $725 million in 2012 to reach $927 million in 2017. The intensity of demand for flow devices in Europe is expected to be quite significant.

The Americas flow level sensor market, led by the U.S., is expected to be the most dynamic market in the coming years, exhibiting a strong market growth phase. The overall level sensor market in The Americas is expected to grow from $879 million in 2012 to $1.1 billion in 2017 with a grow rate of 4.9% annually. The emerging markets of the Middle East and Africa are estimated to be stronger than Europe and The Americas. In the five years, while Africa will see a growth rate of 5.8%, the Middle East will see a growth rate of 5.6%.

Among sensor types, the largest share goes to ultrasonic sensors, followed by hydrostatic. The third largest goes to a combination of capacitance, RF and conductivity sensors followed by radar sensors. The remaining goes to all other types of level sensors. Ultrasonic sensors will see the largest growth rate among all level sensors.

GLOBAL MARKET FOR LEVEL SENSORS BY REGION THROUGH 2017 ($ MILLIONS)

Region	2011	2012	2017	CAGR% 2012 – 2017
Africa	88.4	93.5	124.2	5.8
Asia and Oceania	868.3	915.6	1239.3	6.2
Europe	690.5	725.2	927.3	5.0
Middle East	119.3	126.0	165.4	5.6
The Americas	838.2	879.2	1116.7	4.9
Total	2,604.6	2,739.5	3,572.9	5.5

Significant Events

June 2014: The second quarter 2014 sales and marketing report reflects several items in the pipeline. BP North Slope has engaged BSI in a plug-n-play modification of the Eagle array. The Company is currently working on the request. Comparing 2014 to 2013 (same time period), Array customers were 9 and 2 respectively. In addition, the Company is working on IMPAcT, an ultrasound pulse acquire process system which can be used outside of the Array.

March 2014: BSI indicates sales and development are ahead of schedule and will look for next round of financing. Projections are on track. In June 2014, the Company will need to look for the next phase of funding. Additionally, the Company has finalized a partnership with AES and The Augustus Group.

February 2014: BSI was honored and awarded the Governor's Award at the IOF-WV Innovation Day for Leadership in Advanced Green Manufacturing for "development and production of solar powered Eagle Array Wireless Sensors that monitors pipeline integrity."

December 2013: BSI has several projects for 1Q 2014, with an anticipated revenue of over $100,000. The Company is working with Tulsa University Sand Management Projects (TUSMP) on erosion tests on the Eagle Array. The findings of this test will be shared with the TUSMP advisory board in May.

BSI is working to obtain Metlab Certification. This certification will allow the Company to sell its Array to those refineries who require such certifications. BSI is working on a "Hockey Puck" transducer product. It mimics the Eagle Array, but on a smaller scale. It uses the same hardware and software as the Eagle Array.

September 2013: BSI has shifted to a multi-layered sales strategy, aggressively targeting upstream, midstream and down-stream clients for the petroleum, energy and chemical industries. The Company provided a very strong pipeline of prospective customers.

April 2013: BSI closed on funding transactions with WVJIT and INNOVA.

Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Berkeley Springs Instruments, LLC at value, which is currently presumed to be the same as cost or **$500,000.**

Snapshot:

Company: **CampaignR, LLC**
Website: omnipledge.com
Location: Morgantown, WV
Total Employees: FT/2; PT/0
WV Employees: FT/2; PT/0

WVJIT Investment: $55,000
WVJIT Ownership: 5.0%
Subject to GASB 62: NO

Leadership

Ricky Kirkendall, Co-President
Sam McLaughlin, Co- President

Background

CampaignR, LLC is a newly formed application software Company set to launch its initial software product called Raisin. Raisin provides cloud-based software solutions for non-profit organizations, family foundations, religious institutions, and political campaigns. These solutions include donor registry, database management, and predictive analytics. Though in its infancy, the Company plans to expand its solution capability to connect to social media networks such as Facebook and Twitter. In addition, the Company offers professional services, including consulting, support, and training services to its customers to facilitate the adoption of its cloud solutions. CampaignR sells and markets its services on subscription basis. The Company was founded in 2013 by West Virginia natives Ricky Kirkendall and Sam McLaughlin. It is headquartered in Morgantown, WV.

Financial Performance

CampaignR received an initial disbursement of $55,000 from WVJIT. The funds will be used towards marketing, business development and working capital.

WVJIT Investment History

- **October 2013**
  - $110,000 Convertible Debenture Investment; 7% Interest Rate
  - Initial disbursement: $55,000; Follow-on Disbursement will occur after Company achieves $10,000 in gross sales in six months following the initial disbursement
  - Maturity**:** October 2014

Co-Investors/Lenders

Lawrence Fine	$25,000
Mike Green	$12,500
Paul Gabriel	$12,500

Products and Services:

Raisin- Cloud-based fundraising CRM platform for non-profits primarily leading through its mobile application for both the iPhone and the Android devices.

OmniPledge – SMS based donation service that can be used by individuals, organizations and politicians to take donations. This will be the Company's primary operating product line.

Competition

Mobile Cause – Mobile Cause is an integrated fundraising and communication platform designed to do three things: 1—Gain New Donors, 2—Increase Recurring Gifts and 3—Engage Supporters. This cloud based platform works to transform charities, churches, universities, nonprofit organizations, political groups, socially responsible corporations and philanthropists into mobile fundraising experts. Customers gain access to powerful and easy to use tools for compelling mobile and social campaigns.

Give By Cell- Launched in 2008, Give by Cell is a trusted Mobile Fundraising solution provider with more than four years of experience in providing unique, affordable, and effective mobile technology services to more than 2,000 organizations. It offers three main Mobile Fundraising platforms: Mobile Give, Mobile Donate and Mobile Pledge, all of which allow organizations to accept donations via text message and expand fundraising capabilities through mobile technology.

Industry Summary

Earlier this year, Mobile Cause provided several statistics relating to Nonprofit Fundraising and the platforms to which donors are most likely to donate. With 27% of the nation's population, Millennials are the most likely to donate via text messaging or through social media compared to GenXers and Boomers. Millennials are so technology driven that 53% of them said they would rather give up their sense of smell than their technology.

Mobile devices are a vital part to the millennial generation. 51% of all internet searches happen on a mobile device and 65% of all social media activity occurs on a mobile device. American women send/receive 601 text messages per month. Most text messages are read within three minutes relative to e-mail. These statistics amongst others reflect a large market for SMS donations.


MobileCause
Mobile Message Open Rate
99%
90% of mobile messages read within 3 minutes.
Mobile Phone Adoption
97%
97% of American adults own a cell phone.
Smartphone Adoption
74%
74% of American adults own a smartphone.
Smartphone Social Media Usage
65%
65% of social media activity happens on a mobile device.
Smartphone Internet Usage
51%
51% of internet searches happen on a mobile device.
Smartphone Email Usage
51%
51% of email is opened on smartphone.
Average Event Mobile Donation
$167
Mobile pledges are displayed in real-time on event thermometer.
Average Mobile Pledging Donation
$107
Pledges are collected when donors click text reply link and enter credit/debit card payment information.
Mobile Pledging Fulfillment
84%
Non-smartphone users can fulfill pledges by voice call.
Average Online Donation
$139
Branded donation pages receive 38% larger gifts than generic pages.
Average Volunteer Fundraiser Gift
$66
Peer-to-peer gifts represented 18% of 2013 charitable donations
Average Recurring Gift Total
$220
Recurring donors give twice as much on average as standard donors. Recurring giving increased 23% in 2013.
Average Text to Give Donation
$10
Donations are collected when a donor replies "yes" and pays their cell phone bill.
Text to Give Fulfillment
59%
Text to give abandon rate continues to rise due to carrier blocks on group plans. Org receives no donor data.
2014 MobileCause US Statistics for Consideration
www.mobilecause.com

Significant Events

June 2014: CampaignR introduces Omnipledge, the SMS donation platform to work in conjunction with existing online platforms.

March 2014: CampaignR continues business development for the Raisin Platform and meets with nonprofit and political organizations within WV. The Company also participates in Innovation Day at the capital.

December 2013: CampaignR develops the mobile application software for both iPhone and Android devices. The Company also became one of the first tenants at WVU's Launchpad, the University's entrepreneurial incubator.

October 2013: CampaignR receives a $110,000 convertible debenture investment from WVJIT.

Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in CampaignR, LLC at value, which is currently presumed to be the same as cost or **$55,000.**

Snapshot:

Company: **Cross Cutting Concepts, LLC**
Website: CrosscuttingConcepts.com
Location: Huntington, WV
Total Employees: FT/1; PT/3
WV Employees: FT/1; PT/3

WVJIT Investment: $150,000
WVJIT Ownership: 9.38%
Subject to GASB 62: NO

Leadership

Derek Gregg, Chief Executive Officer
Justin Swick, Product Developer

Background Information

Crosscutting Concepts, LLC formerly known as Vandalia Science Education, was founded as a division of Vandalia Research in 2006. It started with one hands on laboratory kit on DNA typing. Through a distribution partnership with Fisher, the product line grew to six kits on forensic science and launching in January 2007. In January 2010, an additional six kits were slated for development and were launched in January 2011. Also in 2011, distribution was dramatically expanded, resulting in substantial sales growth. The final two Lyle & Louise modules were launched in the fall of 2011. In 2013, the Company partnered up with EMC Publishing to develop a series of engaging, hands-on laboratory kits.

WVJIT Investment History

- **October 2012**
  - WVJIT Invested $150,000, following the Company achieving matching funds from First Sentry Bank and a private investor. ($150,000 funded through WVCAP).

- **July 2012**
  - WVJIT Board of Directors and WVCAP Committee approved a $300,000 Series A Preferred Equity Capital Investment in the Company.

Warrants:

10% Warrant Coverage (50,000 units: Series A Preferred Units). Warrants shall be good for 7 years and exercised at a $1.00 per unit strike price.

Total WVJIT Investment: $150,000 ($150,000 funded through WVCAP)

Co-Investors/Lenders:

First Sentry Bank - $125,000
Joan Weisburg - $ 25,000

Management Team

Derek Gregg, Chief Executive Officer

Derek Gregg is the primary day-to-day manager of Vandalia Research. He is responsible for the financial and personnel resources of the Company, purchasing, communications, and other management duties. He plays a large role in writing grants, patents, and developing strategic partnerships. He is also currently directing the sales and marketing activities of the Company. Mr. Gregg is a graduate of Marshall University and serves as Chair of the BioScience Association of WV.

Justin Swick, Product Developer

Justin Swick has been involved in bio-manufacturing industry for six years and is currently head of the engineering department at Vandalia Research. Prior to this, he developed process automation instrumentation for research projects at Marshall University. His experience is chiefly in control systems design, mechanical design, and fabrication. Mr. Swick holds a BS in Integrated Science and Technology from Marshall University. He, along with Derek Gregg, Vandalia's COO, were recognized as undergraduate researchers of 2005 in West Virginia.

Board of Directors

Derek Gregg, Chief Executive Officer (See Management Team)

Patrick Bond, Mountaineer Capital

Managing Director of McCabe-Henley Properties LP since 1998, Pat Bond brings a wealth of experience in finance, administration, strategic planning, general management and management information systems. Previously, Mr. Bond owned/operated an independent consulting practice, Growth Management Group that specialized in the areas of Business Environment Assessments, new product development, investment and financial analysis and strategic planning. Prior to that, he was President of a natural gas marketing company and was President and CEO of Atlantic Financial Federal, a $750 million savings and loan institution and all its business units. He graduated from WVU where he received both Master's and Bachelor's Degrees in Industrial Engineering.

C. Andrew Zulauf, Executive Director, WV Jobs Investment Trust,

Andy Zulauf is the Executive Director of the West Virginia Jobs Investment Trust, a public seed investment fund. He has extensive experience in finance and venture capital, having served as Executive Director and Senior Loan Officer for the West Virginia Capital Corporation, as a Partner and Managing Director of West Virginia operations for Adena Ventures, and as vice president and upper middle market commercial relationship officer for Fifth Third Bank.

Products

The Mystery of Lyle and Louis- Premier forensic science curriculum designed for high school and introductory undergraduate education. Comprised of independent hands-on laboratory modules, Lyle and Louise introduces students to a broad range of techniques in forensic analysis, including DNA Typing, Questioned Document Examination, Forensic Entomology, Bite Mark Analysis, Blood Spatter Analysis, Hair and Fiber Analysis, and more.

Desolation: STEM- The latest product from Crosscutting that compels students to solve problems involving design, development, evaluation and improvement. Students are exposed to the subjects of astronomy, engineering, chemistry, and physics in this unique four-moduled product.

Biotech by Ellyn: Crosscutting has partnered with EMC Publishing and author Ellyn Daugherty to develop and market Biotechnology by Ellyn Daugherty™, a series of engaging, hands-on laboratory kits to accompany the best-selling textbook and laboratory manual Biotechnology: Science for the New Millennium. Designed for introductory courses, this program teaches the concepts and hands-on lab procedures required for entry-level careers in the rapidly growing biotechnology industry.

Competition/Market Summary

Carolina Biological Supply Company (Burlington, NC): Supplier of hands-on science and math education products and services that help students of all ages learn and understand science and math.

Edvotek (Washington, D.C.): Supplier of biotechnology kits and equipment designed specifically for education.

Aldon (Hanover Park, IL): Manufactures educational kits for its own Innovating Science brand. Aldon is a subsidiary of Thermo Fisher Scientific.

STEM Education Bill

A bill introduced in part by U.S. Rep. Elizabeth Esty, D-5th District, that would bulk up funding for science, technology, engineering and math education, while supporting learning in those areas outside the classroom, passed in the House of Representatives unanimously July 14, 2014.

Esty introduced the STEM Education Act with U.S. Rep. Lamar Smith, R-Texas, and chairman of the U.S. House Science, Space, and Technology Committee, a committee on which Esty also sits.

"STEM education is critical to preparing our students for high-demand careers in engineering, manufacturing, and information technology," Esty said in a statement. "I've heard time and time again from manufacturers and small business owners that it's increasingly difficult to find workers with the right skill sets to fill the jobs in demand," she said.

Esty outlined the three major provisions of the bill: "It supports teachers who are passionate about STEM education, codifies the importance of informal, hands-on STEM education, and expands the definition of STEM education to explicitly include computer science," she said.

The bill would ensure federal grants and programs related to STEM education include computer science education and would continue existing grants in museums, science centers and other programs outside of the classroom.

As well as extending grants that are close to expiring, the bill would make changes to existing grant programs, including the Robert Noyce Master Teaching Fellowship program which is funded through the National Science Foundation.

The program offers mentoring, training and financial support to people who want to become teachers. Currently, the program is open to teachers holding a master's degree in a STEM field. The STEM Education Act would open the eligibility to include teachers pursuing their master's degree as well.

"I've heard directly from teachers, principals and superintendents from across central and northwest Connecticut that we need more support for K-12 teachers, particularly in the STEM fields," Esty said.

The bill has yet to pass in the Senate.

US News/Raytheon STEM Index

The new index was developed exclusively by U.S. News & World Report, with support from Raytheon, as a way to track STEM jobs and education since the year 2000. It is the only comprehensive index to measure key indicators of economic and education-related STEM activity in the United States over time.

The first U.S. News/Raytheon STEM Index shows that while STEM employment as defined by the U.S. Government has gone up by more than 30 percent, from 12.8 million STEM jobs in 2000 to 16.8 million in 2013. High school student aptitude and interest in pursuing STEM has not kept pace with demand for STEM workers. Furthermore, gender and ethnic gaps among students interested in STEM remain wide.

Key insights on America's STEM talent pool from the U.S. News/Raytheon STEM Index:

- In spite of the intense drive to encourage students to study science, technology, engineering and mathematics, high school student interest levels in STEM fell between 2009 and 2013 and are now just slightly below where they were in 2000.

- Between 2000 and 2013, an average of 37.6 percent of high school males reported having interest in at least one of the STEM disciplines. In the same timeframe, only 14.8 percent of females reported interest.

- In 2013, the average SAT math score for white students was 534, compared to 461 for Hispanic students and 429 for black students. The average ACT science scores were 22 for whites, 18.8 for Hispanic students and 16.9 for black students.

- As high school students' interest in STEM has waned, their scores on international assessments like PISA have also dropped. In 2000, the average U.S. PISA math score was 493. In 2012, that score dropped to 481. During that time, average U.S. science scores dropped from 499 to 497.

"With as many as 50 percent of future jobs requiring some STEM skills, there is significant national interest – and investment – in improving STEM education," said Brian Kelly, editor and chief content officer of U.S. News & World Report. "The U.S. News/Raytheon STEM Index allows us to measure whether there has been positive or negative movement in key areas, particularly in workforce development, and identify ongoing pipeline issues such as female and minority participation in STEM."

"Science, technology, engineering and math form the foundation of the global innovation economy," said William H. Swanson, Chairman of Raytheon Company. "Yet, as the STEM Index suggests, if educational trends continue, fewer professionals will be available to deliver growth in these areas. It is critical to the United States long term economic outlook and national security that we inspire young people to pursue academic excellence in STEM studies. For the past decade, Raytheon has invested in programs designed to inspire student interest in STEM and to support our nation's educators to turn that inspiration into an innovative workforce of the future."

Significant Events

April 2014: Governor Tomblin launches the WV STEM Council to improve STEM education at WV schools, and tailor both high school and community college STEM programs to prepare students in the areas of energy, technology, and the petrochemical industry.

December 2013: Crosscutting Concepts achieved a revenue increase of 237% year-over-year and a gross profit margin of 52%. The Company is in preliminary collaboration discussions with NASA Outreach, AquaPhoenix and Texas Instruments.

September 2013: Crosscutting Concepts has partnered with EMC Publishing and author Ellyn Daugherty to develop and market, "Biotechnology by Ellyn Daugherty," a series of engaging, hands-on laboratory kits.

August 2013: Crosscutting Concepts announces new bundles available for its Desolation: STEM Series. The new bundles are Earthbound and Down Mass Driver (astronomy) and High and Dry Solar Water Heating (geology and environment).

February 2013: Two new desolation kits launched; Larry Nitardy was hired as part-time marketing consultant to assist with business marketing. Crosscutting Concepts also hired its first salesperson for business development.

October 2012: Crosscutting Concepts achieved $150,000 in matching funds from First Sentry Bank and a private investor. WVJIT matched the $150,000 with WVCAP funds.

July 2012: WVCAP Committee and WVJIT Board of Directors approved an investment in Crosscutting Concepts for $300,000 with a 10% warrant coverage pending achievement of matching funds.

June 2012: Financials from January 1st through May 31st were strong, with a sales growth rate of $3K. The 2011-2012 gross profit margin was at 50%.

Overall Conclusion

Based on the foregoing, WV Jobs Investment Trust finds it most appropriate to record its investment in Crosscutting Concepts, Inc. at value, which is currently presumed to be the same as cost or **$150,000.**

Snapshot:

Company: **Dynamic Physical Therapy, LLC**
Website: dynamicpt.org
Location: Pleasant Valley, WV
Total Employees: FT/24; PT/18 – Total FTE 31
WV Employees: FT/24; PT/18

WVJIT Investment: $219,776 (6/30/14 Balance)
WVJIT Ownership: 0.0%
Subject to GASB 62: NO

Leadership

Lincoln Kinkade, Co-Owner
Phil Cooke, Co-Owner

Background

Dynamic Physical Therapy, LLC founded in 2003, is based in Westover, WV and provides a full range of physical therapy and chiropractic services at a total of seven locations located throughout North Central West Virginia.

Dynamic Physical Therapy focuses on hands-on manual techniques. Mechanical procedures, devices and technology are only used to facilitate and further enhance their manual therapy practices. Dynamic Physical Therapy offers a full range of physical therapy services. The Company offers Aquatic Therapy, Balance/Vestibular Programs, Industrial Rehabilitation, Pediatric Therapy, Pre-Operative and Post-Operative Rehabilitation, Spine Rehabilitation, Specialized Hand Therapy, Sports/Medicine General Orthopedic, Sport Specific Rehabilitation, Electrical Stimulus, Home Exercise Program, Iontophoresis, Phonophoresis, Manual Therapy, Paraffin Bath, Traction and Ultrasound.

WVJIT Investment History

- **July 2012:**
  - $300,000 Secured Note, 4% interest with monthly payments.
  - Maturity: **October 4, 2014**

Balance WVJIT Loan: $219,776 ($300,000 originally funded through WVCAP).

FY2014 Interest Received: $7,643.13

Co-Investors

Lincoln Kinkade	80.0%
Phil Cooke	20.0%

Management & Administrative Team

Lincoln Kinkade, PT, Owner

In 2003, Mr. Kinkade opened his first location in Morgantown. He proceeded to expand his locations and in 2008 partnered with Phillip Cooke.

Phillip Cooke, PT, MPT, MS, CSCS, Owner

Mr. Cook received his MPT from Slippery Rock University and his MS from West Virginia University

Rob Acciavatti, PT, MPT, OC, CSCS, - Westover, WV

Mr. Acciavatti has been with the company since 2006.

Eric Beard, PT, MS,- Fairmont, WV

Mr. Beard has been in his position since 2006.

Kim Goodrich, PTA,- Pleasant Valley, WV

Ms. Goodrich has been in her position since 2010.

Casey Jackson, PT, DPT, - Jane Lew, WV

Mr. Jackson has been in her position since 2010.

Chris Jones, PT, MPT – Sabraton, WV

Mr. Jones has been in his position since 2006.

Amy Manning, PT, DPT – Bridgeport, WV

Ms. Manning has been in her position since 2011.

Products

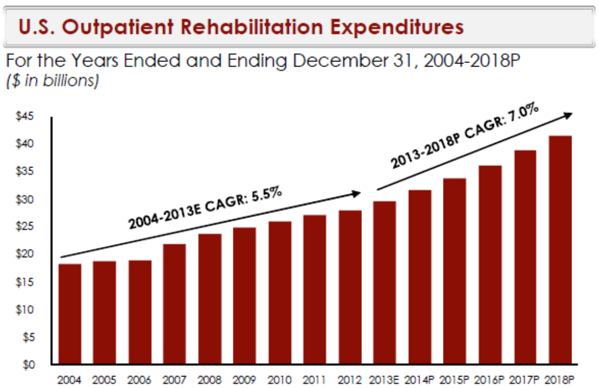
Dynamic Therapy is an outpatient physical therapy center that specializes in the treatment of orthopedics, hand, spine, and sports injuries. The company offers a list of services such as hand therapy, strength training, gait training, massage, electric stimulation, fluido therapy, ultra sound and phonophoresis. The Company installed a new pool in the Sabraton location. With the addition of the pool, the Company can now offer aquatic therapy that location.

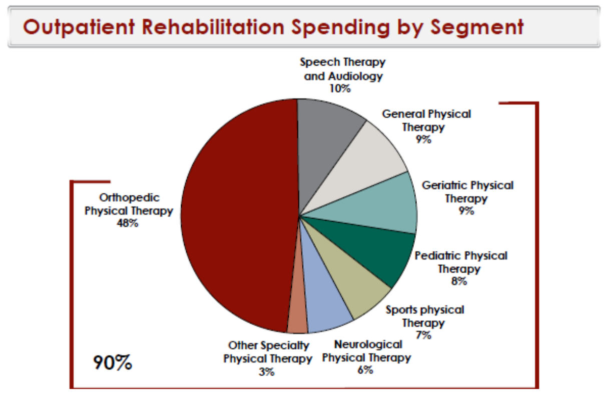
Competition/Market Summary

The Company has competitors in each of its market areas.

- Morgantown – Healthworks is the main competition. Healthworks is a high volume practice with only one location near Mon-General Hospital, which limits their access to patients located on the perimeter of Morgantown.
- Fairmont – Mountain State and Country Roads are the main competitors. Dynamic's referral system has not been affected by either of these practices.
- Bridgeport – Bridgeport Physical Therapy is a strong locally owned practice, but operates on high volume. Due to Dynamic's patient volume, the company has been able to gain market share. Clemens Physical Therapy and Bridgeport Physical Therapy are the company's competitors.
- Jane Lew – No competitors.

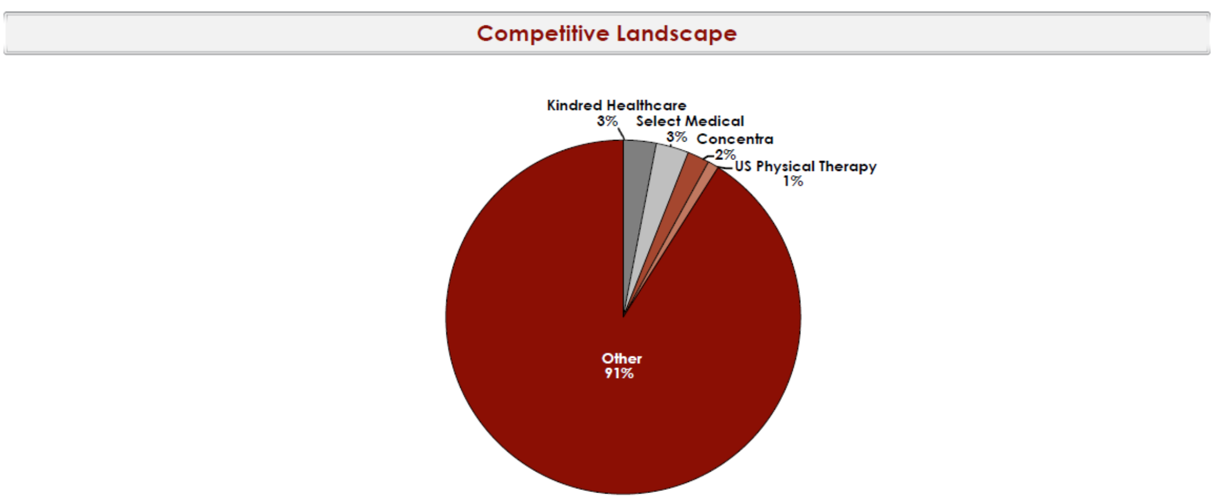
According to a February 2014 research report conducted by investment banking firm, Harris Williams, Outpatient rehabilitation is a $29.6 billion industry that is expected to grow 7% annually through 2018. Physical therapy accounts for an estimated $26.6 billion, or approximately 90%, of all outpatient rehabilitation spending.





Physician-owned physical therapy practices ("POPT") comprise an estimated 10-15% of all physical therapy clinics and represent a large, compelling market opportunity. Most physician practices are ill equipped to oversee the provision of physical therapy services from a clinical perspective or manage the associated administrative functions. Outlook for reimbursement has been favorable even during the recent economic recession because of the cost savings and effectiveness of outpatient rehabilitation.

Competitively, the physical therapy market is highly fragmented, comprised of mostly small independent providers. No single participant captures more than 5% of the market share; smaller independently owned clinics accounts for roughly 45% of all physical therapy clinics.



Industry Summary

PT Technology

Physical therapists are not required to use electronic health records, but a growing number of PT professionals are using software and apps to improve patient care and enhance profit margins.

"Clearly, therapy's importance has grown dramatically. It's gone from a choice for alternative therapy to a critical, essential piece of the equation," says Rick Jung, chairman and CEO of EHR developer Clinicient, in an interview. "[When] someone gets discharged and the hospital and doctor have done the best job possible, if therapy doesn't work and the patient ends back in the hospital within that 30 days, the hospital's on the hook."

Economics drives many offices to adopt technology. The American Physical Therapy Association estimated changes in Medicare payments for physical therapists in private practice would drop due to the Physician Quality Reporting System (PQRS), Functional Limitation G codes, and Multiple Procedure Payment Reduction. At the same time, more healthcare disciplines -- from diabetes and Alzheimer's experts to surgeons and geriatric professionals -- extol the benefits of physical therapy, putting many of these pros in high demand, says Sturdy McKee, CEO of San Francisco Sport & Spine Clinical Therapy, in an interview. "We've seen a significant reduction in payment for physical therapy. Simultaneously, we can see the cost-effectiveness of physical therapy and how we end up saving money for the entire system," he says. "Over the last number of years we've really educated ourselves on business in order to survive. I've embraced a business education now, but while keeping the customer at the top of the pyramid and improving efficiency."

Software lets physical therapists submit claims faster and receive real-time updates, enabling them to increase charges between 10% and 20%, according to EHR developer MediServe. Automated notifications alert therapists when a patient nears their coverage limit on visits or when a claim is rejected.

This model relies extensively on data and analytics, which reside on Clinicient, the EHR McKee's three-location practice uses. By having access to this information, McKee and his business partner can track an array of metrics, such as performance of individual therapists, doctor referral conversion rates, and patient improvement rates.

"It's sort of the same way we'd look at a blood panel: There are ranges. If something's out of range it doesn't necessarily tell us what's wrong, but it tells us where to look next. A lot of the heavy lifting we were doing manually before I can do now, even if I'm out at a meeting," he says. "If somebody is an outlier, we can look at how they're writing their plans. Then we look at communication. There are people who are halfway through treatment who feel better, but they're not at reduced risk for re-injury yet … and being able to clearly articulate that and have buy-in from the patient is critical."

The cloud-based software also ensures the therapy centers remain compliant with changing laws, security rules, and privacy rules. In fact, 85% of those physical therapists planning to buy new EHR software favored cloud versus on-premises applications, according to a 2014 Software Advice BuyerView Report.

San Francisco Sport first began seeking a replacement EHR when it realized its existing software did not meet Medicare compliance needs, McKee says. "We realized that with all the investigations and audits, we would get in trouble even though we were doing everything right. The documentation would put us at risk," he says. "We started out looking for an EHR and what we got was a tool that does much more than that."

Changing role

Patients in certain areas must still rely on doctor referrals for physical therapy, but in California and some other states individuals may go directly to a therapy center. That creates the opportunity for more patients -- but it also increases the burden on therapists to market their services to consumers. This is another area where EHRs can help, according to healthcare consultant Nitin Chhoda.

Patients want to ensure that exercises work -- and so do providers and payers. But remembering routines can be challenging, acknowledges Naveen Khan, founder of Physical Therapy Pal (PT Pal), a HIPAA-compliant mobile app used by physical therapists and patients and distributed by hospitals and clinicians.

"It's unique for patients to have to manage healthcare for themselves. You've got to take this paper home and remember how to do it," Khan says. "It's important to keep costs down and to have non-invasive solutions to getting better, but it's not easy to do your exercises at home."

PT Pal allows therapists to tape patients' exercises in the clinic and track their progress at home. Accessible via a Web portal or smartphone, the app also generates data that physical therapists and healthcare providers hope can help fine-tune programs, she says

"We've never had statistics that correlate adherence to diagnosis to exercise," she says. "PT Pal enables therapists to measure outcomes. In terms of the industry and academic area, it really changes what they do. They can say, 'For these biomarkers or this person, this exercise works.'"

Significant Events

March 2014: Despite a net loss for 1Q 2014, Dynamic Physical Therapy still maintains a healthy balance sheet with a current ratio of 1.10 and a positive working capital position.

December 2013: Dynamic Physical Therapy increased their Line of Credit with Huntington Bank. The increase was due to a need to cover slow paying receivables. Huntington Bank has noted in the file, to review the relationship in an effort to refinance the WVJIT loan which matures in October 2014. We were not advised of any delinquencies.

The Company achieved FY 2013 revenue in-line with the prior year, however, EBITDA increased 27% year-over-year and Net Income increased 7% year-over-year. ROE and ROA is 23% and 8%, respectively.

May 2013: Dynamic Physical Therapy closed its Buckhannon location due to unfavorable patient demographics and insurance providers.

Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Dynamic Physical Therapy, LLC at value, which is currently presumed to be the same as cost or **$219,776.**

JBLCo
Reference Quality Sampling

Snapshot:

Company: **JBLCo, Inc.**
Website: jblco.com
Location: Knoxville, TV
Total Employees: FT/28; PT/0
WV Employees: FT/3; PT/0

WVJIT Investment: $500,000
WVJIT Ownership: 4.57%
Subject to GASB 62: NO

Leadership

Jeff Hoops, Chief Executive Officer
Steve Campbell, President
Charlene Grundy, Controller
David Robinson, Director of Sales & Marketing
Delmar Dillon,VP of Engineering & Design
Bill Cleavenger, Sales Representative

Background

JBL Company was founded as Compro Systems in St. Albans, West Virginia in 1983 to develop automated motor truck scale data collection systems for industrial markets with initial concentration on the coal mining transport and delivery markets. In 1993, Compro Systems founded Phoenix Scale technologies dedicated to designing, producing, and servicing value priced single idler industrial conveyor belt scales. In 1999, with a vision of complimenting Compro's scale automation offerings with truck scale hardware, accessories and services, Compro acquired Shamrock Scale Company of Morristown, Tennessee, a nationally recognized source. Shamrock is an on-site consultation, project engineering and turnkey installer of truck scales. In May 2001, Compro purchased John B. Long Company (JBLCo.) located in Knoxville, TN. JBLCo's revenues are also supplemented by an industry standard line of mine support equipment and accessories. These four entities have been molded into one corporate management and technical team and have relocated the St. Albans operations to Tennessee.

WVJIT Investment History

- **November 2002**
  - $500,000 Series A Preferred Unit Investment
  - 143,000 Series A Preferred Units

Warrant Coverage:

None

Co-Investors/Lenders

Mountaineer Capital	17.093%
Glen Hazuka	0.320%
Dallas Durst	0.320%
Triple H Family LTD Partnership	62.695%

Board of Directors

Jeff Hoops, Chief Executive Officer

Jeff Hoops is an entrepreneur having been employed in the coal industry for 24 years. Mr. Hoops was the owner of Revelation Energy LLC, a coal producing company with mining operations in West Virginia and Kentucky. Prior to Revelation, Mr. Hoops was the former owner of Trinity Coal Company. Mr. Hoops graduated from Bluefield State College and Davis & Elkins College and gained an MBA from Syracuse University. He is originally from Bluefield, WV and now lives in Milton, WV.

Steve Campbell, President

In 1980, Steve Campbell worked for CT&E's (now SGS mineral service) in its Middlesboro, KY facility as East Kentucky Division Coal Manager. He held the position from 1980 to 1995 with the responsibilities for expansion, profit development, technical support and general operations of three branch laboratories. Responsibilities also included contract negotiations, price structuring, budgeting, personnel guidance, service coordination, purchasing, bias test work, preparation plant performance work, and belt scale verification and certification work. In 1996, Mr. Campbell was transferred to Charleston, WV to become Operations Manager for the Appalachian Region. He had responsibilities for 11 laboratory operations in PA, WV, and eastern KY. In 1998, Mr. Campbell accepted the position of President and CEO of John B. Long Co. of Knoxville, TN, a position he now holds. He is a member of several organizations including; American Society of Testing Materials (ASTM) and National Weighing and Sampling Association- where he was a past president and Board of Directors member.

J. Rudy Henley, Mountaineer Capital

Since 1980, J. Rudy Henley has served as Senior Manager of McCabe-Henley Properties LP. Co-founder of the company, he has been involved in commercial, investment and residential real estate for twenty-five years. He leads the firm's business recruitment efforts for new listings and client representations. Mr. Henley was principal-in-charge of the $50 million development of Stonewall Jackson Lake State Park. He graduated from West Virginia University where he earned a BS in Business Administration.

Patrick Bond, Mountaineer Capital

Pat Bond joined McCabe-Henley Properties LP as Managing in early 1998, bringing a wealth of experience in finance, administration, strategic planning, general management, and management information systems. Previously, he owned/operated an independent consulting practice, Growth Management Group, specializing in the areas of Business Environment Assessments, new product development, investment and financial analysis, and strategic planning. Prior to that, Mr. Bond was president of a natural gas marketing company and was President and CEO of Atlantic Financial Federal, a $750 million savings and loan institution and all its business units. Mr. Bond graduated from West Virginia University where he received his Master's and Bachelor's degrees in Industrial Engineering.

Michele O' Connor, West Virginia Jobs Investment Trust (Observer)

Michele O'Connor has more than 25 years' experience in the finance and banking industry. She attained her Certified Financial Planner designation along with the Accredited Investment Fiduciary Manager designation. She was the Portfolio Manager for the Trust Department at First United Bank and managed over $600 million for the department. Currently, she is the Investment Manager for the West Virginia Jobs Investment Trust, which is a leading venture capital firm focused on turning the innovation of new ideas into successful world-class companies. Ms. O'Connor graduated Magna Cum Laude with a BA in Finance from the University of Maryland College.

Products

JBLCo. Product Line: The Company offers a multitude of different parts and services geared towards the Coal and Mining Industries

Aggregate: QC360	Quality Control Sampler that examines materials reliability and quality
Auger Sampling	Truck and Railcar Sampling
Auto Sampling	Clean Sweep Auto Sampler removes excess increment from conveyor
Full System	Provides accuracy and safe sampling from moving conveyor belts
Pneumatic Primary Sample	Provides sampling for higher speeds, and low operating pressure.
Underground Equipment	Permissible Manstrips and Rock Dusters for the Mining Industry

Shamrock Scales: Specializing in heavy duty weighing applications. It provides parts, repair, and consulting services to a multitude of industries.

Belt Scales	**Lift Truck/Pallet Scales**
Balances	**Livestock Scales/Solutions**
Bench Scales	**Medical/Health Scales**
Floor Scales	**Printers**
Indicators	**Scale Software**

Competition/Market Summary

The world market for mining equipment is projected to climb 8.5% annually through 2015 to $92B. Demand will be stimulated by a pickup in mining output growth as global manufacturing activity and construction expenditures accelerate in a generally favorable economic climate. The market for mining machinery used in metals mining operations, which account for the largest of world sales, is projected to expand at the strongest pace through 2015, driven by increases in resource exploration and mine development activity. Coal mining equipment demand is expected to climb the fastest due to an acceleration in primary metals manufacturing growth, bolstering industry furnace and oven coal use, as well as a pickup in global economic activity.

In a continuation of recent trends, the Asia/Pacific region is forecast to register the strongest market advances through 2015, fueled by robust increases in mine production and related machinery sales in China, India and Indonesia. China alone will account for 57 percent of all new mining equipment demand. Central and South America will post the second fastest gains, supported by a pickup in manufacturing and construction activity, leading to higher demand for mined materials. The Africa/Mideast region will record the next strongest market advances, followed by North America, Eastern Europe and Western Europe. Mining output and associated machinery sales in all of these regions will be spurred by high commodity prices and generally healthy economic growth.

Leading players in the global mining equipment industry include renowned names such as Caterpillar, Inc., Hitachi Construction Machinery, Joy Global, Inc., Komatsu Limited, Sandvick AB and Atlas Copco. Top three competitors for the Company include:

McLanahan Corporation

McLanahan is a global supplier of processing equipment, systems and solutions, offering a vast line of rugged products and reliable services. The Company's product line includes mineral processing, aggregate processing, sampling systems, environmental and agricultural systems, foundry and machining, and polymers with locations in Iowa, Pennsylvania, and Florida as well as international locations in Australia and the United Kingdom. The Company is headquartered in Hollidaysburg, PA.

James A. Redding Company

The Company is a division of Lincoln Contracting and Equipment, which is a subsidiary of Riggs Industries, Inc. For over 60 years, the company has installed, designed and produced bulk material sampling systems and components and has successfully installed over 900 systems around the world. The Company is headquartered in Somerset, PA.

Precision Sampling Inc.

With offices in Colorado Springs, Co and Albuquerque, NM, Precision Sampling provides services in sampling, drilling, mining equipment, and resources for large multi-scale projects. The Company is a subsidiary of Conor Pacific Drilling Company and partners with its sister companies to assist in Oil & Gas exploration, mining and construction projects.

Industry Summary

Global demand for mining machinery is forecast to expand 8.6% annually through 2017, rising to $135 billion, according to a new study released by The Freedonia Group, Inc. This increase will be achieved despite some short-term sales weakness in the short term.

World Mining Equipment is a new study produced by the Cleveland-based industry market research firm, identifying changes in demand and other trends in the industrial sector. "Gains will be spurred by voracious demand for mined materials in China, India, and other developing nations as industrial output increases," observed Matt Raskind, a Freedonia analyst.

Rapid gains in mining equipment demand will occur in the large developing markets (e.g., Brazil, India, and particularly China.)

In tonnage terms, metals account for a smaller share of mine output than minerals and coal, but machinery used in mining metals represents the largest segment of the global market. This is due to the large amount of ore that typically must be removed per metric ton of primary metal product output.

Demand for equipment used to mine metals will rise at the most rapid pace through 2017, stimulated by steel and aluminum production. Driven by increasing global population, an expansion in construction spending and agricultural output will boost consumption of construction aggregates and fertilizer minerals (e.g., phosphate rock), as well as sales of related equipment.

"The greatest sales growth through 2017 will occur in the large Asia/Pacific region," Raskind reported, "fueled by substantial investments in new mine production capacity in several nations."

Demand for mining equipment will increase significantly in South America, as mining companies seek to develop deposits of bauxite, copper, and iron ore in the region. Copper oversupply issues (prevalent in 2012-2013) are seen declining over the course of the market study, allowing prices to recover and drive demand for associated mining equipment demand in areas rich in copper, such as Chile and Peru.

Africa/Mideast, followed by Eastern and Western Europe, and North America will follow as the regions post the next fastest increases in demand for mining equipment. In developed regions, a rebound in construction spending and manufacturing output will drive demand for nearly all types of mined materials. An increased emphasis on natural gas and other fuel sources friendly will impact thermal coal output.

WORLD MINING EQUIPMENT DEMAND
(million of dollars)

% Annual Growth

	2007	2012	2017	2007-2012	2012-2017
Mining Equipment Demand	48,050	89,500	135,00	13.2	8.6
North America	9,830	13,700	16,950	6.9	4.3
Western Europe	6,555	5,575	7,300	-3.2	5.5
Asia/Pacific	20,000	5,4750	88,600	22.3	10.1
Central & South America	3,960	6,645	10,150	10.9	8.8
Eastern Europe	4,000	4,200	5,480	1.0	5.5
Africa/Mideast	3,705	4,630	6,520	4.6	7.1

,Significant Events

June 2014: JBL Co. Board of Directors principally agree to the proposed offer and the WVJIT Executive Director recommends to the WVJIT Board of Directors that value of the JBL Co. investment be written down to $0.

May 2014: The Company has been approached by KY-based Mineral Labs, a coal and mining sampling company, to buy the assets and assume certain liabilities of JBLCo. The Company is still undergoing negotiations with Mineral Labs.

March 2014: Total Revenue declined 15% year-over-year, and achieved a gross margin of 45%, which is well below the 54% the company achieved in the same period one year ago. Despite the company's poor P&L performance, the balance sheet remains healthy with a current ratio of 1.50 and positive working capital. Company maintains a healthy backlog of $1.1M for FY2014.

December 2013: FY 2013 revenue declined 2% year-over-year, but achieved a 50% gross margin which is in-line with FY 2012. Within the JBLCo. line, Complete Sampling System and Parts were the biggest drivers of the sales, both making up roughly 85% of total revenue, this led to a 2% year-over-year increase. Gross Margin was 52%, Operating and Net Income Margin was 2% and 3%, respectively. SSC sales were down 14% year-over-year. Roughly half of the sales for SSC were labor, with a majority of the labor sales coming from the Appalachian region. Gross Margin was 70%, Operating Margin was 10%, and Net Income Margin was 3%.

September 2013: JBLCo received a sourcing agreement from Danish automation installation company, FLSmidth A/S ("FLS"). FLS seeks to expand its sampling product portfolio to also comprise coal sampling and related equipment through IP's from a 3rd party as an alternative to develop a proprietary range of coal samplers and related equipment.

March 2013: JBLCo had several opportunities lined in up in its pipeline for the remainder of 2013 with a majority of them coming from the Gibson County Coal and South business. 2Q13 backlog was roughly $365K and slightly over $410K in 3Q13.

December 2012: 2012 was the worst year for JBLCo since 2007. The Company had a net loss of ($498,207) and an EBITDA of ($266,321). Though the Company had been liquid (current ratio of 1.69 along with a positive working capital) the Company increased its senior debt from $192k in 2011 to $1.1M in 2012.

September 2012: As of November 2012, YTD 2012 financials for the JBL CO. Division continued to be lower vs. the same YTD period in 2011. Total Revenue was $3.9M down 30% from YTD 2011, Gross Profit $1.89M down 28%, and a Net Income (337K) down 304%. YTD 2012 financials for Shamrock Scale Company compared to YTD 2011 with Revenues for $1.12M down 13%, Gross Profit at $718K down 15%, and a Net Income at $32K down 73%.

The management team has had to incur work-force downsizing to mitigate its cost pressure. In the pipeline for Dec. 2012, the company's sales projection was $970K, and its 60-90 day projection was $1.48M.

April 2012: Company successfully restructured their commercial banking obligations with a West Virginia based bank.

June 2011: JBLCo revenues increased from 2009 to 2010 going from $784,500 to $822,400; however, net income decreased from a positive $95,000 to a loss of $36,000. Although the month of May 2011 was a strong sales month, the year- to-date totals compared to the same time period in the previous year were down by close to 24%. Booked sales for the period June through October 2011 looked very encouraging.

June 2010: The combined 2009 calendar year-end revenues for JBLCo and the operating division of Shamrock Scales was $8.1 million, with a positive net income of $114,449. Projected revenue for calendar year of 2010 was $7.1 million. Total revenue for 2010 was $8.2 million. The Company has three WV based employees.

June 2005: The JBLCo Board of Directors signed a letter of intent to hire Jeff Hoops as the new CEO of JBLCo, Inc. Mr. Hoops brings a wealth of experience in the industry having been the former VP of Arch Coal's Eastern Operations as well as President and founder of Solomons Mining Company. Mr. Hoops received equity in JBLCo in exchange for a $650,000 investment and the guarantee of $2 million line of credit. The WVJIT percentage of equity ownership was reduced as a result.

September 2003: Mountaineer Capital made an additional $500,000 investment in Compro Systems. This was structured as a secured note and had no effect on the equity position of WVJIT. Additionally, Mountaineer Capital purchased, at a discount, the existing $2.8 million debt held by Huntington National Bank.

August 2003: The Compro Board of Directors, with recommendation from the consulting firm of Nachman Hays, elected Steve Campbell as CEO of the Company to head all operations. Mike Shafer resigned from the Company and surrendered his stock but did retain certain business assets. As a result of the stock surrender by former CEO and majority stockholder, Mike Shafer, WVJIT's equity position increased from 10% to 23% ownership of the Company.

November 2002: WVJIT investment of a 8% cumulative convertible Series A preferred stock. On a fully diluted basis, WVJIT owned 11.35% of Compro Systems, Inc. Investment capital was utilized to refinance debt incurred in the acquisition of related businesses.

Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in JBL Co, Inc. at value, which is currently presumed to be the same as cost or **$0,** per WVJIT Executive Director's recommendation.

Snapshot:

Company: **Liberty Hydro, Inc.**
Website: libertyhydro.com
Location: South Charleston, WV
Total Employees: FT/3; PT/0
WV Employees: FT/3; PT/0

WVJIT Investment: $425,000
WVJIT Ownership: 35.9%
Subject to GASB 62: YES

Leadership

Mark Kropilak, Chief Executive Officer
Dr. John Taylor, Chief Technology Officer
Phil Farina, Sales Executive

Background

Liberty Hydro, Inc. is a Delaware C Corporation formed in 2009 based on the application of technology developed by MATRIC that was engineered to remove selenium and other contaminants from coal mine discharge water. The Company also engaged in additional product developments, the most promising of which is an aspect of the ZVI technology that involves the brine concentrator, which is based on a new technology that the Company calls the CounterFlow ROTM Process. In addition, the Company has made progress on its pH Controller for acid mine drainage and its Dissolved Air Floatation (DAF) units.

Liberty Hydro has developed additional products for contaminant removal in water supply and has completed several case studies both domestically and internationally such as the John Amos Power Plant in West Virginia, the Ambatovy Mine in Madagascar and the Tannery Market in India.

The Company has several strategic partnerships with Meidlinger Partners, LLP, MATRIC and Merryweather Foam Inc., who is a distributor and fabricator of flexible foam products.

WVJIT Investment History

- **July 2013:**
  - $75,000 investment, convertible debenture, 10% interest rate
  - Maturity date: **June 30, 2015**
  - Funded using WVCAP Seed Co-Investment Fund

- **June 2012:**
  - $100,000 Convertible Debenture; WVCAP; Maturity Date: **June 30, 2015.**
  - $250,000 Convertible Debenture; WVCAP; 14% interest; Maturity Date: **June 30, 2015**

- **2011:**
  $500,000 Series A-2 Preferred Units Investment.

Warrant Coverage:
75,000 shares of common equity at $0.01 per share

- **February 2012:**
  Exercised Warrants for 400,000 shares of common equity at $0.01 per share.

- **October 2012**
  Exercised Warrants for 1,050,000 shares of common equity at $0.01 per share

Total WVJIT Investment: $425,000 ($425,000 from WVCAP) Due to previous GASB adjustment

Valuation based on GASB 62: $0

Equity Investment Balance: $514,500

Co-Investors/Lenders

Meidlinger Partners	$1,450,000
MAH	$701,546
Kennington	$153,093
John Sawyer	$140,000
Marty Weirick	$74,000
Vic Sprouse	$70,000
Jon Pauley	$50,000
Mark Kropilak	$50,000

Board of Directors

Mark Kropilak, Chief Executive Officer

Mark Kropilak holds degrees in Economics and Accounting from Saint Vincent College, a JD from Columbia University and an Executive MBA from Villanova University and is a lecturer at their business school. He worked for Aqua America (a publicly-traded water utility holding company) for 23 years serving in various roles, including Senior VP of Corporate Development for the entire company and General Counsel for the regulated water and wastewater division. Mr. Kropilak was a consultant and one of Meidlinger Partners' part time Principals. He was on assignment to fill the CEO vacancy at Liberty and stabilize the Company, prior to becoming CEO at the end of March 2012.

Kevin Brophy, Meidlinger Partners

Kevin Brophy is a co-founder and Managing Principal of Meidlinger Partners, LLC. He has a wide range of experience in the water industry, ranging from utility operations and public utility rate design to mergers, acquisitions and strategic planning. Mr. Brophy manages investor relations, oversees the firm's daily operations, and manages financial planning for Portfolio Companies. Mr. Brophy also plays an integral role in negotiating and structuring investments and strategic planning for Portfolio Companies.

Prior to co-founding Meidlinger Partners, Mr. Brophy worked for nearly 14 years at Aqua America, Inc. (Aqua) (NYSE: WTR), one of the nation's largest publicly traded water utility companies serving approximately three million people in 13 states. He participated in various projects such as public utility rate case filings and follow-on equity offerings and occasionally managed aspects of Aqua's securities portfolio, including equities and derivatives.

From 2004 through 2007, Mr. Brophy held full responsibility for Aqua's 'growth ¬through acquisition programs throughout the State of Texas. Residing in Austin, Mr. Brophy directed the acquisition of five companies for Aqua Texas which significantly increased Aqua Texas' customer base. In addition, he executed 12 water provision/wastewater deals for new, large 'greenfield' real estate development projects in Texas.

Mr. Brophy has also attended the Utility Rate School program of the National Association of Regulatory Utility Commissioners, has completed the NCEE Mergers, Acquisitions and Business Valuation curriculum and finished the London Business School Private Equity Program. Mr. Brophy is a member of Investors' Circle, a leading network of private and institutional investors using private capital to promote the transition to a sustainable economy. He is also on the Executive Committee of CCTC, a Philadelphia-based private non-profit agency dedicated to helping children and their families cope with the impact of behavioral health issues and traumatic events.

Bill Goode, Representative of Mid-Atlantic Holdings

Bill Goode currently occupies a Common Shareholder seat. He is Vice President for the Jacobs Financial Group of Charleston, WV where his primary responsibility is with two subsidiaries that specialize in underwriting surety bonds for regulated industries. The Jacobs Financial Group also includes Jacobs & Company, an SEC registered investment advisory firm. He previously served as President of the Charleston Area Alliance. Mr. Goode holds a BS in Accounting from the University of Kentucky.

C. Andrew Zulauf, Executive Director, WV Jobs Investment Trust

Andy Zulauf has extensive experience in finance and venture capital, having served as Executive Director and Senior Loan Officer for the West Virginia Capital Corporation, as a Partner and Managing Director of West Virginia operations for Adena Ventures, and as Vice President and Upper Middle Market Commercial Relationship Officer for Fifth Third Bank. Mr. Zulauf is a graduate of Marshall University and the University of Charleston's Executive MBA program.

Products

ROVrTM

Liberty has been working on several products over the past year. One of which is the Reverse Osmosis Vehicle for remediation, or ROVr.

ROVrTM is a platform treatment unit that can be customized for a customer's specific needs. It uses a combination of a Dissolved Air Floatation (DAF) and RO concentrator. The ROVr technology can be configured to work simultaneously with other treatment technology or can be a fixed plant design platform. The ROVr concentrator can reduce volume of reject water from standard RO technology by 50%, thus facilitating disposal and crystallization.

pH2O Controller

The pH2O Controller works very similarly to the way a thermostat does. The Controller automatically adjusts the chemical feed system to achieve the desired set point for the pH of a downstream flow. Liberty describes this product as perfect for acid mine drainage in a number of ways. Some of which are:

- Eliminates overfeeding (wasting chemicals)
- Eliminates underfeeding which can cause permit violations
- Ability to store data and read it remotely via satellite
- Liquid and Pellet Technology

Zero Valent Iron Technology (ZVI)

This technology allows the selenium (and arsenic) to adhere to the media in the container units which thereby is removed. There are several industrial and rural applications for ZVI media such as being placed in large tanks and constructed drum systems. Additional market applications for the ZVI media include municipal systems, point-of-use devices, agriculture, and other areas of the development world. The media can effectively remove more than 90% of minerals such as selenium, mercury, thallium, lead, cadmium and chromium. In addition, the product is highly cost-effective relative to other products by competitors in the market.

The Selenium Remover system is a patent -pending system in which finely-divided zero-valent iron (ZVI) is attached to an open-pore polymer foam. The foam media allows easy flow of the water while enabling adequate contact and reaction time with the ZVI. The selenium in solution is reduced by the ZVI to elemental selenium which is permanently absorbed by the foam media.

Competition/Market Summary

The Water Treatment Equipment study, conducted by Cleveland-based industry market research firm the Freedonia Group, says more stringent manufacturing requirements in process water also will spur demand. The study expects growth in the resources extraction, commercial, residential and municipal markets. The resource extraction industries have a growing need for the equipment as treatment requirements for produced water in oil and natural gas rise and as water recycling and reuse increase to meet the demands of expanded hydraulic fracturing activities in the U.S., the study says.

The U.S. water treatment equipment market is projected to grow 5.9 percent a year to reach $13 billion in 2017, gains largely driven by concerns over the health risks and environmental impacts of biological contaminants, chemicals and disinfection byproducts in supply water and wastewater, according to a study.

A separate analysis by Frost & Sullivan forecast revenues in the global disinfection systems market will grow from $1.94 billion in 2012 up to $2.96 billion in 2019 due to rapid industrialization and urbanization coupled with more stringent legislation requiring more extensive water reuse.

The trend of water reuse and disinfection practices, particularly in water critical industries such as power, food and beverage and pharmaceuticals will have a profound impact on market prospects over the next five to seven years, Frost & Sullivan says.

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Key participants in the global water and wastewater treatment equipment market are Aquatech International Corporation (U.S.), Danaher Corporation (U.S.), Degremont SAS (France), GDF SUEZ S.A. (France), GE Water & Process Technologies (U.S.), Veolia Environment SA (France), and Xylem Inc. (U.S.), and also other market participants.

WATER TREATMENT EQUIPMENT DEMAND
(million dollars)

Item	2007	2012	2017	% Annual Growth 2007-2012	% Annual Growth 2012-2017
Water Treatment Equipment Demand	7760	9760	13010	4.7	5.9
Municipal	3630	4610	5950	4.9	5.2
Manufacturing	1818	2350	3150	5.3	6.0
Commercial & Residential	1076	1110	1520	0.6	6.5
Resource Extraction	618	973	1470	9.5	8.6
Power Generation	525	588	690	2.3	3.3
Other Markets	93	129	230	6.8	12.3

Industry Summary

Rapid industrialization and urbanization coupled with more stringent legislation is requiring more extensive water reuse, a need that will push revenues in the disinfection systems market from $1.94 billion in 2012 up to $2.96 billion in 2019, according to an analysis by Frost & Sullivan.

Global Water and Wastewater Disinfection Systems Market says Europe had the highest market share in 2012, followed by the Americas and Asia-Pacific. Frost & Sullivan predicts market growth in the Americas will slow due to the diversion of water utility funds.

The Asia-Pacific region will emerge as a market leader due to rapid population expansion, intensifying water demand and high industrialization rates, the analysis says.

The trend of water reuse and disinfection practices, particularly in water critical industries such as power, food and beverage and pharmaceuticals will have a profound impact on market prospects over the next five to seven years. However, the high cost of disinfection, a secondary treatment step in the water reuse cycle in non-food crop irrigation and industrial cooling, has prevented more widespread adoption, according to the analysis.

Developing and poorly developed countries are particular sensitive to cost. To fully leverage the enormous growth potential, particularly in developing regions, companies will need to provide cost-effective disinfection solutions, Frost & Sullivan says.

The firm also forecast a shift within the disinfection systems market. Chlorine-related disinfection, which still dominates with a market share of 38.7 percent, is expected to slow down. Meanwhile, UV and AOP disinfection, which is considered the next best alternative, will make up 33.7 percent of the market by 2019, according to the analysis.

The pulp and paper industry is expected to help drive growth in the global water and wastewater treatment market from $983.9 million in 2012 to $1.569 billion in 2020, according to a separate analysis released by Frost & Sullivan last month.

The market is expected to experience a 6 percent compound annual growth rate as rising water prices and tightening environmental standards force the pulp and paper industry to install high-end equipment to treat wastewater and reduce consumption, Frost & Sullivan says.

Significant Events

June 2014: Liberty Hydro provided to the Board of Directors its achieved milestones as of June 2014:

- Wateree Proposal: Liberty Hydro conducted a pilot test at SCANA's Wateree Power Plant in South Carolina (November 2013 to March 2014) for removal of mercury and selenium from Flue Gas Desulfurization Wastewater. Liberty Hydro had the best treatment results, generally at the target level of 10 ppb. As a result of this first place finish, Liberty Hydro was asked to take the lead on designing the whole treatment train that would be anchored by Liberty Hydro's ZVI Blue™ technology. Liberty Hydro submitted a Proposal to SCANA on June 3 for a $45 Million treatment system that was co-authored by GAI Consultants, the engineering firm selected by Liberty Hydro. A review meeting with SCANA is tentatively set for the second week in August.
- Ongoing Amos Pilot Testing: Liberty Hydro is conducting a pilot test at AEP's John Amos power plant. Liberty Hydro has achieved the best test results, with data generally under 10 ppb. AEP has asked Liberty Hydro to continue the pilot test to evaluate stress testing, media life, and media regeneration. The parties

have discussed a larger pilot unit as the next step toward evaluation of a full-scale treatment system. A meeting with AEP is scheduled for July 17 in Columbus, OH.

- EPRI Workshop: Liberty Hydro has been invited to provide a 2 hour presentation on its ZVI Blue™ technology to EPRI members at the EPRI workshop in Charlotte, NC on August 27. The management team will explain the Company's technology and the successful results at Wateree and Amos to the major electric utilities in the United States.
- Pilot Test for Southern Company: In the middle of June, Liberty Hydro installed a pilot unit at Plant Bowen, Georgia, owned by Southern Company. This is part of a multi-million dollar testing protocol at the newly commissioned Southern Company's Water Research Center. Several competing technologies are being tested such as GE, MARS, Siemens and others to determine a path forward for all Southern Company facilities.
- ABMet and ZVI Blue: GE has approach Liberty Hydro to discuss the prospect of using Liberty Hydro's ZVI technology in place of the second stage of GE's ABMet system, since the ABMet bio system does not work 100% of the time and would benefit from a better final treatment train.
- Acquisition Prospect: Liberty Hydro is now in discussions with an energy holding company that has expressed an interest in buying all or most of the stock in Liberty Hydro.
- Company Profile from LUX Research: Mark Kropilak will be interviewed by LUX Research on June 24 as a follow up to his presentation at the WaterVent conference in Philadelphia on May 29.

February 2014: Liberty Hydro was awarded $20,000 CAM Grant for a portable water-filtration pilot unit needed for customer-site demonstrations of Liberty Hydro's clean-water technology

December 2013: Company received a notice of allowance for the ZVI product/technology from the U.S. Patent and trademark office.

July 2013: WVJIT Board of Directors approved a $75,000 convertible debenture investment in the company with a 10% interest rate. The Government Accounting Standards Board ("GASB") came out with a ruling in 2012 – GASB 62 – which requires state or federal venture capital funds that have 20% or more of the total voting stock in a portfolio to value its holdings according to the equity method.

This applies to Liberty Hydro, where WVJIT has 36% of the voting stock Therefore, WVJIT recognizes its proportionate share of operating losses of the Liberty Hydro and reflect the adjusted value on its internal and external financial statements.

June 2013: The Patent Security Agreement was amended. The Secured Creditors were given a security interest in any patents currently owned and any acquired in the future.

June 2013: ZVI Blue pilot unit installed at ATI and John Amos power plant in West Virginia arranged for a pilot unit to be installed. The Company also received a grant from CAM to build a trailer unit.

December 2012: Had a successful micro-pilot unit installed at Ambatovy mine in Madagascar.

May 2012: Liberty Hydro hired Mark Kropilak as new CEO.

2011: Liberty and GE were joint testing to determine the increased viability of both processes when coupled together. The Company developed new technology addressing the water contamination issues resulting from the "fracking" process for natural gas production. The prototype was successfully tested in a controlled environment and to be field tested in the 4th quarter of 2011.

Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Liberty Hydro, Inc., at value, which is currently presumed to be the same as cost or **$425,000**.

MightyTykes™
Great gear for special kids.

Snapshot:

Company: **MightyTykes, LLC**
Website: mightytykes.com
Location: Berkeley Springs, WV
Total Employees: FT/2; PT/1
WV Employees: FT/2; PT/1

WVJIT Investment: $51,478
WVJIT Ownership: 0.0%
Subject to GASB 62: NO

Leadership

Isabella Yosuico, President

Background

Poor muscle tone (hypotonia) or muscle weakness are impairments common to several physical conditions found in children, including Down Syndrome, prematurity, Autism-spectrum disorders, Cerebral Palsy and Muscular Dystrophy. These physical limitations impair a child's timely mobility and the ability to fully explore their environment and in turn, learn and socialize. MightyTykes, LLC estimates that nearly three million children from birth to age five in the United States alone are affected by these conditions, many of which are on the rise. Worldwide, the incidence and prevalence of these conditions is comparable.

For children with Down Syndrome, a weight training program using ankle weights in progressive resistance exercises for lower limbs and balance training is an effective treatment to improve strength and balance. In addition, children with certain conditions may also have other impediments that can be effectively treated by ankle or wrist weights including tremors, poor coordination, or simple sensory issues. According to the Company and INNOVA's research, there is currently not a wrist or ankle weight designed for the early intervention market, and the Company's product— Mighty Tykes™ Infant and Child Weights—fills that gap.

With input from parents, physical therapists and occupational therapists from some of the nation's leading children's hospitals, Down Syndrome mom Isabella Yosuico developed Mighty Tykes™ Infant and Child Weights to meet this important unmet need. Carefully and thoroughly researched, Mighty Tykes™ are designed to be visually aesthetic, affordable, user-friendly and easy to manufacture. Mighty Tykes™ will be made in the USA from high quality materials, meeting the high standards of institutional settings, while still being affordable to parents, caregivers and independent therapists in a home setting.

WVJIT Investment History

- **March 2014**
  - $100,000 - 9% Convertible Note accruing 9%. The Convertible Note will be disbursed in two tranches upon meeting pre-determined milestones.
  - No Warrant Coverage

Total WVJIT Investment as of June 30, 2014: $50,000 ($25,000 funded through WVCAP)

Co-Investors/Lenders:

Isabella Yosuico	75%
Raymond Yosuico	25%

Products and Services

MightyTykes, LLC, based on feedback, is developing a ¾ and 1lb weight. Due to the cost savings recognized during Phase 1, this will be a cost-neutral expansion.

Board of Directors

Guy Peduto, INNOVA Commercialization Group

Guy Peduto joined the INNOVA Commercialization Group in April 2006. Prior to joining INNOVA, he held the position of Director, Commercial Programs at the Institute for Scientific Research, Inc. While there, he developed strategies for the commercial utilization of ISR's technology and research applications in such areas as biomedical research, education, software development, mining safety and communication, VTOL aerial vehicles, and automotive controls and diagnostics.

Mr. Peduto's background includes 20 years of strategic planning experience with an emphasis on product introduction, leadership for early stage and start-up companies as well as market and business development. This experience includes business formation, product development, go-to-market and market development strategies for industrial and commercial manufacturers, consumer goods, advanced research and development, healthcare, financial institutions, Internet start-ups and retail chains.

As a participant and contributor to West Virginia's technology-based economic development movement, Mr. Peduto serves on the Board of Directors of TechConnect and executive committee of TechConnect WV, as a member of the WV Angel Network working group, the West Virginia Development Office and the West Virginia Small Business Development Center's Advisory Board of Directors, the I-79 Development Council and West Virginia Biometrics Initiative.

Mr. Peduto received a Bachelor's degree in Business Administration with a major in Marketing from West Virginia University. In addition, he is a graduate of the Competitive Strategy program at the Kellogg School, Northwestern University, the Commercialization and Technology Transfer program at Carnegie Mellon University, the National

Association of Seed and Venture Funds Professional Development Program and the Venture Capital Institute. He is also a member of the Leadership West Virginia Class of 2004.

Michele O'Connor, West Virginia Jobs Investment Trust

Michele O'Connor has more than 25 years of experience in the finance and banking industry. She attained her Certified Financial Planner designation along with the Accredited Investment Fiduciary Manager designation. She was the Portfolio Manager for the Trust Department at First United Bank and managed over $600 million for the department. Currently, Ms. O'Connor is the Investment Manager for the West Virginia Jobs Investment Trust, a leading venture capital firm focused on turning the innovation of new ideas into successful world-class companies. Ms. O'Connor graduated Magna Cum Laude with a BA in Finance from the University of Maryland College.

Isabella Yosuico, Founder

Isabella Yosuico is the mother of six-year-old Pierce and three-year-old-old Isaac, who has Down Syndrome. Isabella is an accomplished communications professional with an extensive background in healthcare-related marketing and communications in a variety of settings including Fortune 1000 healthcare companies, hospital systems, biotech companies, management consulting firms and non-profits. At different times in her career, Isabella has also played a key role in organizational development and administration. Isabella is currently a communications consultant for MedImmune, Inc. and Bon Secours Health System, and is also pursuing an M.S. in Management (emphasis on Public Relations) at the University of Maryland University College, where she previously completed a B.A. in Communications Studies. As part of her master's curriculum, Isabella completed a Financial Decision Making for Managers course and will begin a Statistics for Managerial Decision Making in this fall semester.

Dario Campolattaro, CEO, Kelly [Health] Insurance Agency Summit Insurance Group

Dario Campolattaro has more than 20 years of experience in the health insurance industry. A dynamic, results-oriented leader, Mr. Campolattaro has a strong track record of performance in sales, turnaround and high-paced organizations. Mr. Campolattaro is an accomplished business and community leader who has served on boards including Loudoun (Virginia) CEO Cabinet, Greater Washington Boys and Girls Clubs, and is the former Board President for the Society for Human Resource Management. Mr. Campolattaro is an accomplished athlete, who has completed the Marine Corps Marathon three times along with several marathons, 50-mile, Ironman and related competitions.

Industry/Market Overview

Physical Therapy & Down Syndrome

World Down Syndrome Day is celebrated globally on March 21 to raise awareness about the genetic disorder that affects approximately 1 in 700 babies born in the United States each year. To honor this day, the APTA has created resources for parents of children with Down Syndrome (DS), explaining the importance of physical therapy in facilitating their child's growth and development to enable them to function at their best throughout all the stages of life.

"Low muscle tone, decreased strength, increased movement at the joints, poor balance, posture difficulties, feeding problems, and poor hand use often delay natural development in children with DS," explained APTA member and board-certified pediatric physical therapist Venita Lovelace-Chandler, PT, PhD, PCS. Move Forward Radio, APTA hosted the segment, "Down Syndrome and the Role of Physical Therapy." Lovelace-Chandler discussed how physical therapists help children with DS develop gross motor skills in order to achieve important developmental milestones. These skills can include, but are not limited to, head control, sitting, crawling, postural control, standing, and walking.

Treatment for DS is still evolving, but recent research suggests that strength, balance, and cognitive function are 3 factors that influence physical development. While the abilities of children with DS can differ vastly in these areas, Lovelace-Chandler says that physical therapists play a key role in helping children develop strength and balance, adding, "the earlier your child begins physical therapy, the better the outcomes."

In later childhood and early adulthood, people with DS may develop other conditions such as obesity, poor cardiovascular health, thyroid dysfunction, skin disorders, depression, and difficulty learning tasks that require more complex movement. Physical therapists are able to work with the family and other health care providers to reduce or prevent these conditions.

APTA also offers the "Physical Therapist's Guide to Down Syndrome" on MoveForwardPT.com—a free, comprehensive guide about DS, how a baby's development might be affected by DS, what to consider when looking for a physical therapist, and how a physical therapist can help a child.

The American Physical Therapy Association (APTA) represents more than 85,000 physical therapists, physical therapist assistants, and students of physical therapy nationwide.

Down's Syndrome Treatment

There's still no cure for Down Syndrome, but recent research is raising hopes that drugs can be found to counter the cognitive deficit that characterizes the genetic disorder.

The University of Massachusetts researchers said they had found a way to shut down the extra chromosome that causes the syndrome, at least in test tubes. And now comes word that scientists have identified a compound that brings dramatic improvements in learning and memory in mice bred to have a Down-like condition. One injection of the compound given on the day of birth seemed to work by allowing the animals' cerebellums to grow to full size.

"Most people with Down Syndrome have a cerebellum that's about 60 percent of the normal size," Dr. Roger H. Reeves, a professor at Johns Hopkins University and one of the scientists behind the research said in a written statement. "We treated the Down Syndrome-like mice with a compound we thought might normalize the cerebellum's growth, and it worked beautifully. We were able to completely normalize growth of the cerebellum through adulthood with that single injection."

Those bigger cerebellums certainly seemed to do the trick. In subsequent tests, mice given the injection were significantly better than untreated mice at learning and remembering how to find their way while swimming in a so-called water maze.

Just what is the stuff that brings this amazing result? It's a complex organic molecule that belongs to a family of compounds known as "sonic hedgehog pathway agonists." The compounds seem to "supercharge" the action of sonic hedgehog, a "growth factor" protein that helps regulate growth and development of body tissues.

Reeves said the molecule could eventually find use as a human drug, adding that clinical trials are already underway to evaluate other cognition-enhancing drugs in people with Down Syndrome. But he said the molecule won't be ready for clinical trials until several hurdles are overcome--including making sure the compound doesn't cause cancer, uncontrolled growth, or other serious problems.

"We have to figure out the minimum doses and modes of delivery, example possible side effects and optimize timing before it could be considered as a possibility for human trials," Dr. Reeves told The Huffington Post in an email, adding that funding for such research was in short supply.

Even if the compound does become a drug, of course, it wouldn't represent a cure for Down Syndrome. The condition, which results from an extra copy of chromosome 21, can cause heart trouble, bowel problems, sleep apnea, and other problems in addition to the characteristic intellectual disability and facial features.

"Down syndrome is very complex, and nobody thinks there's going to be a silver bullet that normalizes the condition," Reeves said in the statement. "Multiple approaches will be needed."

About one in every 800 babies in the U.S. is born with Down Syndrome, according to the website of the Down Syndrome Research and Treatment Foundation. Worldwide, just under six million people have the condition, including about 350,000 people in the U.S.

Significant Events

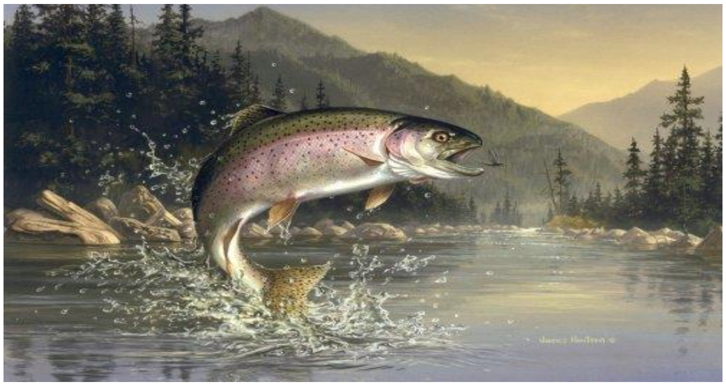
June 2014: MightyTykes products are being sold directly through its website as well as Amazon.com and another separate distributor. The Company has completed most of Phase 1 of production and will begin the process of Phase 2 shortly. A significant cost savings was created during Phase 1 which will help offset any unexpected costs which the Company may encounter during Phase 2.

May 2014: MightyTykes was featured in the WV State Journal. The Company also received a $3K in grant funding from TechConnect to attend the New York Metro Abilities EXPO.

March 2014: WVJIT Board of Directors approved a $100,000 convertible debenture investment in MightyTykes.

Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Mighty Tykes, LLC at value, which is currently presumed to be the same as cost or **$51,478.**



MOUNTAINEER TROUT FARM, LLC

Snapshot:

Company: **Mountaineer Trout Farm, LLC**
Website: N/A
Location: Josephine, WV
Total Employees: FT/3; PT/0
WV Employees: FT/3; PT/0

WVJIT Investment: N/A
WVJIT Ownership: 0.0%
Subject to GASB 62: NO

Leadership

S.E. Thompson, Owner
Colleen Miller, Owner
Tom Ort,Advisor

Background

Mountaineer Trout Farm, LLC is an aquaculture business formed in March 2007 as a joint partnership run by Ted Miller (since deceased) of Birch Creek Deer Farms located in Pennsylvania and S.E. Thompson, Jr., of Gainesville, Florida. Operations are located at the Lillybrook Aquafarm site located in Josephine, West Virginia. The site uses water from the former Lillybrook Mine. The water is ideal in temperature, chemistry, and is free of water-borne disease. The site is gravity-fed, thus eliminating redundant pumping systems, which significantly reduces operating costs and gives the Company a major cost advantage. Mountaineer Trout leases the property by Lillybrook Mine and pays a leasehold payment based on a percentage of gross sales. The lease began after the assets reverted back to WVJIT in 2007.

Mountaineer Trout Farm, LLC was formed to take advantage of a natural resource – mine water used to supply an aquaculture project. The Company now has two parallel raceways each measuring 100 feet by 20 feet width. The raceways were constructed with Company funds and borrowed funds from Farm Credit. The raceways are estimated to have a maximum capacity of 400,000 in future years. The lease gives Mountaineer Trout Farm the right of first refusal on any future lease for the McAlpin Farm site.

The project was initially funded as Minaqua in 1995 with the goal of becoming a major supplier of Arctic Char to the Mid-Atlantic and South Central regions of the United States.

WVJIT Investment History

- **2007:**
  - $1,573,794 Debt Investment
  - $ 280,000 Equity Investment
  - Royalty: 5% on gross sales

FY2014 WVJIT Revenue: $27,455.90

*At the date of the formation of Mountaineer Trout, WVJIT has a depreciated value of $573,387 to its lease household interest in the facility which in turn is subleased to Mountaineer Trout. WVJIT also wrote off the 2007 investment in Mountaineer Trout.

Board of Directors/ Management

Wesley Grose – Plant/Farm Manager

Paul Rowe - Plant/Farm Assistant Manager

Products

Mountaineer Trout sells a variety of trout on their trout farm in Josephine, WV. During the past year, no new products or services were created by Mountaineer Trout. Their continued growth and sales numbers continued to retain unprecedented status and Mountaineer Trout will continue on their same path as their future looks bright.

Competition/Market Summary

The global market for aquaculture is expected to reach USD 202.96 billion by 2020, according to a new study by Grand View Research, Inc. Aquaculture includes farming of aquatic organisms such as mollusks, fish, crustaceans and other aquatic flora and fauna. Increasing consumer awareness of health benefits associated with seafood and growing consumption serves as a key driver for development of the market. In addition, the market demand is expected to be further fuelled by the lack of naturally available varieties owing to extensive fishing. Rice-fish culture is expected to serve as key growth opportunity for this market over the next six years.

Carps were the largest product segment, accounting for 25,137.6 kilo tons of global aquaculture demand in 2013 and is expected to reach 29,462.8 kilo tons in 2020, growing at a CAGR of 2.2% from 2014 to 2020. The demand for carps is expected to rise as it is one of the prime cultivated fish due to its high compatibility with non-ideal environmental conditions and its extensive use in fish farming. Mollusks were the second largest product segment, with market demand exceeding 16,619.6 kilo tons in 2013, owing to health benefits resulting in high consumption.

Industry Summary

Mountaintop removal mining does have an effect on fish populations downstream from the mining operations, according to a study just released by the U.S. Geological Survey. The study title is a mouthful:

Temporal changes in taxonomic and functional diversity of fish assemblages downstream from mountaintop mining, which is the fancy way of saying USGS Scientists looked at how well fish populations are doing in streams down river from mountaintop mining sites.

The co-authors are Doug Chambers, a biologist and water quality specialist in Charleston, West Virginia, and Than Hitt, a fish researcher at the Leetown Science Center in Jefferson County, West Virginia.

Over a two year period of time, Chambers and Hitt collected samples from the Guyandotte River Basin in southern West Virginia. Streams that were studied include the Upper Mudd River, the Left Fork of the Mudd, Big Ugly Creek and Laurel Creek. All these streams are down river from mining sites. They were able to compare their samples to data collected in 1999 and 2001 for a water quality study done by Penn State University researchers.

Some study results:

• The streams in the study contain 25 species that are generally found in an Appalachian stream, including creek chub, minnows, sunfish and darters.

• There were fewer fish downstream from the mining sites and half the number of species.

• A minority of species can do quite well in the conditions created by mine runoff including the creek chub and green sunfish.

• Mountaintop mining creates many changes to the landscape, including the way water flows.

• The process of breaking big rocks into smaller ones releases more minerals and chemicals so the water below valley fills contains higher concentrations of selenium.

• Selenium is an essential, non-toxic nutrient that can be harmful when too much is consumed because it reduces the fish’s ability to reproduce.

• How well the fish survive changes in water quality depends on what they eat, and fish with more diverse diets do better.

And, Chambers said the results can help policy makers as they decide how to regulate the state’s water resources. “West Virginia right now is blessed with abundant water," he said. “If we’re going to continue to have readily available abundant water we need to understand the processes that affect its quality very broadly.” Both scientists said the study also provides a framework for future research - both in the field and in a lab setting.

Significant Events

June 2014: Mountaineer Trout has requested the lease be amended to reflect the 3% royalty lease payment which it has been sending in lieu of the 5% royalty lease payment. Also, the Company is looking to add two new raceways and has requested a $35,000 loan to cover the costs of the expansion.

April 2013: Mountaineer Trout is looking to upgrade the property by installing a new roof to the feed room and various other leasehold improvements.

May 2012: Mountaineer Trout sold its entire inventory for the months of May and June. This is a record sales pace for Mountaineer Trout Farm.

June 2011: Over the past ten months Mountaineer Trout caught up on the royalty payments that were in sums unpaid by as much as $31,000 in September 2010. As of the end of June, the Company was current in its royalty obligation. Current royalty payments were based on 5% (3.75% to WVJIT/ 1.25% to Piney Land Company) of fish sales. Following several discussions and predicated on the royalty payments being brought current, the Company and WVJIT started negotiating a new royalty rate, which would allow the Company to capture funds to meet their debt obligations for the construction of raceways. A new proposal was sent to the Company; however, there was not an agreement finalized.

February 2011: WVJIT received an insurance settlement from the WV Board of Directors of Risk for the collapse of the main structure at the McAlpin Farm site, which was under option to Mountaineer Trout. The loss of the structure would have minimal effect on the interest of Mountaineer Trout in exercising their option on the McAlpin site.

June 2010: Mountaineer Trout was delinquent on its obligated royalty payments to WVJIT for 2009 and 2010.

2008: WVJIT agreed to collect 5% of the "gate price" of the fish sold. Gate price is the selling price of live fish when they are transported from the fish farm. Sales may be made for stocking purposes or processed for consumption. The percentage is applied to sales resulting from an arms-length transaction. Any sales made to close associates, family, or otherwise at a favorable price not consistent with market prices, is based on an assumed sales price of $1.40 per pound. WVJIT in turn pays a royalty of 1.25% to the landowner, Piney Land.

2007: Mountaineer Trout Farm, LLC was formed and entered into a sub-lease agreement with WVJIT for a period of 30 years with two ten-year renewal periods.

Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Mountaineer Trout Farm, LLC at value, which is currently presumed to be the same as cost or **$174,463** which is the net asset value of the property.

Company: **Polyplexx, LLC**
Website: Polyplexx.biz
Location: South Charleston, WV
Total Employees: FT/2; PT/0
WV Employees: FT/2; PT/0

WVJIT Investment: $100,440
WVJIT Ownership: 11.37%
Subject to GASB 62: NO

Leadership

Jon C. Pauley, President/Chief Commercialization Officer
Dr. Edmond J. Derderian, Chief Technology Officer
Dr. Richard M. Gerkin, Sr. Technical Advisor

Company

Formerly known as Transparent Armor, LLC (a MATRIC spin-off), it was renamed as Polyplexx, LLC in 2005. The Company was founded by former Union Carbide scientists: Jon C. Pauley, Edmond J. Derderian, and Richard Gerkin. Scientists are developing new chemistry for making high-performance polyurethane and/or urethane hybrid polymers which are easier to process relative to the existing polymers such as polycarbonate. In addition, these polymers are well-known for their extremely broad formulation latitude and can be designed to meet a wide variety of application needs in industries such as Ophthalmic, Safety, and Defense. The Company is located at the Research Technology Park in South Charleston, WV.

Investment History

- **April 2014**
  - $271,500 Series C Equity Investment. (**Funded through WVCAP**).
  - Disbursed first tranche of $100,440.

Management Team

Mr. Jon C. Pauley, President and Chief Commercialization Officer.

Mr. Pauley's responsibilities focus on leading the commercialization efforts of the organization. Mr. Pauley also provides the interface between commercial activities and the Research and Development activities. He received B.S. degrees in Biology and Chemistry from West Virginia State College in 1983 and has spent the largest portion of his career working as a small business start-up specialist.

Dr. Edmond J. Derderian, Chief Technology Officer

Dr. Derderian is responsible for the definition of the R&D program and its technical focus. He received an A.B. degree in Chemistry from Colby College (Waterville, Maine) in 1966 and a Ph.D. in Chemistry from Pennsylvania State University in 1974. After two years as a Post-Doctoral Fellow in the Ames Laboratory at Iowa State University, Dr. Derderian joined Union Carbide Corporation at the South Charleston Technical Center in 1976. He continued in research and development activities for OSi Specialties, Witco, and Crompton Corporation, attaining the position of Senior Research Scientist/Global Technology Manager.

Dr. Derderian's responsibilities over his career have included new product and process development, global technology management, and new business development. His technical expertise includes polyurethane technology, structure-property relationships of polymers, fuel and lubricating oil additives, micro emulsions, and interfacial chemistry and physics. He has numerous publications and patents.

Dr. Richard M. Gerkin, Sr. Technical Adviser

Dr. Gerkin is the co-inventor (with Dr. Derderian) of the technology. Dr. Gerkin received a Ph.D. in Chemistry from the University of California at Santa Barbara in 1968 and a B.S. in Chemistry from Wheeling Jesuit College in 1965. He began his technical career in industrial research with Union Carbide Corporation at the South Charleston Technical Center in 1969. His work continued with OSi Specialties when it was spun off from Union Carbide in 1993, and with the successor companies Witco Corporation and Crompton Corporation. He retired in June of 2002 as a Corporate Research Fellow.

Dr. Gerkin's technical focus throughout his career has been in the development of new products for use in polyurethane systems, including polyols, catalysts and silicone surfactants. He has authored numerous technical papers and holds 22 patents.

Board of Directors

Tim Appleberry	Crimson Hill, LLC
Jon Pauley	Polyplexx
Doug Malcolm	Board Member
Eric Nelson Jr.	Nelson Enterprises
Michele O'Connor	WVJIT
Dr. Richard Gerkin	Polyplexx
Tim Fogarty	Crimson Hill, LLC

Products

Viziplexx is a developed and patented net urethane-based technology platform that provides industries with new high-performance optical/impact resistant materials.

Polyplexx has developed and patented three products through the technology platform. Primary business model will be through licensing the technologies with private and public entities and institutions.

Patent/Trademark	U.S. Patent Number/Serial Number	Issue Date	European/World Patent Number
Impact Resistance Polyurethanes	US8178644 B2	February 2012	EP2227500 B1, WO2009088456A2
Transparent Polyurethanes	US8372939 B1	February 2013	International patents to be filed.
Viziplexx (Safety & Security)	8584788	February2013	N/A
Viziplexx (Opthalmic Lense)	77652104	January 2009	N/A

Competition

Company	Public/Private	Location	Most Recent Revenue
Chemtura Corp.	Public (NYSE: CHMT)	Philadelphia, PA	$556M (3/31/14)
PPG Industries	Public (NYSE: PPG)	Pittsburgh, PA	$3.63B (3/31/14)
Dow Chemical	Public (NYSE: DOW)	Midland, MI	$14.6B (3/14/14)

Market Summary

Industrial Safety/PPE Market: Eye Protection

Frost & Sullivan's overview and analysis of the North American eye protection market (contained in its report, North American Industrial Head, Eye and Face Protection Market, published in April 2009) is the source for most of the following section.

Frost & Sullivan defines a "unit" is as a single-prescription safety eyewear product, a non- prescription safety eyewear product or a safety goggle. Revenue forecasts include sales from a whole unit, which are the frames as well as the glass, but do not include sales from replacement lenses or any other accessory.

Eye protection is needed while working with chemicals, high-energy light, or machine shop equipment. The selection of the correct eye protective equipment depends on the hazard. Frequent eye hazards include gases, vapours, mist, particles, fumes, laser light, and ultraviolet rays. In addition, it is used in many other applications such as: Chemicals, Construction, Emergency services, Engineering, Agriculture, Manufacturing, Oil and Gas industry, Petrochemicals, Pharmaceuticals, and Utilities.

Eye protective products are one of the most widely used personal protective equipment (PPE) after gloves and hearing protection. The market can be divided into three segments: the prescription safety eyewear market, the non-prescription safety eyewear market, and the safety goggles market. The eye protection market exhibited revenues for $448 million with a revenue growth rate of 1.7 percent in 2008. This segment occupied 59.8 percent of the total market in 2008.

In this market, non-prescription safety eyewear represents 63.6 percent of the market whereas prescription safety eyewear represents 15.2 percent. The remaining 21.2 percent corresponds to safety goggles.

In Europe, the PPE market, representing nearly 10 billion euro, has been identified by the European Commission as one of six lead markets, thereby pledging to support these lead markets through targeted regulation, improved public procurement and intensified research and development efforts. PPE has also been highlighted as a priority in the Strategic Research Agenda of the European Technology Platforms for Textiles and Clothing, and Industrial Safety. (PPE Conference)

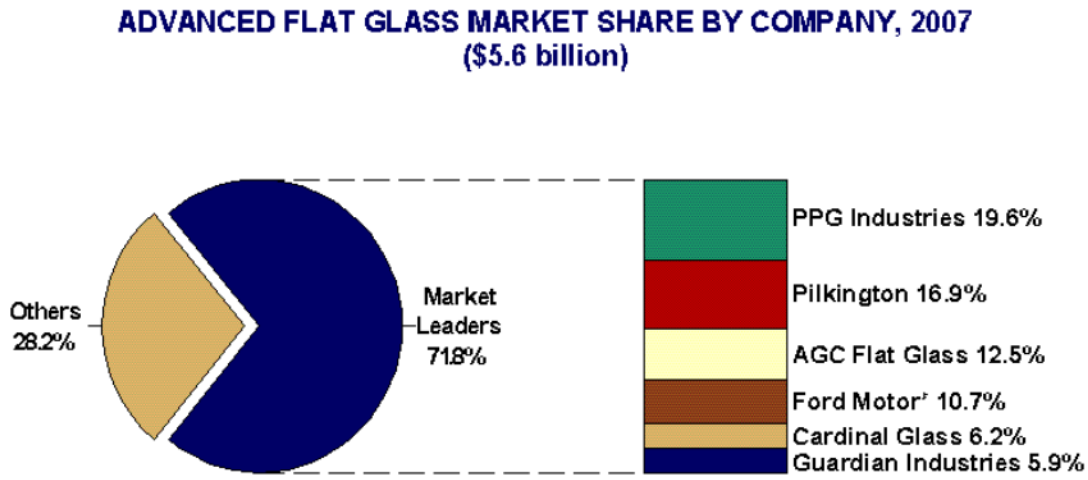
The eye protection market amounted to $448 million in 2008. The compound annual growth rate (CAGR) is expected to be 1.7 percent from 2008 to 2015. In 2008, 27.9 million units were sold in the marketplace.

Non-prescription safety glasses represent 78.6 percent of the overall units sold and 63.3 percent of the total revenues generated by the eye protection market. Prescription safety glasses represent 4.4 percent of the total units sold and 15.2 percent of the overall revenues. Finally, safety goggles represent 17.0 percent of the total units sold and 21.2 percent of the revenues amassed by the eye protection market.

The chart below shows the share of each of the three sub-segments in overall revenues and units shipments for 2008.

Fig. 5-3: EYE PROTECTION MARKET: REVENUE FORECASTS (NORTH AMERICA), 2005-2015

Year	Revenues ($ Million)	Revenue Growth Rate (%)
2005	406.1	--
2006	419.2	3.2
2007	433.1	3.3
2008	448.0	3.4
2009	444.2	(0.9)
2010	444.5	0.1
2011	449.4	1.1
2012	457.1	1.7
2013	469.0	2.6
2014	485.0	3.4
2015	505.8	4.3
Compound Annual Growth Rate (2008-2015): 1.7%		
		Source: Frost & Sullivan



*Ford's advanced flat glass operations were sold to Zeledyne in April 2008.
Source: The Freedonia Group, Inc. (July 2008)

ADVANCED FLAT GLASS SALES BY COMPANY, 2007 (million dollars)

Company (Division)	Total Company Sales*	Advanced Flat Glass Sales	Principal Product Lines
American Glass Products	140	45	security glass
Armor USA	30	30	ballistic glass
Asahi Glass (AGC Industries)	14272	700	primary producer
Cardinal Glass Industries	750	350	building glass
CRH (Oldcastle Glass)	28733	185	security glass
D'leteren (Safelite Group)	8167	170	windshields
Ford Motor**	172455	600	auto glass
Gentex	654	200	electrochromic mirrors
Guardian Industries	5300	330	primary producer
Magna International	26067	80	electrochromic mirrors
Nippon Sheet Glass (Pilkington)	7573	950	primary producer
PPG Industries	11206	1100	primary producer
Saint-Gobain	59424	150	basic flat glass
Vitro	2560	260	auto & building glass

* fiscal years may vary

Industry Summary

The global market for eyewear is expected to reach USD 142.18 billion by 2020. Expanding wearer base coupled with increasing penetration of eyewear for vision correction is expected to fuel market growth over the next six years. A large percentage of the population in rural areas of developing markets does not have access to eye care facilities and services, which represents considerable untapped market potential for industry participants.

Early entry of children into the corrective eyewear space as well as aging population is expected to positively impact demand on a global level. Growing urbanization and disposable income, along with awareness regarding the need for protecting the eyes against UV rays has led to high demand for plano sunglasses. Acceptance of alternative methods of vision correction including refractive surgeries such as LASIK and PRK are estimated to restrain market growth over the forecast period.

Additional information includes:

- Spectacle frames and lenses accounted for over 50% of the total eyewear shipments in 2012; they also contributed significantly to revenue in the same year. This is primarily on account of high replacement rate of lenses, due to changing prescription. The advent of high-index lenses has also led to a surge in product demand, which is expected to continue through the forecast period. Plano sunglasses are expected to be the fastest growing product segment, at an estimated CAGR of 8.1% in terms of revenue from 2014 to 2020. Demand for high-end sunglasses sold at premium prices is the key factor for high expected revenue generation. Polarized sunglasses contributed over 20% of overall shipments in 2012, with CR-39 expected to remain the largest lens material segment.
- America dominated global demand in 2012, while Asia Pacific is expected to be the fastest growing regional market, at an estimated CAGR of 3.7% from 2014 to 2020. In terms of revenue, Europe accounted for over 40% of the total market in 2012, because of significantly high selling prices as compared to the global average.
- The global market space consists of numerous participants, divided among contact lenses, spectacles and plano sunglasses suppliers. They follow strategies such as product innovation, vertical integration and mergers and acquisitions to gain market share.

Significant Events

June 2014: PolyPlexx updated their Board on recent developments surrounding ViziPlexx I and ViziPlexx II Formulation, laboratory operations, and its opportunities with DasoTech and Mitsui Chemicals.

April 2014: Polyplexx closes Series C investment Round.

December 2013: WVJIT Board of Directors approves $271,500 Series C investment in Polyplexx, LLC.

Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in PolyPlexx, LLC at value, which is currently presumed to be the same as cost or **$100,440**.

Snapshot:

Company: **Protea BioSciences Inc.**
Website: proteabio.com
Location: Morgantown, WV
Total Employees: FT/45; PT/1
WV Employees: FT/39; PT/1

WVJIT Investment: $3,583,438
WVJIT Ownership: 3.18%
Subject to GASB 62: NO

Leadership

Steve Turner, Chairman & CEO
Stan Hostler,Vice President & Secretary
Edward Hughes, Chief Financial Officer
Matthew Powell,Chief Science Officer/ Head of R&D
Gregory W. Kilby, Ph.D.,Chief Bioanalytics Officer

Background

Protea Biosciences, Inc., located in Morgantown, West Virginia, began as a Delaware corporation in July 2001, and is an emerging biotechnology Company. Protea is engaged in developing and commercializing proprietary life science technologies, products and services that are used to recover and identify proteins in biological samples.

Protea applies its expertise to the development of products, instruments and services that seek to improve the discovery and identification of proteins, metabolites and other biomolecules. The Company's products and services are purchased primarily by pharmaceutical and academic/clinical research laboratories. Protea's commercial focus is on its LAESI Instrument platform and proprietary software. The focus remains on either the sale of the LAESI Instrument to the end user or providing access to the LAESI technology through a services unit lab recently opened.

The LAESI unit allows the researcher to study the biochemical landscape of a sample without destroying the sample. The sample is studied in its natural form.

In addition, the Company offers an expanding line of consumable products that are used in bio-analytical mass spectrometry. These consumable products include Progenta surfactants that can rapidly remove proteins out of samples to prepare them for analysis by mass spectrometry; single use products, including pipette tips; and an extensive line of protein mass spectrometry standards.

WVJIT Investment History

- **April 2012:**
  - $400,000 Convertible Debenture ($200,000 was funded through WVCAP), 10% Interest, monthly payments maturing 5/15/13. The maturity date was extended to 8/29/14.
- **March 2012**
  - $290,000 Convertible Debenture, 6% monthly payment maturing 8/29/14.

- **January 2012**
  - $100,000 investment in Common Stock. Funded through WVCAP.

- **September 2011**
  - Outstanding Convertible Debt Converted

Warrants/Warrant Coverage

Date Issued	Expiration Date	Type	Price
10/30/2009	10/30/2014	Common	$2.00
10/30/2009	10/30/2014	Common	$2.00
5/31/2011	5/31/2016	Common	$2.00
1/31/2012	1/31/2017	Common	$2.25
3/15/2012	3/15/2017	Common	$2.25
4/18/2012	4/18/2017	Common	$2.25

Total WVJIT Investment: $3,583,438 ($200,000 Funded from WVCAP)

WVJIT FY14 Revenue: $54,066.69

Total Outside Investment: $55,351,613 (Paid-in Capital – Common Stock)

Management Team

Stephen Turner, Chief Executive Officer and Chairman of the Board

Mr. Turner has held executive positions he has held since founding Protea in July, 2001. From 1999 to 2001, he served as President and CEO of Quorum Sciences, Inc. From 1984 to 1997 he was President and CEO of Oncor, Inc. He founded Bethesda Research Laboratories, Inc. in 1975 and served as its Chairman and CEO from 1975 to 1983, at which time BRL became the molecular biology division of Life Technologies, Inc. Prior to commencing his career in biotechnology, Mr. Turner held the position of Director of Marketing for the Clinical Microbiology Division of Becton, Dickinson & Co. He received his B.A. from Stanford University in 1967. In 1994 he received the Ernst & Young Entrepreneur of the Year Award in Life Sciences for the Washington D.C. Region.

Edward Hughes, Chief Financial Officer

Mr. Hughes has served in the CFO position since April 2010. Prior to this position he was CFO of Microbac Laboratories, Inc., an environmental and food testing company based in Pittsburgh, Pennsylvania from February, 2003 through March 2009. Prior to that, he was CFO of Silliker Group Corporation, a food testing company based in Greater Chicago. From 1987 to 1998 Mr. Hughes was employed by Rhone Poulenc Rorer, where he was Manager, Financial Planning and Analysis (1987-88), Assistant Controller – Research and Development (1988-1991), Finance Director Asia/Pacific (1991-1996), and Corporate Finance Director (1997-1998). He is currently a Board member of the Pittsburgh Chapter of Financial Executives International.

Matthew Powell, Ph.D. Research & Development and Chief Science Officer.

Dr. Powell received his Ph.D. in Analytical Chemistry from West Virginia University in 2005. Dr. Powell's expertise is in the field of biological mass spectrometry and is a co-inventor of certain technologies developed by Protea. Dr. Powell has presented several scientific talks and seminars to international audiences; most recently, as a guest lecturer for AnalytiX 2013 in Suzhou, China.

Greg W. Kilby, Ph.D., Chief Bioanalytics Officer.

Dr. Kilby has over 18 years of experience in applying advanced biological mass spectrometry to areas of research including structural biology, protein characterization, and proteomics to support drug discovery and development and to support the sales of liquid chromatography mass spectrometry (LCMS) analytical equipment into the life sciences, government, academic, and applied markets in the Americas. Prior to joining Protea, Dr. Kilby held a position in Thermo Fisher Scientific of Director, North America Life Sciences Mass Spectrometry Application and Demonstration Laboratories, leading a team responsible for providing product demonstrations and application services to support quota performance and business growth of the Thermo Scientific life sciences mass spectrometry portfolio in North America. Before joining Thermo Fisher Scientific in 2012, Dr. Kilby held several positions in Agilent Technologies, starting as a senior Proteomics and BioPharma applications scientist as well as being responsible for developing and implementing two state of the art Demonstration Centers of Excellences (COE) in Wilmington DE and Santa Clara CA, showcasing Agilent's entire breadth of analytical technologies portfolio. In 2007, Dr. Kilby moved to a management position within Agilent responsible for managing the two COE facilities and two satellite laboratories across North America and the respective mass spectrometry applications scientist, administrative and logistics staff. Prior to his work at Agilent, Dr. Kilby held, from 1998 to 2004, several senior positions in the Discovery Technologies Department with Pfizer Global Research & Development, culminating in Research Associate, responsible for leading a team of scientists to provide advanced mass spectrometry support for structural biology and therapeutic area projects and as part of Pfizer's global proteomics center of emphasis (COE). Dr. Kilby received his Ph.D. in Analytical Chemistry from the University of Wollongong, Australia in 1996.

Board of Directors

Stephen Turner, CEO and Chairman of the Board of Directors

Steve Turner is CEO and Chairman of the Board of Directors, positions he has held since founding the company in July 2001. From 1999 to 2001 he served as President and CEO of Quorum Sciences, Inc.. From 1984 to 1997 he was President and CEO of Oncor, Inc.. He founded Bethesda Research Laboratories Inc., in 1975 and served as its Chairman and CEO from 1975 to 1983, at which time BRL became the molecular biology division of Life Technologies, Inc.. Prior to commencing his career in biotechnology, Mr. Turner held the position of Director of Marketing for the Clinical Microbiology Division of Becton, Dickinson & Co. He received his B.A. from Stanford University in 1967. In 1994 he received the Ernst & Young Entrepreneur of the Year Award in Life Sciences for the Washington D.C. region. Mr. Turner was appointed to serve because he is the founder of Protea and has a deep knowledge of the company’s products and market opportunity.

Stan Hostler, Vice President and Secretary

Stan Hostler has been the Director of Protea since January 2006 and Vice President and Secretary since June 2006. He is an attorney with a career practice in the field of labor and employment law. From 2000 to 2010 he served as

Special Assistant to the Governor of the State of West Virginia. From 2002 to 2004 he served as Counsel to Prim Law Firm. From 2000 to 2010 he served on the West Virginia University Foundation Board of Directors and from 1995 to 2010 on the Advisory Committee of the WVU School of Medicine. He is a graduate of West Virginia University School of Law (1965). Mr. Hostler was appointed to serve based on his legal experience and business contacts and relationships with WVU and the State of West Virginia, which has proven to be an asset to the Company.

Leonard Harris

Leonard Harris has been on Protea's Board of Directors since April 2003. Since 1977, he has been the founder and CEO of Southern Computer Consultants, Inc., located in Frederick, Maryland. This company provides products and services to the United States government and Fortune 500 corporations. Mr. Harris was appointed to serve based on his extensive experience in technology-based corporate development.

Ed Roberson

Ed Roberson has been on Protea's Board of Directors since September 2009. From July 2006 to June 2010, Mr. Roberson served as Chairman of the Board of Directors of Methodist Healthcare System. He received his MBA in accounting in 1972 from the University of Georgia. From 2006 to 2011 he was President of Beacon Financial, in Memphis, Tennessee, and from 2006 to 2007 he was President of Conwood, LLC. He has been a Director of Paragon National Bank from 2004 to present. From 1972 to 1992, Mr. Roberson was employed by KPMG, most recently as a partner. Mr. Roberson was asked to serve based on his experience with KPMG, as a partner and then CEO.

Scott Segal

Scott Segal has been on Protea's Board of Directors since February 2008. Mr. Segal is a practicing attorney, specializing in the fields of personal injury, product liability and related matters, and is the President of the Segal Law Firm in Charleston, West Virginia. He received his JD from the West Virginia University School of Law in 1981, and has been a member of the American Bar Association since that date. Mr. Segal was asked to serve based on his relationships within the State of West Virginia, and is considered, by the Company, to be an expert in several areas, including forensics and occupational health.

Roderick Jackson

Roderick Jackson has been on Protea's Board of Directors since January 2011. Mr. Jackson was the founder, Chairman and CEO of Cobalt Laboratories from 2005 to 2009 and was a member of the Board of Directors of The Arrow Group, a British company, during that same time. In June 2009, Cobalt Laboratories was sold along with Arrow Group to Watson Pharmaceuticals. From 1986 to 2002, he was employed by Mylan Laboratories, Inc. as VP of Marketing and Sales then as Senior VP and member of the Office of the President. He received his B.B.A from Texas A&M University. Mr. Jackson was asked to serve based on his experience in the development of marketing agreements both in the U.S. and internationally.

C. Andrew Zulauf, Executive Director, WV Jobs Investment Trust

Andy Zulauf has extensive experience in finance and venture capital, having served as Executive Director and Senior Loan Officer for the West Virginia Capital Corporation, as a Partner and Managing Director of West

Virginia operations for Adena Ventures, and as Vice President and Upper Middle Market Commercial Relationship Officer for Fifth Third Bank. Mr. Zulauf is a graduate of Marshall University and the University of Charleston's Executive MBA program.

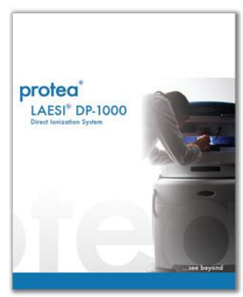
John M. (Thijs) Spoor

John Spoor has been on Protea's Board of Directors since January 2013. Mr. Spoor has been the President, CEO and a member of the Board of Directors of Fluoropharma Medical, Inc., since February 2011 and the Chairman of the Board of Directors since June 2012. Mr. Spoor was the Chief Financial Officer for Sunstone BioSciences from February 2010 through September 2010. Prior to joining Sunstone BioSciences he worked as a consultant at Oliver Wyman from December 2008 through February 2010. Mr. Spoor worked as an equity research analyst at J.P. Morgan and Credit Suisse covering the biotechnology and medical device industries. Mr. Spoor has worked in the pharmaceutical industry, spending 11 years with Amersham/GE Healthcare. Mr. Spoor holds a Nuclear Pharmacy degree from the University of Toronto as well as an MBA from Columbia University with concentrations in finance and accounting. Mr. Spoor has been a guest lecturer at Columbia Business School, Kings College in London and the University of Newcastle in Australia. Mr. Spoor was asked to serve based on his experience and expertise in the bioscience industry.

Josiah T. Austin

Josiah Austin has been on Protea's Board of Directors since 2013. Mr. Austin serves as the managing member of El Coronado Holdings, LLC. He and his family own and operate agricultural properties in the states of Arizona, Montana, and northern Sonora, Mexico through El Coronado Ranch & Cattle Company, LLC and other entities. Mr. Austin previously served on the Board of Directors of New York Bancorp, Inc. and North Fork Bancorporation. He has served as Director of Goodrich Petroleum, Inc. since April 2002 and Novogen Limited since September 2010. Mr. Austin serves as trustee of the Cuenca Los Ojos Foundation Trust. Mr. Austin graduated from the University of Denver with a Bachelor of Science in Finance in 1971.

Products/Services



Protea's principal product is a bio-analytical instrument platform known as, "LAESI" (laser ablation electrospray ionization). This technology enables the direct identification of proteins, lipids and metabolites in tissue, cells and bio-fluids, such as serum and urine, without any sample preparation prior to analysis. LAESI is intended to meet the broad need of the biologist for the direct, unbiased identification and characterization of biomolecules in biological samples, which can remain untouched prior to their analysis.

The Company also has a bio-analytical services unit that specializes in services including biomarker discovery, absolute quantitation of large molecules, MRM-based assays, and global proteome characterization. In March 2012, the Company expanded its facility into an 11,000 square foot state-of-the-art facility. In October 2012, Protea opened a mass spectrometry imaging center, which offers access to the most advanced bio-molecular imaging capabilities including ultra-high resolution mass spectrometry coupled with Protea's LAESI Platform.

In June 2014, Protea announced it will be expanding its existing mass spectrometry based molecular imaging by offering Ion Mobility on a Waters Synapt® G2S High Definition mass spectrometer as a powerful extension to Protea's portfolio of mass spectrometry based molecular imaging services. In addition, the Company will also offer

High Resolution and Accurate Mass analysis as well as a service to enhance the ability for rapid processing of microbial samples with the LAESI DP-1000 system, coupled with new software that enables the processing of large, complex LAESI-MS data files with downstream statistics programs, provided by Gubbs, Inc..

Competition/Market Summary

- ***Life Technologies (Carlsbad, CA)*** – Life Technologies is a Publicly traded company and a broad-based supplier of products for protein research.
- ***Advion (Ithaca, NY)*** – Advion is a private company, a supplier of mass spectrometry-related instrumentation.
- ***Bruker Corporation (Billerica, MA)*** – Publicly traded company focused on mass spectrometry and magnetic resonance technology. The company has strong business focus on molecular mapping done with mass spectrometry.
- ***JEOL Ltd (Tokyo, Japan)*** – Public company that developed mass spectrometry systems for direct analysis of samples.
- ***Prosolia (Indianapolis, IN)*** – Private Company and a supplier of mass spectrometry-related instrumentation.

Industry Summary

The global bio-analytics market consists of products and services used to analyze and identify biomolecules that are living cells and life forms. The two largest global bio-analytics segments are preclinical drug research and biomarker discovery. The preclinical drug research, which primarily uses the LAESI products and services, is valued at an estimated $20B and the biomarker discovery market is valued at $13B.

Preclinical pharmaceutical research refers to the discovery and testing of new candidate therapeutics prior to their use in human clinical trials. For each 5,000 – 10,000 preclinical drug candidates, only five enter human clinical trials. Thus, the need to obtain better datasets faster to identify the most promising candidates is great.

“Biomarkers” are specific biomolecules that have been found to be associated with specific disease states and it is useful for the development of new prognostic and diagnostic tests, as well as in the emerging field of personalized medicine. The largest area of biomarker research is oncology. The US Cancer Biomarker testing market is expected to grow from $7.86B in 2011 to $11.46B by 2017. The molecular-based cancer bio-market testing segment, including single-mutation companion diagnostics, multiplexed array, and other genomic analysis were only 4% of total market revenues in 2011, but this will likely reach 9.4% by 2017 from 22.9% annual expected growth.

The growth of the bio-analytics market sector can be attributed in large part to the following factors:

• Focus on proteins, building blocks for all cellular functions, and the actual agents of biological activity, as a more promising source of new therapeutic targets. The Human Genome Project revealed that there are fewer protein-coding genes in the human genome compared to proteins in the human proteome.

• The analysis and characterization of specific proteins is becoming increasingly important to the development and production processes of therapeutic proteins.

• There is an increasing interest in the discovery and identification of other classes of biomolecules that are produced by living cells, including metabolomics (study of small molecules which are the products of chemical reactions in cells) and also lipidomics (a subset of metabolites, lipids are produced for the purpose of energy transfer and storage within cells). Both of these classes of biomolecules are becoming important areas of research for the discovery of disease specific biomarkers and for normal and diseased cell profiling.

Significant Events

June 2014: Protea announced that it will be expanding its existing mass spectrometry based molecular imaging by offering Ion Mobility on a Waters Synapt® G2S High Definition mass spectrometer as a powerful extension to Protea's portfolio of mass spectrometry based molecular imaging services. In addition, the Company will also offer High Resolution and Accurate Mass analysis as well as a service to enhance the ability for rapid processing of microbial samples with the LAESI DP-1000 system, coupled with new software that enables the processing of large, complex LAESI-MS data files with downstream statistics programs, provided by Gubbs, Inc.

May 2014: Protea announces that it has received approval from the Depository Trust Corporation (DTC), providing the Company with DTC eligibility, permitting stockholders to hold Company securities in electronic form on the books of its transfer agent. In addition, the Depository Trust Corporation (DTC) has approved its common stock for DWAC/FAST transfer through Island Stock Transfer, the Company's transfer agent.

April 2014: Greg Kilby, Ph.D. has joined Protea as its Chief Bio-analytics Officer (CBO) and Director of Bio-molecular Information Services.

March 2014: Protea entered into an Option Agreement among ProteaBio Europe and BioPharma d'Azur, Inc. in which BioPharma was granted a 90 day option to acquire the business of Protea Europe in exchange for a non-refundable fee of $300,000. BioPharma needs to provide evidence of raising an additional $300,000.

January 2014: Protea announced that it is a part of a team led by George Washington University (GWU) that has been awarded up to $14.6 million for a cooperative agreement spanning five years from the Defense Advanced Research Projects Agency (DARPA).

September 2013: University of Oklahoma's Institute for Natural Products Applications and Research Technologies (INPART) has acquired the LAESI DP1000 bio-molecular imaging system. The instrument will be used for the Institute's natural products-based drug discovery operations. It has entered into a Collaborative Research Agreement with Virginia Commonwealth University ("VCU") and its Center for Molecular Imaging. Focusing on the combination of LAESI, Protea's ex vivo molecular imaging mass spectrometry technology platform, with VCU's in vivo molecular PET, SPECT and MRI/MRS imaging capabilities, in hopes of developing new methods to better elucidate the molecular basis of cancer, Alzheimer's and other human disease.

Protea achieved September YTD revenue that was a 64% increase from the same period one year ago. Much of the revenue increase is attributed to sales of LAESI units. The Company plans on marketing and selling additional units to pharmaceuticals as well as educational institutions throughout North America in the fourth quarter as well as 1Q14. The Company does have a LAESI backlog for 1Q14, with pending LAESI sales with Dow Agrosciences, George Washington University, Monsanto and University of Prince Edward Island.

July 2013: Protea received issuance of two patents. The first patent is titled "Laser Ablation Electrospray Ionization (LAESI) for Atmospheric Pressure, In Vivo, and Imaging Mass Spectrometry" (U.S. Patent #8,487,244) and the second patent is titled "Three-Dimensional Molecular Imaging By Infrared Laser Ablation Electrospray Ionization Mass Spectrometry" (U.S. Patent # 8,487,246).

June 2013: 1H13 revenue increased 88% due to sale of three LAESI Units. SG&A expenses increased 10% due to a large increase in cost of goods sold. R&D expenses decreased 15% due to a reduction in LAESI development

March 2013: LAESI production started. Two units were completed. Four additional units were in production. The first unit shipped in March.

February 2013: Protea adds Thijs Spoor and Josiah T. Austin to its Board of Directors.

January 2013: Daniel Flynn resigned as Board Director of the Company.

November 2012: Protea enters into a Patent License Agreement with George Washington University.

June 2012: Protea Biosciences LAESI DP-1000 product received an R&D 100 Award and was recognized as one of the most technologically significant products for the year.

June 2012: The LAESI instrument was showcased at Analytical in Munich (April) and at the American Society of Mass Spectrometry (ASMS) Conference in Vancouver (May). Protea noted at their June 1st Board of Directors meeting that there was interest and contact from between 15-18 dealers after these conferences.

May 2012: The Lipase Valuation Report was published by Protea with the end of Phase I being valued at $64 Million.

March 2012: Protea received the PittCon Editors' 2012 Bronze Award for their new LAESI DP-1000 Instrument.

September 2012: Protea completed a reverse merger and became a publically reporting company.

January 2012: Awarded by "The Scientist" publication as a "Top Ten" Technology Award for 2011 for their LAESI-1000 Instrument. Protea expanded to a new facility. WVJIT used money to fund the leasehold improvement. Also, a second WVCAP program participant used funds for the purchase of a mass spectrometer for the facility.

June 2011: Protea Biosciences employed 45 full-time staff members. Each individual contributed to the LAESI technology releases and the first shipments were made during the year.

February 2011: Protea began collaboration with WVU Cancer Center on various research projects.

December 2010: ProteaBio Europe SAS (a wholly owned subsidiary) successfully completed Phase I/II human clinical trials for the MS18189 recombinant biopharmaceutical for the treatment of pancreatic disease which ProteaBio had been co-developing with Mayoly-Spindler. Protea has exclusive North American marketing rights to the product.

June 2010: Protea announced the formation of the French subsidiary, which completed a clinical trial for their recombinant lipase therapeutic, which they were developing in partnership with Maylor-Spindler, the European pharmaceutical company. Under terms of partnership agreement, Protea receives from Maylor-Spindler the exclusive marketing rights for the recombinant lipase in North America. This first clinical trial required a significant amount of resources to put in place the regulatory infrastructure that is necessary for a company to engage in clinical trials and submit data for FDA approval.

July 2009: Protea issued a private placement offering for common stock. The total aggregate offering was $4.8 million, which was being sold in units. Each unit was 20,000 shares with a price per share of $1.50. Each investor was required to purchase at least 1 unit or $30,000 to participate. In addition for each unit purchased by the investor, they received a warrant to purchase 10,000 additional shares at $2.00 per share. The warrant coverage was exercisable in whole or part for five years from closing. As part of this offering the WVJIT Board of Directors approved a "follow-on" investment of $630,000 (21 units) in Protea, which was in addition to WVJIT's prior investments totaling $350,000. As a condition of closing to this transaction, Protea agreed to a 3 year lock conversion price of $1.50 per share on the outstanding convertible notes held by WVJIT.

Also in July 2009, the WVJIT Board of Directors approved a 7-year, $1.2 million convertible note with 6% interest only in the first 2 years. At year three, the note would be amortized and WVJIT would begin receiving P&I payments. Additionally, as part of the closing, WVJIT was to receive 50% warrant coverage for Class A common shares exercisable at $2 per share with a five-year term.

June 2009: Protea completed a work plan for the construction of a medical instrument furthering the technology known as Laser Ablation Electrospray Ionization (LAESI). The prototype was developed at George Washington University and will enable the use of a laser to ionize materials for a mass spectrometer analysis, thus preserving the sample in place without destruction.

May 2009: Protea announced a partnership with French based Mayoly-Spindler, which specializes in Gastroenterology therapeutics. Mayoly has developed a recombinant Lipase, an enzyme for the treatment of exocrine pancreatic insufficiency (EPI). According to a press release, Protea would receive the exclusive marketing rights for the Lipase for North America.

June 2008: Protea raised $2,874,829 in equity in the previous 12 months, bringing the Company's total paid in capital amount to $8,271,182.

September 2007: WVJIT converted $133,208 worth of accrued interest and paid, in addition to the interest, $2,500, for a total of $135,708 for 194,322 shares of common stock in Protea. The $2,500 was to exercise a warrant that was about to expire for 25,000 shares at $0.10 per share.

March 2007: Protea repaid the October 1, 2002 convertible note of $250,000 including the accumulated interest of $47,945. The note included warrants to purchase common shares of the Company. These warrants survive pre-payment of the note. Protea also opened its new facility at 955 Hartman Run Road in Morgantown. The 7,500 square foot corporate facility houses a state of the art Protein Research Lab, which features the ABI 4800 MALDI TOF/TOF and Thermo Finnigan LTQ XL mass spectrometers.

November 2004: The WVJIT Board of Directors approved an additional $250,000 investment in Protea. The investment was a two-year 10% convertible debenture with 50% warrant coverage for notes purchased. In addition to the convertible loan by the WVJIT for $250,000, the Company closed a $250,000 common stock round with previous investors. This brought the total equity capital to $980,743.

Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Protea Biosciences, Inc. at value, which is currently presumed to be the same as cost or **$3,583,438**.

Snapshot:

Company: **Spectrum Radio, LLC**
Website: spectrumradiogroup.com
Location: Fairmont, WV
Total Employees: FT/8; PT/9
WV Employees: FT/8; PT/9

WVJIT Investment: $285,000
WVJIT Ownership: 19.03%
Subject to GASB 62: NO

Leadership

Robert A Woodward, Managing Partner
Alan J. Michaels, Managing Partner
Mark Thompson, Managing Partner

Background

Spectrum Radio Group (SPG) is a media holding Company founded in 2012 to acquire four radio stations within the Morgantown/Fairmont/Clarksburg area. The radio stations looking to be acquired were: WZST (100.9 FM) Westover, WV; WRLF (94.3 FM) Fairmont, WV; WTCS (1490 AM); WMMN (920 AM). SPG strongly believed these radio stations would significantly benefit by new ownership that had experience in a variety of radio markets to bring new sales, promotion and programming techniques to these respective stations. The Company is headed by Robert Woodward, Mark Thompson and Alan Michaels, both of whom have experience of a combined 20 plus years in the media/radio industry.

WVJIT Investment History

- **September 2013:**
  - $285,000 equity investment (all from WVCAP)
  - 9% Quarterly Dividend; No Warrants; 1x Redemption; 1:1 Conversion Rate

Debt/Equity Structure

Valley Bank Loan	$675,000
Seller Note	$540,000
WVJITB	$285,000
MCDA	$75,000
Total Sources	**$1,575,000**

WVJIT FY14 Dividend Revenue Accrued: $21,375.00

WVJIT FY14 Dividend Revenue Cash Rec: $8,550.00

Products and Services

WZST-FM: Variety 101

The West Virginia University Flagship station, WZST-FM, is an Adult Contemporary radio station licensed to Westover, West Virginia, serving the Morgantown/Fairmont/Clarksburg market area. Except when delivering pre-game, game and post-game shows for WVU Sports. Go Mountaineers!

Variety 101 targets Women 18-49 as part of its core demographic audience. Variety 101 airs Elvis Duran in the mornings and Ryan Seacrest in the afternoons.

WRLF-FM: Rock 94

WRLF is a Classic Rock formatted broadcast radio station licensed to Fairmont, West Virginia, serving the North-Central West Virginia area.

WRLF simulcasts WVU Sports and targets men 35-64 with its music play lists.

WRLF-FM, Fairmont, WV is its heritage station and its genesis is two generations of the Nick Fantasia family with the third generation being paid homage as RLF stand for Rose and Lou Fantasia, the family patriarchs.

WTCS-AM: News-Talk 1490

WTCS-AM is a News/Talk/Sports formatted broadcast radio station licensed to Fairmont, West Virginia, serving the Fairmont/Grafton area.

WTCS airs America in the Morning with Jim Bohannon, Imus in the Morning, Dennis Miller, Clark Howard, and Ed Schultz. WTCS is also an affiliate of Bloomberg Business Radio.

WMMN-AM: Sports-Talk 920

WMMN is a News/Talk/Sports formatted broadcast radio station licensed to Fairmont, West Virginia, serving North-Central West Virginia.

Industry Summary

The Radio Broadcasting industry is struggling to retain its relevance and audience due to competition from digital media. In particular, the industry suffers due to its limited interaction with listeners and heavy reliance on advertising. Prior to the recession, radio stations benefited from being a long-standing part of advertising budgets. When the recession took hold in 2008, companies in many sectors slashed advertising budgets and continued lowering them through 2010. Radio advertising was hit particularly hard as companies focused more on maintaining a TV presence and growing their footprint online. As a result, IBIS World estimated that Radio Broadcasting industry revenue would decline at an average annual rate of 2.5% to $17.3 billion in the five years to 2013, despite an estimated increase of 1.0% in 2013.

The decline in radio advertising led many radio stations to write down losses in assets. It also forced many broadcasters to restructure operations to minimize losses. To make matters worse, competition from other media outlets has increased, especially with streaming media development and the increasing capacity of portable MP3 players. According to IBIS World Industry Analyst James Crompton, “With competition also cannibalizing some revenue, the costs of restructuring pulled the average industry profit margin down in 2013.”

The economy is projected to recover over the five years to 2018, with advertising budgets set to follow. The industry is well established within many companies' media mixes. “Radio's role will not be eliminated overnight, but will instead diminish slowly as companies dedicate more resources to reaching consumers online,” says Crompton. However, technology advancements will help the industry and satellite and digital radio have already become more prevalent. These formats offer consumers high-quality audio and a wider music selection that is comparable to other digital music formats. Nonetheless, new regulations may force radio broadcasters to pay performers higher royalties for playing their music. If this performance tax is enacted, it will lead to further industry restructuring. Consequently, IBIS World forecasts revenue will grow in the five years to 2018.

Significant Events

June 2014: The Company has entered into an LOI to explore a buyer’s interest in acquiring the assets of Spectrum Radio. A meeting was held the week of July 21, 2014 where the Board met with the Buyer to discuss purchase price and timing of an APA and LMA.

March 2014: Company started to see interest level had picked up on in-game slots, a super sport package was sold, and also had a renewal for an in-game spot.

February 2014: Company has rewired its control room, developed a Christmas music format where the station can also “bicycle” the songs. The Company plans to do 4 large promos a year. Its business development grew with the sales of 5 WVU in-game sponsorships.

September 2013: Company closed a $285,000 equity investment from WVJIT.

Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Spectrum Radio Group, LLC at value, which is currently presumed to be the same as cost or **$285,000**.

Snapshot:

Company: **Stasis Engineering, Inc.**
Website: stasisengineering.com
Location: Summit Pointe, WV
Total Employees: FT/0; PT/0
WV Employees: FT/0; PT/0
UK Employees: FT/0; PT/0

WVJIT Investment: $0
WVJIT Ownership: 0%
Subject to GASB 62: NO

Background

STaSIS Engineering designs, engineers, manufactures, and resells performance enhancement systems for luxury vehicles with a unique focus on integrating distinction, reliability and value. As the only aftermarket tuner with a national sales presence in the Audi franchise dealer network and the premier brand in the Audi aftermarket channel, the STaSIS product design and engineering provides brake, suspension, driveline and engine products to approved Audi dealerships. Following the investment by WVJIT, STaSIS relocated its operations from California to Summit Point, WV. The Company relocated to a 20,000 square foot facility near Summit Point Raceway.

WVJIT Investment History

- **July 2012**
  - $500,000 Common Stock Investment
  - 203,293 shares at @$2.4595/Share
  - Funded through WVCAP.

- **May 2011**
  - $250,000 Common Stock Investment
  - 119,588 shares of Common Stock at @2.095/ Share
  - 20% detachable warrant coverage; 7 year time frame.

- **January 2011**
  - $500,000 Series C Convertible Preferred Investment @2.095/Share.
  - 10% detachable warrant coverage; 7 year time frame on $250,000.

- **July 2009**
  - $500,005 Series B Non-Convertible Preferred Investment @1.34/Share.
  - 8% cash dividend or a 10% Common Stock dividend paid quarterly
  - 20% detachable warrant coverage with a 7 year time frame.

- **December 2009**

- $100,000 Forgivable Loan from WV Development Office through the WVJIT.

<u>WVJIT Loan</u>: In addition to the investments made by WVJIT, the State of West Virginia through the WV Development Office committed an additional $100,000 to partially offset the costs of relocation to West Virginia. WVJIT was the conduit for this transaction which was structured as a 4-year forgivable loan whereby 25% of the principal amount of the loan would be forgiven based on the achievement of the Company hitting the following sales and employment levels;

	Dec. 2010	Dec. 2011	Dec. 2012	Dec. 2013
Sales Revenue	**$2,522 ,227**	**$6,588,000**	**$9,987,500**	**$13,630,000**
Job Creation Totals *	**16**	**20**	**24**	**30**

(*) These targets are for WV based employees

The funds for this loan were provided to WVJIT by the WV Development Office and not out of WVJIT's operating or investment fund. As December 31, 2013, the company did not meet any of its milestones.

<u>Total WVJIT Investment:</u> $1,868,172 ($500,000 Funded from WVCAP)

<u>Co-Investors/Lenders</u>

Number of Co-Investors: 39
Total Capital Raised: $8,271,000

<u>Products</u>

STaSIS provides accessories and parts for any Audi model. Consumers can either choose a part for their engine, suspension, brakes and wheels, or they can purchase a package to outfit their vehicle to their choosing. REVO delivers a complete offering of performance-enhancing products such as braking, suspension, and driveline enhancements for VW, Skoda, SEAT and Ford Vehicles.

The Company's newest product line will be *Ecotec*. Its premise is to maximize fuel efficiency and consumption in vehicles while remaining environmentally conscious.

Significant Events

June 2014: WVJIT Executive Director formally asks the WVJIT Board of Directors to write-off the remaining investment value and loan balance to STaSIS, Inc.

April 2014: STaSIS ceased operations effective April 28, 2014 and its remaining assets were assumed by two secure creditors.

December 2013: Ted Rozsa formally assumes the role of Interim-CEO.

September 2013: STaSIS accounting firm Yount, Hyde & Barbour noted in their FY2012 Financial Statement Review, "The Company has sustained losses in the past few years and it continues to rely upon non-operational sources of financing to fund operations. The Company's ability to continue as a going concern will be dependent on the management's ability to implement changes in the structure of the business and development revenue."

With the issue notwithstanding, WVJIT recommended to its Board of Directors to reserve 50% ($885K) of the funds capital against the investment in STaSIS.

August 2013: At Annual Shareholder Meeting, shareholders voted and approved the new Board of Directors: Todd Cope, Geoffrey Fone, James Leng, Ted Rozsa, Robert Stoffregen, Mark Yates and Andy Zulauf.

May 2013: STaSIS begins to do business as STaSIS Revo Group (SRG). It also releases a Company guide outlying goals, products and mission in the automotive accessories aftermarket. The Company also introduced Ecotec as one of its divisions to enhance fuel efficiency in existing vehicles.

March 2013: Jim Bradbury resigns from the STaSIS Board of Directors.

July 2012: WVJIT Board of Directors and WVCAP Committee approve a $500,000 follow-on investment for REVO Technik acquisition. As part of the acquisition, the Company went through a management restructuring and announced James Leng as President and CEO of STaSIS. Paul Lambert and Todd Cope remain as members of the Board of Directors.

June 2012: Audi hires Scott Keogh as new President of Audi of America.

June 2012: Day Audi out of Monroeville, PA and Bakersfield Audi out of California signed agreements that would bring the STaSIS Signature Series to those respective dealerships.

March 2012: Audi dealerships located in Colorado, Ohio and San Francisco all agreed to bring STaSIS Signature Series models to their areas.

June 2011: The STaSIS dealer network extended to 65 active Audi dealerships, with a goal of 85 by the end of the calendar year. The new corporate headquarters and manufacturing facility in Summit Pointe was anticipated to be ready for occupancy in the third quarter of this year.

May 2011: The WVJIT Board of Directors approved a $250,000 convertible note, to be converted into the Series "D" Preferred Stock issue. Also, the Company announced an agreement with Oppenheimer Funds to raise up to $20 million in new equity shares. The deal would allow existing shareholders to invest in the upcoming Series "D" preferred shares by way of convertible note.

February 2011: STaSIS announced the acquisitions of EuroJet Development, which manufactures performance components for Volkswagen and Audi vehicles. STaSIS will keep the EuroJet brand. The purchase was a stock transaction.

August 2010: The WVJIT Board of Directors approved a $250,000 investment in STaSIS in Series "C" preferred shares with 5% detachable warrant coverage.

February 2010: The WVJIT Board of Directors approved a $250,000 convertible bridge loan to STaSIS for working capital purposes. The loan was structured as a demand note with a maturity of September 30, 2010. It was unsecured, bearing an interest rate of 8% fixed with 5% warrant coverage. The loan was conditioned upon the Company raising a matching $250,000 in either additional debt or equity from new or existing shareholders. The Company was successful in securing the $500,000 matching fund requirement.

December 2009: The WVJIT Board of Directors approved an investment of $100,000 in STaSIS in the form of a forgivable four year loan promissory note with a provision of forgiveness based on the Company attaining agreed to levels of sales and employment for each of the next four years. The WV Development Office provided the funds that were channeled through the WVJIT to STaSIS.

May 2009: The WVJIT Board of Directors approved the initial investment in STaSIS. The investment was a $500,005 Series B preferred equity investment with an 8% cash dividend or a 10% common stock dividend. As part of the terms of the investment, WVJIT received 20% detachable warrant coverage with a 7-year window with a 10% discount on warrant price. The WVJIT also received a seat on the Company's Board of Directors. In addition to the WVJIT investment, STaSIS raised $500,000 as part of a Series A common round that closed in June 2009. Furthermore, the company also successfully raised an additional $500,000 as part of the $1 million Series B round.

Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in STaSIS Engineering, Inc. at value, which is currently presumed to be **$0,** due to recommendation write-down by WVJIT Executive Director.

TROY™

Snapshot:

Company: **Troy, LLC**
Website: troyllcwv.com
Location: Harrisville, WV
Total Employees: FT/63; PT/0
WV Employees: FT/63; PT/0

WVJIT Investment: $843,025
WVJIT Ownership: 16.67%
Subject to GASB 62: NO

Leadership Team

Martin Ballen, CEO/ Director of Sales
Richard Kerns, Chief Operating Officer/ Chairman of the Board of Directors
Linda Golden, Materials Control Manager
Lisa Hadley, Controller
Wilma High, Consultant

Background

Troy Mills, Inc., a New Hampshire based Company, was established in 1865. It owns an 85,000 square foot facility located in Harrisville, West Virginia and supplies needle punched textile products to niche markets. The Harrisville facility is a Tier-One and Tier-Two supplier to the automotive industry and is also a supplier to the apparel industry. The facility produces automotive interior fabrics and apparel linings and currently has 63 people working at the facility. The Company filed for bankruptcy protection in 2001. Mountaineer Capital, WVJIT, and two individuals purchased the West Virginia operation in March 2002. The Company has been organized as a Limited Liability Company known as Troy, LLC.

WVJIT Investment History

- **May 2013: $840,000 Investment**
  - Closed June 2013 convertible 5.5% loan. WVCAP Seed Capital Co-Investment funds accessed for $420,000 of loan. The WVCAP portion to be paid back within 12 months.

- **February 2002: $500,000 Investment**
  - $60,000 in Series A Convertible Preferred Membership Units
  - $440,000 in Convertible Subordinated Term Loan

- **September 2009:**
  - Loan was modified and principal increased by the amount of past due interest.

Total WVJIT Loan Balance: $ 784,594

Co-Investors/Lenders

WVEDA: $384,140 – Debt

MOVRC: $250,099 – Debt

WUB: $467,825 Term Loan; $649,719 LOC

WVJIT FY14 Interest Revenue Received: **$63,783.35**

Warrants

Date	Equity	Debt	Covg.	Type	Price	Term	Exp.	# Warrants	Exer. Cost
May-11	-	$440K	10%	Pref. A	$1,000	7	May-18	36	$36K

Board of Directors

Richard Kerns, Chief Operating Officer, Chairman of the Board of Directors

Richard Kerns is a military veteran having served from 1965 to 1967. He was the Production Supervisor of FMC Corporation located in Parkersburg, West Virginia from 1968 to 1974. Mr. Kerns has been with Troy since 1974 where he has served in such positions as Production Supervisor and Manager of the Harrisville facility. Since March of 2002, Mr. Kerns has been COO and part owner.

Martin Ballen, Chief Executive Officer

Martin Ballen completed a four-year materials engineering program at General Motors Institute. After completion of the program, he joined GM's engineering department staff. Later, he would continue in the automotive field and join Chrysler Corporations' engineering staff. Through the years, Mr. Ballen has held various management positions with both GM and Chrysler. In 1970, he joined Troy Mills Inc. as a sales engineer. Since then Mr. Ballen has helped develop new applications for Troy's capabilities for various automotive customers at OEM, Tier One and Tier Two levels. In 1990, he became the VP of Automotive Business Group with responsibility for marketing, sales, and R&D, customer service and manufacturing. In 2000, he started the Prestwick Group, LLC, a representative for several manufacturers of materials for the automotive industry. In 2002, with Richard Kerns and an investment group, the purchase of Troy Mills was made and the name was changed to Troy, LLC. Mr. Ballen currently serves as CEO.

Patrick Bond, Mountaineer Capital

Pat Bond joined McCabe-Henley Properties LP as Managing Director in early 1998, Mr. Bond brings a wealth of experience in finance, administration, strategic planning, general management, and management information systems. Previously, Mr. Bond owned/operated an independent consulting practice, Growth Management Group that specialized in the areas of Business Environment Assessments, new product development, investment and financial analysis and strategic planning. Prior to that, he was President of a natural gas marketing company and was President and CEO of Atlantic Financial Federal, a $750 million savings and loan institution and all its business units. He graduated from WVU where he received both Master's and Bachelor's Degrees in Industrial Engineering.

Sam Sommerville CPA ,

Sam Sommerville is currently VP of Northeast Natural Energy and a former partner of the Simpson & Osborne Accounting firm. He is a graduate of Glenville State College, a certified public accountant (CPA), and is active in various professional, trade, and civic organizations.

C. Andrew Zulauf, Executive Director, WV Jobs Investment Trust

Andy Zulauf is the Executive Director of the West Virginia Jobs Investment Trust, a public seed investment fund. He has extensive experience in finance and venture capital, having served as Executive Director and Senior Loan officer for the West Virginia Capital Corporation, as a Partner and Managing Director of West Virginia operations for Adena Ventures, and as vice president and upper middle market commercial relationship officer for Fifth Third Bank.

Products

Automotive	Produces needle punch synthetic fabrics for applications that include seating trim, luggage compartments, molded door carpets and inserts, package trays and headliners.
Apparel	Recycle fibers for printed lining materials for work jackets and western theme clothing, saddle pads, gun cases, custom luggage and baseball caps.
Industrial	Produces felts, absorbency and shoddy materials using fine and coarse denier polyester, polypropylene and nylon fibers, coupled with a wide variety of support scrims and backings.

Competition/Market Summary

Formed Fibers (Auburn, Maine)

Specializes in Polyester Fiber, Fabric, Substrates, and Custom formed parts. The Company has three locations (Auburn, ME; Sydney, OH; Sumter, SC). FFT is the only auto supply Company that is vertically integrated from fiber to fabric to finished part. Each product they manufacture is custom designed for its intended use.

Foss Manufacturing (Hampton, New Hampshire)

Established in 1954, and now has six business units (Automotive, Specialty Fibers, Kunin Group, Technical Products, Eco-Fi, and Ozite).They are a vertically integrated producer of engineered, non-woven fabrics and specialty synthetic fibers.

IAC (Troy, NC)

Specializes in plastics, fibers and other manufacturing components.

Oxco Incorporated (Charlotte, NC)

Since 1994, Oxco has built a reliable reputation for delivering quality nonwoven products with the most reliable service in the industry.

Industry Summary

Business is on the upswing as Southern states, in particular, woo textile companies with tax breaks, reliable utilities, modern ports and airports and a dependable, trained and nonunion workforce.

In 2013, companies in Brazil, Canada, China, Dubai, Great Britain, India, Israel, Japan, Korea, Mexico and Switzerland, as well as in the U.S., announced plans to open or expand textile plants in Georgia, Louisiana, North Carolina, South Carolina, Tennessee and Virginia.

True, textile manufacturing in the U.S. dropped precipitously in the 1990s and 2000s as cheaper labor drew jobs overseas. Automation and increased productivity of textile mills also cost jobs. More than 200,000 textile manufacturing jobs have been lost to automation in the last decade.

Textiles, mostly cotton, once dominated the economy of the South. Employment peaked in June 1948 with 1.3 million jobs. In just one state, North Carolina, 40% of its jobs were in textile and apparel manufacturing in 1940. By 2013, just 1.1% of that state's jobs were in textiles.

About 650 textile plants closed between 1997 and 2009, draining thousands of jobs and depressing communities.

But rising wages in China and other countries, combined with higher transportation costs and tariffs, have prompted foreign and domestic companies to consider American manufacturing sites. Also, with more consumers looking for the "Made in the USA" label, some companies are turning to American goods. Wal-Mart, for example, pledged last year to buy $50 billion over a decade in American-made products, among them towels and washcloths.

HIGHLY AUTOMATED PLANTS

More than a third of all textile jobs were located in Georgia and North Carolina in 2012, and that's where many of the jobs are being created. The new plants are nothing like the dusty, noisy mills of the past. These highly automated plants require far fewer — but more tech-savvy — workers who earn higher pay than their forebears. The average textile wage in the U.S. in 2012 was $37,900, compared with $60,496 for all manufacturing jobs. In North Carolina, the average textile wage was $33,219, up from $28,216 in 2002.

Another change in the industry is the growth of nonwovens, which are fiber-based products made of fabric that's compressed, heated or tangled, like felt. Diapers and facial wipes, mops, medical scrubs and all kinds of filters are nonwovens. In the last decade, North Carolina has gained 1,945 jobs making nonwoven products and $719 million in nonwoven factory investment.

STATES JOCKEY FOR JOBS

As states compete for jobs, Georgia Gov. Nathan Deal touts his state's top national ranking for business climate by Site Selection magazine, a trade publication. Deal recently signed a law exempting energy used in manufacturing from sales and use taxes, which helps existing and future manufacturing facilities.

Tom Croteau, Georgia's deputy commissioner for global commerce, said the state's long history of carpet manufacturing has been essential to growing its textile industry. In 2013, five floor-covering manufacturing companies announced expansions that will add 3,550 jobs to the 22,382 existing carpet and rug manufacturing jobs and $815 million in investment in Georgia.

TEXTILE MANUFACTURING CULTURE

In North Carolina, nine textile firms announced plans in 2013 to build or expand plants in the state, creating 993 jobs and investing $381 million. Sharon Decker, the state Secretary of Commerce, cited three factors that helped her state win the new factories: culture, education and a competitive business climate.

The state offered grants totaling $4.4 million to the nine textile companies to create jobs. The largest in the group is Gildan Activewear, a Canadian firm that has committed to invest $250 million and hire 500 workers. Gildan received a $3.5 million state Job Development Investment Grant, a cash grant based on actual job creation.

The North Carolina legislature boosted its business climate in 2013 by lowering personal income tax and corporate income tax rates. The corporate income tax will drop from 6.9% to 6% in 2014 to 5% in 2016, a 28 percent rate cut. Rates could drop further if economic growth yields more revenue.

Significant Events

May 2014: Mr. Kerns updated the board on the status of the Oxco, Inc. inquiry and reported Troy is still working on setting a time to meet with them. Mr. Ballen reported there was no change in status with respect to IPC. They are still focused on their Mexico expansion.

April 2014: Mr. Kerns noted the refinancing of the WV Jobs Investment Trust loan was complete. The annual interest rate is fixed at 5.5% with a 10 year amortization and a 3–5 year balloon.

March 2014: Troy entered into discussions with Oxco Inc., a Charlotte-based textile manufacturer looking to expand its exposure to the automotive market.

1Q 2014 revenue for Troy was 17% decrease versus 1Q 2013. Breaking down the sales category, automotive sales saw a 17% decrease year-over-year; Apparel sales saw a 7% decrease year-over-year, and Industrial saw a 58% increase year-over-year. Troy achieved a quarterly gross margin of 10%, a 57% year-over-year decline.

December 2013: Ravi Pandey, WVJIT Investment Analyst, conducted a site visit in December 2013 and reviewed Troy’s operational facility. Mr. Kerns has stated that the Company wishes to pursue opportunities in the Oil & Gas segments in order to expand the Company’s Industrial line. Mr. Kerns has stated that the Company doesn’t anticipate any new capital expenditure for some time.

During a Board of Directors Meeting, Mr. Kerns provided an update on the refinancing of Troy's debt with West Union Bank. Troy had hoped to close the loan by December 31, 2013; however, it appears the loan will close in mid- January 2014. Mr. Kerns has communicated this to the WV Jobs Investment Trust. There are no expected issues with closing the loan.

November 2013: Mr. Ballen updated the Board on the potential opportunities Troy is working on with 3 separate companies; IPC, AGM (a supplier of throw in mats with operations in Mexico), and DTI/FFT (Troy had sales of $133K to this company in 11/2013). He will continue to update the Board on the status of these opportunities. Mr. Kerns noted Troy has been quoting a lot of new business in recent weeks.

September 2013: West Union Bank approved a loan of $680K ($420K to pay down the WVJIT loan and $260K to refinance the equipment loan). The proposed loan is amortized over 9 years, bears interest at 5.25% for 4 years, and thereafter at prime plus 2.5%, but not less than 5.25%. WVEDA will guarantee the loan for four years and there is a 1% fee on new funds, pending an affirmative at its meeting on September 2013. Mr. Kerns mentioned that United Bank will try to utilize an SBA or some other type of guarantee for the Company's request of a $1.3M line of credit and a $680K term loan.

June 2013: June YTD revenues saw a 7 % decline versus what the Company budgeted. Troy saw a gross margin of 18%, an 11% decline in gross profit vs. budget. Net income for the period was $405K, a 9% decline versus the June 2013 YTD Budget. The financial condition of the company still remains relatively healthy, despite a heavy leverage on the balance sheet. Current Ratio and working capital is 1.79 and $742K, respectively. Troy has also been able to collect its receivables much quicker (under 30 days), relative to the past few quarters. This has allowed the Company to also payback its payables in about 20 days.

May 2013: WVJIT and WVCAP approved an $840,000 investment into Troy, LLC. Use of Proceeds were used for working capital as well as payment of outstanding debt held by Mountaineer Capital.

March 2013: Troy released sales for month ended January 2013. January sales were $1.016M, which was 5.22% better than the Company's expectation. Leading the increase were automotive sales that were $29K over budget, followed by Apparel sales that were $27K over budget. Industrial sales lagged under budget by $2K. February sales were expected to be approximately $970K versus a budget of $922K.

August 2012: Troy, LLC releases June and first half YTD results. Operating profit for June was 9.7%, better than the June budgeted 8.2%, YTD operating margin is 9.1% better than 7.7% that was budgeted for the first half of 2012. Sales mix for June and YTD was 90% and 95% Automotive, 9.7% and 3% Apparel/Furnishing, and 0.3% and 1.5% Industrial, respectively.

July 2012: Troy, LLC was featured in the July edition of "55 Good Things About West Virginia," which is a supplement to the "West Virginia State Journal." This article entailed Troy's continued success with car manufacturers and Carhartt apparel.

June 2011: Troy was in the midst of a year in which the auto industry initially saw considerable growth, recovering from the recession of 2008. The recession forced two domestic auto manufacturers to obtain federal financial assistance, shut down their dealerships, and to discontinue automobile brands.

Troy, like other tier one and tier two suppliers, who did survive the recession, enjoyed a strong recovery until the Japanese economy, including much of the automotive industry was devastated by the 2011 earthquake, tsunami and nuclear power plant destruction. Troy temporarily lost a significant portion of their (indirect) business with Honda. It was anticipated, and appeared to be on track, that Honda and the rest of the Japanese auto industry would recover soon. However, in the meantime, Troy needed additional security for its loan covenants (see May 2011).

May 2011: The WVJIT Board of Directors approved a $400,000 demand note due in twelve (12) months. Troy used the proceeds to purchase a certificate of deposit to secure the Company's existing credit line. Note was paid in full on May 2012.

June 2010: Troy's $975,000 revolving line of credit with Huntington Bank was set to expire on December 31, 2009. Huntington Bank informed Troy, at least 6 months prior, that they would not renew the credit line. A number of factors led to this including the poor financial performance for the past two years, a deteriorating balance sheet caused by the losses in 2008 and during 2009, and perhaps most importantly, the economic weakening of the industry itself.

Troy worked diligently with West Union Bank to replace the credit facility with Huntington. West Union conditionally approved the loan request, subject to obtaining an SBA guaranty. The SBA approved the guarantee; however, they would not allow the equipment to be part of the line of credit. Thus, the Company established a $400,000 term loan with West Union Bank. The loan was secured by a first lien on the equipment. The term loan on the equipment was subject to qualification and was approved under the West Virginia EDA's Loan Insurance Program. The proceeds of the term were used to pay down the existing debt on the line of credit. The remaining debt on the line of credit was transferred to the new line of credit with West Union.

The automobile industry saw a significant rebound in sales for the 2nd half of 2009 and 1st quarter of 2010, compared to the previous year. Troy experienced a steady increase in sales each quarter. On the production side, Troy's management did a tremendous job of cutting costs in order to stabilize losses. The Company ran at break even or slightly better for the last quarter. Troy's employee base increased from 32 to 42 full time employees from two years prior.

Sales with existing customers continued to pick back up, but the Company got business that they had not anticipated from competitors that did not survive through the economic crisis. Regarding the sales for 2010-2011, Troy diversified itself not relying on the bulk of their sales coming from the big three. Looking at the two largest customers for the next 24 months, they were both contracts for international brands. Projected sales for 2010 were $6.8M and was on pace to achieve that level based on their June 30, 2010 financial statements. Additionally, the Company anticipated total employment to exceed 50 people in those next 12 months.

September 2009: Troy requested a modification to the current loan they had with WVJIT and with Mountaineer Capital. Both lenders agreed to modify the loan to provide interest only payments from October 2009 until maturity of the loan, which was April 2011. In conjunction with the modification, the interest rate on each loan was changed from 8% to 6% fixed for the remaining term of the loan.

June 2009: The credit crisis that struck in the fall of 2008 resulted in the plummeting of vehicle sales. In response, OEMs slashed production at unprecedented rates in an attempt to combat expanding inventories. Adding to the problems, General Motors and Chrysler extended scheduled plant shutdowns as they entered bankruptcy, depriving many North American suppliers, including Troy, of their main revenue sources. Both large, tier 1 suppliers, along with numerous smaller suppliers filed for bankruptcy. Troy continued to look for ways to reduce cost and conserve cash. Additionally, in April 2009, Troy secured funding from the Mid-Ohio Valley Regional Council. The working capital loan was used to bridge the Company in anticipation of increased sales activity in the fall of 2009. The economic hardship caused the Company to fall behind (4 months, $13K) on the interest-only loan payment to WVJIT.

February 2002: Investment of $500,000 was made to Troy, LLC and funded as follows: $60,000 in Series A convertible preferred membership units and $440,000 in a convertible subordinated term loan that was used to acquire the assets of the Harrisville, West Virginia facility and to properly capitalize the facility to ensure necessary working capital.

Overall Conclusion

Based on the foregoing, WV Jobs Investment Trust finds it most appropriate to record its investment in Troy, LLC at value, which is currently presumed to be the same as cost or **$843,025**

WV JOBS INVESTMENT TRUST BOARD
ANNUAL INVESTMENT ANALYSES
JUNE 30, 2014

Snapshot:

Company: **US Glass, Inc.**
Website: Usglss.com
Location: Williamstown, WV
Total Employees: FT/2; PT:0
WV Employees: FT/0; PT:0

WVJIT Investment: $60,000
WVJIT Ownership: 40.0%
Subject to GASB62: YES

Leadership

Gene Bem, Chief Executive Officer
Ed White, Chief Financial Officer
Jaci Volles, Marketing Advisor

Background

US Glass, formed in 2012, acquired the 107 year-old Fenton Art Glass Company. As part of the acquisition, US Glass acquired the intellectual property, molds, color formulas, and name. The goal for US Glass will be to produce new, modern design functional tableware in the "Made in America" tradition that cannot be replicated in China or anywhere else in the world.

WVJIT Investment History

- **March 2013**
  - Provided an initial investment of $100,000 in Series AA Preferred Units.

- **November 2012**
  - WVJIT and WVCAP approved a $500,000 Series A Preferred investment with 150% warrant coverage (150,000 Common Shares) with an expiration of 5 years at a $1.00 strike price.

Total WVJIT Investment: $100,000 funded through WVCAP

Co-Investors (Shares)

Interactivity Foundation	49,000
Parimal Patel/Kinequity Group	45,000
Ed White	25,000
Peter Walsh	20,000 (10,000 shares to be noted at next board mtg.)
Guillame Gauthereau	5,000
Jeff Rich	3,000

Robert Tanko	1,000
Callann Wolff	1,000
Bill Maloney	1,000
Total Outside Investor Shares:	**150,000**
GASB 62 Valuation:	**$60,000**

Management Team

Gene Bem, Chief Executive Officer

With over 20 years of experience as a Management Consultant and Investment Advisor to senior executives, Gene Bem has worked with clients of all sizes from the Fortune 500 to start-ups. He has held senior partner positions in two Boston based boutique strategy firms and Oliver Wyman (formerly Mercer Management Consulting), one of the largest consultancies in the world. His expertise is primarily in crafting and implementing winning strategies for corporations using sound customer analysis combined with innovation portfolio valuation.

Jaci Volles, Marketing Advisor

Ms. Volles served as the Chief Marketing Officer of EveryWare Global, Inc. from April 2012 to February 19, 2014. Ms. Gagnon-Volles joined EveryWare in July 2011 as Vice President of Marketing. Prior to EveryWare, she worked at Home Products International from 2007 to 2011 as Executive Vice President Sales and Marketing. She served as the Chief Merchandising Officer for Lifetime Brands/ Pfaltzgraff responsible for the Direct-to-Consumer division and Wholesales sales and marketing teams from January, 2004 to June 2007. Ms. Volles served as Vice President of Marketing at Libbey, Inc. and held several positions in the Anchor division of Newell Rubbermaid.

Ed White, Chief Financial Officer

Ed White recently announced his retirement from a career spanning 38 years at Owens-Illinois (O-I), a fortune 500 company that is the largest manufacturer of glass containers and packaging goods. He has served as an SVP of Owens-Illinois since 2003 and has been its CFO and Principal Accounting Officer since 2005. Mr. White also serves as the President, CFO and Chief Accounting Officer of Owens-Illinois Group Inc. and has previously held positions within the company in Finance, Planning and Administration-International Operations and Sales and Marketing for Owens-Illinois Europe.

Board of Directors

Gene Bem, Chief Executive Officer

Ed White, Chief Financial Officer

Parimal Patel

With multi-industry experience as a management and operations strategy consultant and operations leader for Fortune 500 companies, Parimal Patel has deep operational performance and supply chain expertise allowing companies to grow effectively and improve profitability. Mr. Patel has held positions on the management team of a Big 4 firm focused on Strategy and Operations and Program management roles for Fortune 100 firms, and also published thought leadership around operational effectiveness and scaled growth.

Dr. Jack Byrd

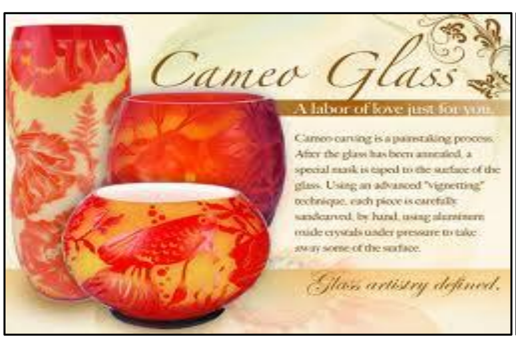
Dr. Jack Byrd is an Industrial and Management Systems Engineering Professor at West Virginia University. Dr. Byrd has over 20 years of experience working with over 100 organizations in manufacturing, healthcare, service and Government. His area of emphasis is in Operations Management, Training Systems, Employee involvement, Integrated Product Development and continuous quality improvement. In addition, Dr. Byrd serves as President of the Interactivity Foundation, a public policy foundation engaging citizens in the exploration and development of possibilities for public policy. Dr. Byrd received his Ph.D. from WVU and is a Registered Professional Engineer in the State of West Virginia.

Michele O'Connor, West Virginia Jobs Investment Trust

Michele O'Connor has more than 25 years of experience in the finance and banking industry. She attained her Certified Financial Planner designation along with the Accredited Investment Fiduciary Manager designation. She was the Portfolio Manager for the Trust Department at First United Bank and managed over $600 million for the department. Currently, she is the Investment Manager for the West Virginia Jobs Investment Trust, which is a leading venture capital firm focused on turning the innovation of new ideas into successful world-class companies. Ms. O'Connor graduated Magna Cum Laude with a BA in Finance from the University of Maryland College.

Products

US Glass will manufacture housewares, figurines and tabletop items utilizing the Fenton molds with some updated designs from local and national artisans. The Company will distribute the items to major retail outlets such as Williams-Sonoma, Bed Bath & Beyond, Neiman-Marcus, among others. US Glass hopes to be part of the strong consumer trend of being one of the few "Made In America" glass manufacturers.



Competition/Market Summary

Competitors for US Glass range from local West Virginia glassware companies such as Blenko and Homer-Laughlin to global manufacturers such as Lalique, Baccarat, and Daum. The firm's competitors in the ultra-high-end crystal and glass functional and decorative items are a variety of general home décor manufacturers and distributors for whom handmade glass specialty items are either a minor entry in their product lines or miss altogether. Those ultra-high-end manufacturers are Waterford Wedgewood, Swarovski, and Rogaska

Industry Summary

Everyware

On July 8, 2014, there was a minor molten glass leak in the throat of its Tank 1 glass furnace in the Company's Lancaster, Ohio facility. The leak was contained quickly and no injuries were reported. Repairs have been initiated on the damaged tank, and the Company expects Tank 1 to be back up and running soon, with minimal related costs.

Additionally, the Company has begun the process of restarting its Tank 3 furnace, also at its Lancaster, Ohio facility. The Company expects Tank 3 to be up and running within a week.

Separately, the Company's Monaca, Pennsylvania facility, which was partially reopened on June 2, 2014, was temporarily closed for planned maintenance over the July 4th holiday weekend. The Monaca facility has not been reopened following the planned maintenance shut down, and no decision has been made with regard to timing for resuming production.

About a week earlier, the Company announced that hourly workers at the Company's Lancaster, Ohio operation voted to accept revisions to their labor agreement that will reduce operating costs at EveryWare. The Company's hourly employees at its Monaca, Pennsylvania facility voted down similar proposed revisions to their separate labor agreement.

The ratified agreement for the Lancaster facility remains subject to final documentation, approval by EveryWare's Board of Directors, review of the Company's restructuring plan by the United Steelworkers Union, and a $20 million investment into the Company by Monomoy Capital Partners, L.P. and its affiliated funds ("Monomoy").

While EveryWare is in receipt of an investment proposal by Monomoy, the Company and Monomoy have no agreement on an investment at this time. There is no guarantee that the Company will reach agreement with Monomoy on the terms of an investment and there is no assurance that the Company's lender group will accept an equity investment by Monomoy or any other party.

Glassware Trends & Libbey

One of the hottest trends to hit drinkware in recent years was the Mason jar, a popular vehicle for all types of beverages, from iced tea to bourbon, and across all geographic regions. The Mason jar trend might have sprung to life in Southern cafes and summer picnics, but restaurants from New York to California embraced it as a trendy pitcher for individual libations.

These days, trends in glassware have moved beyond the Mason jar to more classic, old-fashioned beverage vessels, as well as variation, meaning a different glass for each style of drink. The major push amongst glassware purveyors is to help restaurants enhance guests' experience with the beverage and consider how the glass plays a role, says Jerry Moore, glassware product manager at glass purveyor Libbey Foodservice.

"What we are seeing is a diversification in glassware," adds Susan Dountas, director of foodservice marketing for Libbey. "We don't see a really large trend coming on board, like the Mason jar, but from our end, it's more about helping our customers create the experience they want."

At the newly opened Spyglass Rooftop Bar and Fabrick restaurant at the Archer Hotel New York, mixologist Joe Goglia uses glassware to differentiate drinks, especially for the higher-priced premium spirits. Glassware is integral to the high-quality presentation, he says. He explains that Spyglass serves an Old Fashioned in stemmed glasses, which are not only nice to handle, but also allow the aroma to unfold, similar to the experience of drinking a premium spirit in a snifter.

"It doesn't help the restaurant accomplish its goals if the glassware isn't suitable," says Moore at Libbey. "If it looks nice, the guest doesn't mind paying the higher price for the beverages."

Vintage glassware is also seeping into smaller restaurant and bar venues, says Johnny Swet, a mixologist and co-owner of JIMMY at The James NY and Chicago and mixologist at New York's The Skylark. "There's also a big return in classic glassware like the coupe, old-fashioned, and Collins glasses," Swet says.

At JIMMY Chicago, with its classic 1970s-chic feel, all the glassware has a silver rim, with specialty vintage cocktail shakers that match. Jimmy at The James New York easily has 10 different glasses for cocktails, "which really allows the drink selection to be very eclectic," Swet says. "One of the things I cherish most, being a rye whiskey drinker, is the feel of a rock glass in your hand. It must have the proper weight and feel when you hold it. It's a small detail, but very important."

Before craft beer and craft cocktails came to the beverage party, aromas and suitable glasses were more of an afterthought. But as Millennial become increasingly educated about proper beverage service, restaurants and bars are finding innovative ways to use different types of glassware, Libbey's Dountas says.

Picking glassware can actually dictate the cocktail program, Swet says, as the size of a glass might decree what type of ice to use, for instance, and also allows the creativity to flow out. "[Bar managers say] maybe I will do a classic Vesper Martini in a coupe instead of a Martini glass," Swet explains.

To that end, the range of glassware continues to evolve and expand. Libbey offers 149 different types of beer glasses, and 10 glasses for spirits recently debuted. Also trending are new options for hot beverages; as tea and tea service gain popularity, Libbey's introduced a commercial French Press last year for tableside tea and coffee service.

Significant Events

June 2014: US Glass Board meets to vote the hiring of Jaci Volles, marketing and retail consultant, for US Glass. Ms. Volles laid out in the June board meeting the revised marketing plan for the Company, which the board has decided to implement. US Glass was notified of signed LOI by George Fenton for the Williamstown facility.

May 2014: US Glass has meeting with Walmart to discuss product orders, sourcing, and appropriate product positioning as well as discussions with manufacturers for production.

March 2014: It was discovered that the facility contained a number of issues relating to the corrosive natural gas line, storm water permit compliance, landfill and depleted uranium permits compliance. Given the environmental concerns related to the facility site, the Wood County Board of Education voted not to consider the site.

February 2014: Wood County Board of Education meets to discuss proposed site for the new elementary school. Fenton Facility. The Board of Education voted to enter into talks to buy the Fenton Glass property.

January 2014: Baceline Investments provided a letter of intent to George Fenton for the acquisition of the Williamstown facility. The investment firm, along with Kinequity Group and USGlass, are in negotiations with George Fenton and his advisors.

November 2013: US Glass, in collaboration with Kinequity group and Baceline Investments, is starting the process to acquire the Williamstown Facility under a new company.

September 2013: US Glass is in negotiations with Everyware Global Inc., to potentially license the brand for the Company's table top tier chain. This joint venture also contains the possibility of Everyware making a Series A investment. Everyware Global is partially owned by Monomoy Capital Partners, a NY-based private equity firm specializing in Consumer Retail companies.

July 2013: National Fenton Glass Society Convention gathered at the Williamstown facility. Mr. Bem updated the collectors on the status of US Glass' efforts to rebuild the Fenton brand and to restart full scale glass production at the factory in Williamstown.

June 2013: US Glass terminated its relationship with iGNTIATE and is continuing to solicit investors for the Series A Common Round.

March 2013: WVJIT invested $100,000 through WVCAP for 100,000 Series AA Preferred Units in US Glass.

November 2012: US Glass investment approved by WVJIT Board of Directors and WVCAP Committee following term sheet signature and completion of Due Diligence.

Overall Conclusion

Based on the foregoing, WV Jobs Investment Trust finds it most appropriate to record its investment in US Glass, Inc., at value, which is currently presumed to be the same as cost or **$60,000.**

Snapshot:

Company: Vandalia Research, Inc.
Website: Vandaliaresearch.com
Location: Huntington, WV
Total Employees: FT/4; PT/1
WV Employees: FT/4; PT/1

WVJIT Investment: $559,376
WVJIT Ownership: 10.71%
Subject to GASB 62: NO

Leadership

Derek Gregg, Chief Executive Officer
Michael Fons, Ph.D., President, Vandalia Vaccines
Justin Swick, Director of Engineering

Background

Vandalia Research, Inc., was founded in 2004, and is a life sciences Company based in Huntington, West Virginia. Vandalia is the first biotechnology Company based upon Marshall University research, specializing in DNA production by polymerase chain reaction (PCR). Vandalia holds an exclusive license to the proprietary Triathlon technology. This technology is capable of providing milligram and gram quantities of custom PCR-amplified DNA for a variety of applications, such as DNA vaccines, diagnostic standards, genetic therapy research and custom probes.

WVJIT Investment History

- **August 2010:**
  - $75,000 Series A Preferred Investment
  - 8% Quarterly Dividend
- **April 2010:**
  - Conversion of $200,000 convertible debt, plus interest into Series A Preferred Units.
- **May 2009:**
  - $325,000 LOC bridge loan convertible into Series A preferred Shares.
  - $200,000 was drawn from LOC.
- **February 2008:**
  - $275,000 in Series A Preferred Stock.

Warrant Coverage: None.

Co-Investors:

Mountaineer Capital:	$ 600,000 Debt & Equity
Co- Investors:	$1,265,000
Total Outside Capital	**$1,865,000**

Management Team

Derek Gregg, CEO

Derek Gregg is a founder and CEO of Vandalia Research, Inc. He has held primary responsibility at Vandalia Research since its founding in 2004 for product development, manufacturing, quality control, business development, sales & marketing, and government relations (including grants and contracts). He is an inventor on two patent applications, and is an author on one peer-reviewed publication. In 2007 he and co-founder Justin Swick were featured in Entrepreneurship: Successfully Launching New Ventures (2nd Edition). He holds a BS in Integrated Science & Technology from Marshall University. Mr. Gregg also currently serves as Chair of the Biosciences Association of West Virginia, a new trade association devoted to promoting the biosciences industry within the state.

Michael P. Fons, President, Vaccines

Dr. Fons received his Ph.D. in virology from the University of Texas Medical Branch in 1989 and an MBA from the University of Houston in 1999. He is currently working as a consultant offering over 17 years of experience in the commercialization of gene delivery, vaccine and immunology technology. He was most recently (June 2010) Vice President of Corporate Development at Inovio Pharmaceuticals of San Diego. He has held management positions at Vical, Inc. (San Diego) and Valentis, Inc. (Burlingame, CA) and has published over 25 peer-reviewed publications and is an inventor on certain patent applications in the field of DNA delivery.

Justin Swick, Director, Engineering

Justin Swick has been involved in bio-manufacturing industry for six years and is currently head of the engineering department at Vandalia Research. Prior to this he developed process automation instrumentation for research projects at Marshall University. His experience is chiefly in control systems design, mechanical design, and fabrication. Mr. Swick holds a BS in Integrated Science & Technology from Marshall University. He, along with Derek Gregg, Vandalia's COO, were recognized as undergraduate researchers of 2005 in West Virginia.

Board of Directors

Derek Gregg, Founder

Derek Gregg is the primary day-to-day manager of Vandalia Research. He is responsible for the financial and personnel resources of Vandalia, purchasing, communications, and other management duties. He plays a large role in writing grants, patents, and developing strategic partnerships. He is also currently directing the sales and marketing activities of the Company.

Liz Murray, Ph.D.

Dr. Liz Murray received her Ph.D. in Genetics from the University of Kansas in 1986. She is employed by Agrigenetics, a company helping in the process of developing insect resistant plants. She also worked for Promega Corporation for eight years, where she headed manufacturing for DNA typing products. Dr. Murray holds three U.S. patents for her inventions and maintains many active contacts in molecular biology reagent businesses.

Patrick Bond, Mountaineer Capital

Managing Director of McCabe-Henley Properties LP since 1998, Pat Bond brings a wealth of experience in finance, administration, strategic planning, general management and management information systems. Previously, Mr. Bond owned/operated an independent consulting practice, Growth Management Group that specialized in the areas of Business Environment Assessments, new product development, investment and financial analysis and strategic planning. Prior to that, he was President of a natural gas marketing company and was President and CEO of Atlantic Financial Federal, a $750 million savings and loan institution and all its business units. He graduated from WVU where he received both Master's and Bachelor's Degrees in Industrial Engineering.

Lee C. Haikal, M.D.

Dr. Lee Haikal is a native of South Charleston, West Virginia, and a graduate of Marshall University School of Medicine. He completed a residency in diagnostic radiology at the University of Louisville Hospital and a fellowship in vascular and interventional radiology at Methodist Hospital in Indianapolis, Indiana. Dr. Haikal primarily performs interventional radiology procedures and is also proficient in plain film radiology, CT, ultrasound, nuclear medicine and mammography exams. He is Board of Directors certified in diagnostic radiology and has been with Radiology, Inc. since March 2003.

C. Andrew Zulauf, Executive Director, WV Jobs Investment Trust

Andy Zulauf is the Executive Director of the West Virginia Jobs Investment Trust, a public seed investment fund. He has extensive experience in finance and venture capital, having served as Executive Director and Senior Loan Officer for the West Virginia Capital Corporation, as a partner and Managing Director of West Virginia operations for Adena Ventures, and as vice president and upper middle market commercial relationship officer for Fifth Third Bank.

Products

The Triathlon is the first system and process to enable the polymerase chain reaction (PCR) to be used for the large-scale manufacturing of DNA Sequences. Its primary advantage is a continuous method for heating and cooling the PCR reagents, which facilitate processing unlimited volume without having to pool the products from multiple test tubes. The result is:

- Reduced Labor
- Decreased turnaround time
- Reduction in opportunities for contamination

Competition/Market Summary

Custom manufactured DNA is a very limited market with few identified competitors. The two most significant competitors identified are Takara Bio and SeqWright Genomics Services.

Takara Bio

Takara Bio is part of Takara Holding Company, Inc., and represents the biomedical business interests of its parent company. Takara Bio is committed to improving the human condition through biotechnology through three primary areas of focus; developing research tools for the life sciences, gene therapy, and nutraceuticals. Takara has been focusing on biomedical research since it launched the Bio group in 1967.

From its start in manufacture and supply of restriction enzymes in 1979, Takara Bio has positioned itself as a leading company in the Japanese life science market. Takara's acquisition of Clontech is one of many steps the company is taking to continue to provide innovative tools that allow customers to access technological advancements in the life sciences.

SeqWright Genomic Services

SeqWright Genomic Services is a Contract Research Organization (CRO) specializing in providing a wide variety of genomic services, including the full-service nucleic acid technology CRO, molecular biology, to microarray and next generation genomics. Founded in 1994 by John W. Belmont, M.D., Ph.D. and Richard Gibbs, Ph.D., of the Human Genome Sequencing Center, SeqWright was acquired by Clarient Diagnostic Services, Inc., a GE healthcare company in 2012.

Aldeveron

Aldeveron is a privately-held biotechnology company that is providing contract manufacturing and scientific services. They specialize in Plasmid DNA, Protein Production and Antibody generation. The company was founded in 1998 and is headquartered in Fargo, ND, with affiliate offices in Madison, Wisconsin and Freiburg, Germany. Aldeveron has 70 employees and close to 50 written patent publications.

Industry/Market Summary

Global PCR Market

According to market research firm, BCC Research, the global market for polymerase chain reaction technologies is expected to grow to nearly $10.2 billion by 2018, with a five-year compound annual growth rate (CAGR) of 8.5%. reagents and consumables is the fastest moving segment in this market with a CAGR of 8.9%.

The major factors driving the PCR products market include continuous technological advancements in instruments, reagents, and PCR techniques such as real-time PCR and reverse transcriptase PCR. This market is being led by the reagents and consumables, the largest and fastest moving segment, which is expected to reach nearly $5.7 billion by 2018.

Instruments, which is witnessing greater adoption by end users, is the second largest segment and is forecast to grow to nearly $3.6 billion by 2018.

The PCR market is currently dominated by the North American region, which has a market share of about 45%, whereas Europe and Asia together account for 45% of the market.

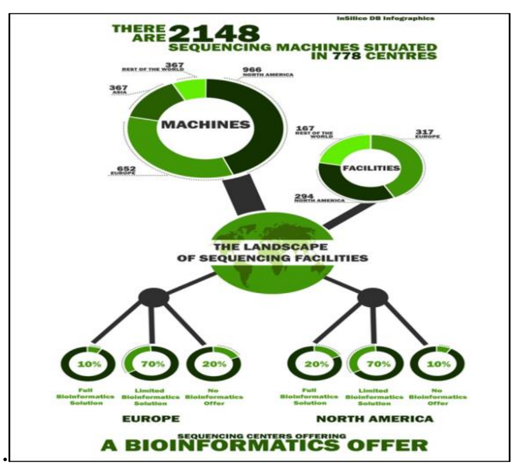
"Although North America and Europe dominate the PCR products market," says BCC Research biotechnology analyst Jackson Highsmith. "However, Asia is considered a high-growth market for PCR products with a compound annual growth rate (CAGR) of 9% forecast from 2013 to 2018, where the market is still relatively untapped compared to the global market."

Increasing demand for technologies supporting early and accurate diagnosis of life-threatening diseases, such as cancer, is driving the PCR market.

Global Bioinformatics Market

Global bioinformatics Market is expected to reach $12.48 billion by 2020, according to a new study by Grand View Research, Inc. Rapidly declining prices of DNA sequencing, growing adoption rates of bioinformatics as a cost effective tool for database management during clinical trials, increasing government initiatives encouraging the use of bioinformatics in drug discovery and the use of bioinformatics tools in emerging fields such as chemogenomics are some of the factors expected to drive market growth over the next six years. In addition, the introduction of advance technologies such as nanopore and cloud computing are expected to serve this market as future growth opportunities.

Bioinformatics platform products are expected to dominate the market, along with being the fastest growing segment, at an estimated CAGR of 22.8% from 2014 to 2020. The increasing demand for these platforms in technologically advanced processes such as high throughput screening for combination therapies namely pharmacogenomics and pharmacoproteomics is expected to serve this market as drivers during the forecast period. Global bio-content product demand is expected to reach USD 4.30 billion by 2020, growing at a CAGR of 16.9% from 2014 to 2020.



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North America held the largest share of the market in 2013 at 42.4%. The large number of research initiatives undertaken in this region and the availability of encouraging government support in terms of funding are some of the factors responsible for the aforementioned fact. However, the Asia Pacific bioinformatics market is expected to be the fastest growing regional market, at an estimated CAGR of over 25% from 2014 to 2020. Low labor costs and high availability of skilled labors in countries such as India and China has encouraged manufacturers to adhere to contract research outsourcing strategies to curb costs and such a fact has tremendously contributed to the growth of the Asia Pacific bioinformatics market.

Significant Events

March 2014: Vandalia Research experienced a 1Q14 revenue decline of 9%. Despite the top-line decline, the Company did achieve a 34% increase in DNA production revenue vs. the same period one year ago. Gross profit margin was 61%. The Company's cash position remains positive and its balance sheet healthy with a current ratio of 1.34. ROE and ROA were 8% and 3%, respectively.

February 2014: Vandalia Research was awarded an $18,220 grant via CAM/TechConnect for an analytical system that will help the Company commercialize a key product and achieve important industry certification and compliance. The Company also ran a upgraded triathlon sidewinder and achieved clearer results and views of the DNA Gels.

December 2013: Vandalia Research reported less-than-stellar full-year financial performance results. Despite the lackluster P&L, the financial condition of the Company continues to remain strong with a current ratio of 1.46 and a strong working capital. Vandalia has done a great job in collecting its receivables (Days Receivables 15 days) as well as paying its payables (Days Payables is 10 days). Return on Equity and Return on Assets are (52%) and (23%).

September 2013: Vandalia Research was in negotiations with a publicly traded biotechnology company to be acquired. Company also has had preliminary discussions with larger-cap biotechnology companies.

January 2013: Vandalia Research surpassed $1M DNA revenues in 2012. Management's goal for 2013 is to exceed $1.5M in DNA revenues.

Vandalia has announced it won the approval for a no-cost extension for the Pandemic Influenza Vaccine Program. Vandalia has also announced several proposed investments for 2013 including a New Triathlon Lab, ISO 9001 Certification, and reconfiguring the Vandalia offices. They also planned to attend several conferences for the purposes of business development such as the BIO2013 conference in Chicago, Bio-Tech Japan, and TradeWinds Asia in Korea.

July 2012: Vandalia announced a spinoff Company called Crosscutting Concepts, LLC. This Company will develop, manufacture, and market hands-on science products for high school and post-secondary education students.

July 2012: WVJIT Board of Directors approved $300,000 in equity financing through WVCAP and matched by Crosscutting Concepts, LLC.

June 2012: Vandalia Research was scheduled to present at the Global Technology Community's 10th Vaccines Research and Development: All Things Considered conference in mid-July.

May 2012: Vandalia Research received a U.S. Patent covering their process that involves large-scale DNA production using polymerase chain reaction (PCR).

June 2011: Vandalia Research announced significant progress on several recent efforts. The Company followed the four recent additions to the Lyle & Louise educational modules with two new modules planned for January 2012. Vandalia's Science and Education division experienced considerable growth over the past four (4) months increasing sales from $5,000 in July 2010 to $30,000 in June 2011, resulting in three new full-time positions. Vandalia would now have eight (8) full time employees.

Vandalia announced that they received a U.S. Department of Defense (DOD) contract for $1.049 million for the Flu Vaccine Technology Program, which is a pre-clinical development of a pandemic flu vaccine manufactured by Vandalia's Triathlon bioreactor.

The Company also announced the formulation of Vandalia Vaccines, which will be led by Michael, PhD. The division will focus on the commercialization of vaccine projects based heavily on the data obtained through the DOD Pandemic Influenza DNA Vaccine project. The engineering department began construction of a fourth generation Triathlon device that will allow Vandalia to make DNA certified for clinical trials.

June 2010: Vandalia Research projected the next 12 months of sales to be approximately $1.0M and hiring three (3) new full time employees. The Company expects to be the recipient of the DOD contract in collaboration with Innovio Biomedical, with work starting after October 2010. Of the $325K line of credit approved in April 2009, $200K was funded. In April 2010, WVJIT converted the $200K plus accrued interest to Series A preferred equity.

June 2009: Rep. Nick J. Rahall announced that he secured $1.5 million for the Department of Defense (DOD) technology development by Vandalia Research in the Fiscal Year (FY) 2010 Department of Defense Appropriations Act (H.R. 3326). The $1.5M in funding secured by Rep. Rahall for Vandalia Research, Inc. will be used to collaborate with Innovio Biomedical in San Diego, CA to work with the U.S. Army on applications for their technology. This technology would allow for the development of vaccines and medicines to prevent or cure severe viral pandemic diseases based on Vandalia's linear DNA fragments that will expedite and enhance the quality of vaccines.

May 2009: WVJIT committed to a $325,000 line of credit bridge loan convertible into Series A preferred shares as part of a $650K new round of financing. The funding was to be released periodically, based on milestones accomplished. A portion of the WVJIT investment ($125K) was reserved for construction and equipment costs necessary for a GMP facility, assuming the Company was not able to gain funding from alternative sources.

May 2008: Since the research and development done by Innovio Biomedical of San Diego on linear DNA vaccines was first announced in July of 2007, Vandalia Research made substantial progress in the area of DNA vaccines. In December 2008, Derek Gregg, VP of Business Development, made presentations at the Vaccine Congress meeting in Boston and the DNA Vaccines meeting in Las Vegas. Additionally, Vandalia Research was featured on the front-page of Genetic Engineering News (GEN) in the March 2nd issue. GEN is the major industry newsmagazine for biotechnology. Vandalia Research is working with nearly 10 DNA vaccine researchers and companies around the world as a result of these presentations.

March 2008: Vandalia Research raised the initial half of a $1.5M Series A preferred stock sale with WVJIT and Mountaineer Capital. The funding was used to accomplish the following milestones:

- Continue to fund and expand the Company's intellectual property coverage.
- Enhance physical infrastructure and institutional processes to support cGMP and ISO-certified manufacturing of DNA products (critical for entry into regulated markets).
- Further develop corporate partnership efforts.
- Continue further product development and technology improvements on the Triathlon system.

February 2008: The WVJIT Board of Directors approved an investment of $275,000 in Series A preferred stock to Vandalia Research to be used for working capital as part of a $750,000 round with participation from Mountaineer Capital as well as existing shareholders.

Overall Conclusion

Based on the foregoing, WV Jobs Investment Trust finds it most appropriate to record its investment in Vandalia Research, Inc. at value, which is currently presumed to be the same as cost or **$559,376.**

Snapshot:

Company: **Vested Health, LLC**
Website: vestedhealth.com
Location: Charleston, WV
Total Employees: FT/9; PT/0
WV Employees: FT/8; PT/0

WVJIT Investment: $999,997
WVJIT Ownership: 8.55%
Subject to GASB62: NO

Leadership

Shawn Dobson, President/CEO
Sherry Parks, Chief Financial Officer
Carol Ball, Eligibility Specialist
Tammy Moss, Financial Analyst

Background

Established in 2001, Vested Health is a licensed third party administrator that offers unique, customized, portable healthcare solutions across a four part Consumer Directed Health Plan (CDHP): (1) a unique Vested Health Account (Health Reimbursement Arrangement (HRA), Health Savings Accounts (HSA) or Flexible Spending Account (FSA) used for day-to-day expenses and longer term savings; (2) health coverage or a high-deductible traditional health plan (HDHP) offered through leading insurance carriers; (3) proprietary technology, implementation and educational tools and; (4) services including the Benny Card, Web Accounts, Health Account Management System (HAMSTM). The company's proven approach to CDHP management has helped more than 375 client companies and 15,000 consumers reduce their overall healthcare costs. Vested Health is one of only a few venture-backed independent Consumer Directed Health Plan companies. Management has implemented solutions that have generated substantial health care savings in the last 11 years in a variety of industries.

Vested Health was organized in July 2001 to capitalize on this emerging new insurance product. CDHP's address the failings of HMOs by providing access to providers and at the same time creating the incentive to the covered employee/member to spend dollars wisely. For the employer, it still enables them to provide the much needed employee insurance benefits; however, it deduces the high level of uncertainty associated with a defined benefit plan and changes this to a more predictable financial outlay under a defined contribution plan.

Vested Health customers are regionally located companies located primarily in Ohio, West Virginia and South Carolina.

WVJIT Investment History

- **2007:**
    - $250,000 equity investment in Series C Preferred membership units

- **2004:**
  - $100,000 equity investment in Series B Preferred membership units
  - $150,000 convertible debenture; converted into Series B Preferred membership units

- **2003:**
  - $250,000 convertible debenture; converted into Series A Preferred membership units

- **2002:**
  - $250,000 in Series A preferred membership units.

Co-Investors/Lenders

Mountaineer Capital	$1,500,000 Equity
Adena Ventures	$1,000,000 Equity
CapVest	$1,000,000 Equity
Angel/Other Investors	$1,800,000 Equity

Total Outside Investment: $5,300,000

Board of Directors

Thomas E. Parkinson, Adena Ventures

Adena Ventures is a $36 million venture capital fund that invests in companies in central Appalachia. Tom Parkinson is also a partner in Hopewell Ventures, a $110 million Chicago-based fund targeting the Midwestern United States. In addition to his role with Vested Health, he is an observer on the Board of Directors of GamePlan, Inc. He was a Director of TLContact, Inc., until that company was acquired by Steve Case's Revolution Health Group in 2007.

Previously, Mr. Parkinson led a successful early-stage venture fund associated with Northwestern University, where he made and managed investments in more than 20 start-up companies, including Peapod, Inc. and Everyday Learning, Inc. He received his undergraduate degree from Northwestern University and his MBA from Northwestern's Kellogg Graduate School of Management and spent over ten years teaching courses as an adjunct professor in entrepreneurship and entrepreneurial finance at Kellogg and the University of Illinois at Chicago.

Patrick A. Bond, Mountaineer Capital

Pat Bond has been responsible for the origination/management of seven of the Mountaineer Capital's investments. Prior to joining Mountaineer, Mr. Bond served as Managing Director of McCabe-Henley LP, bringing a wealth of experience in finance, administration, strategic planning, general management, and information systems. Previously, he owned/operated an independent consulting practice, Growth Management Group, specializing in the areas of business environment assessments, new product development, investment and financial analysis, and strategic planning. Prior to that, Mr. Bond was President of a natural gas marketing company and was President and CEO of Atlantic Financial Federal, a $750 million savings and loan institution and all its business units. Mr. Bond graduated from West Virginia University where he received his Master's and Bachelor's Degrees in Industrial Engineering.

Michele O'Connor, West Virginia Jobs Investment Trust (Observer)

Michele O'Connor has more than 25 years' experience in the finance and banking industry. She attained her Certified Financial Planner designation along with the Accredited Investment Fiduciary Manager designation. She was the Portfolio Manager for the Trust Department at First United Bank and managed over $600 million for the department. Currently, she is the Investment Manager for the West Virginia Jobs Investment Trust, which is a leading venture capital firm focused on turning the innovation of new ideas into successful world-class companies. Ms. O'Connor graduated Magna Cum Laude with a BA in Finance from the University of Maryland College.

Products

Vested Health designs, implements, and serves as a third-party administer of Consumer Directed Health Plans (CDHPs), including Health Reimbursement Arrangements (HRAs), Retiree Health Reimbursement Arrangements (RHRAs), Flexible Spending Accounts (FSAs), and Health Savings Accounts (HSAs). The company has developed a unique HRA platform, which enables employers and consumers to maximize the control they have over their health care costs.

The Company has implemented HRA solutions since 2001 that have generated substantial healthcare savings in the last eight years in a variety of industries, which include but are not limited to, healthcare systems, hospitals, physician groups, financial institutions, software companies, U.S. government contractors, attorney partnerships, manufacturing, petroleum companies, hospice organizations, municipalities, and non-state government agencies. Their solution allows employers to retain control of account funds, as well as provides a flexible and manageable approach to funding contribution levels. Vested Health helps employers create cost-control solutions and the financial incentive for employees to become informed, motivated and engaged in the healthcare process.

In 2014, the Company outlined a new business strategy plan set on the defined contributions.

Competition/Market Summary

Health plans for businesses and their employees comprise a multi-billion dollar industry that is highly competitive. Well known national insurance companies like Prudential, Cigna, Aetna/US Healthcare, and the regional Blue Cross and Blue Shield companies seek the employer's dollar. A plentitude of HMOs, both regional and national, also compete. Many companies are already self-insured.

Many third party administrators (TPAs) are gravitating towards making sure their focus stays squarely on companies that are small to medium in size because they know that their products and services can suit these companies much better compared to a large corporation.

Recent studies have shown that more than 20% of the health insurance market is made up of Consumer-Driven Health Plans (CDHPs) and this number will continue to rise. Consumer-driven health plans help customers reduce their health risks and improve the quality and efficiency of their care, resulting in lower total medical costs. This bodes well for other TPAs including Vested Health who can offer their CDHPs at a competitive rate and continue to grow their customer base.

Industry Summary

Employers across a wide spectrum of sizes and industries are exploring private exchanges, where workers shop for their own health plans and can select one that fits their medical needs and their household budget.

Private exchanges are offered by health insurers such as Aetna, Horizon Blue Cross Blue Shield of New Jersey and AmeriHealth New Jersey; by benefits consultants like Mercer and by the private exchange specialist Liazon.

A private exchange may be a “defined benefit” plan in which the employer gives workers an allowance to shop for a health plan. Workers who want extended benefits can then “buy up” using their own money for a richer suite of coverage. Private exchanges are a diverse, flexible marketplace: Some offer plans from just one insurer, other sell plans from various insurers, and the choices can include self-insured plans.

“The interest in private exchanges is like nothing we’ve seen in recent memory,” said Eric Grossman, exchange business leader for Mercer’s health and benefits business. The company launched its Mercer Marketplace private exchange for the 2014 health plan year and has so far signed up 90 employers with 290,000 lives. Mercer, which offers plans from 30 insurance companies, has members in New Jersey, but doesn’t report enrollment by state.

Horizon launched its Horizon Select private exchange in the spring of 2013 and it has been very well received, according to spokesman Tom Vince. Horizon declined to provide enrollment figures, but said they are up six-fold since the launch last year.

“Business clients range from 40 employees to 1,000 employees, and are located in multiple regions throughout the state and are engaged in multiple industries,” Vince said.

Grossman said Mercer Marketplace employers on average have lowered their annual medical cost by $800 per employee. About 70 percent of the savings went to the employers, while the rest benefited employees through lower contributions to their health plan.

“Most of that cost saving is coming from helping employees recognize that in many cases they have been over-insured,” Grossman said. “We help them to right-size their coverage to more appropriate levels.”

Often employees cut their premiums by selecting a higher deductible plan, which potentially will increase their out-of-pocket costs. Grossman said, “If the employees are concerned they are taking on too much risk, they can use some of their savings to buy a supplemental health policy, such as an accident insurance policy, to protect against that risk.”

Grossman said, “At the end of the day we expand choice for the employees and in many cases the best choice will be a lower and less costly level of coverage than what they have today.”

Health policy experts see private exchanges playing a key role in keeping employers in the health insurance game. The idea is that the employer’s health care costs will be more predictable, and thus make employer-sponsored health insurance more attractive going forward.

The private exchange “is an innovative product that helps businesses control their health care costs while doing right by their employees to offer health insurance coverage,” Vince said.

Vince said Horizon is “seeing tremendous interest and appetite for HorizonSelect in the medium to large business group markets,” and the company will hold a webinar explaining HorizonSelect on July 15. The Company also created a dedicated website, ChooseHorizonSelect.com.

AmeriHealth New Jersey launched its private exchange in 2013. Mike Munoz, senior vice president, sales and marketing, said: "We are very pleased with the performance of our private exchange, MyAHNJ, to date. We aim to provide maximum choice to New Jersey businesses and their employees, and our private exchange offers employees affordable options to select the health plan that most closely matches their needs."

The alternative for employers is to drop health coverage altogether and let workers buy their own policies on the federal government’s public exchange at HealthCare.gov, where insurers sell health plans that are subsidized by the Affordable Care Act. In its first year in New Jersey, the federal government reported that 162,000 New Jerseyans signed up for coverage at HealthCare.gov, with the majority getting federal subsidies to make that coverage more affordable.

In 2015 employers with 50 or more full-time-equivalent workers have to offer health plans or pay penalties, and employers who don’t offer health insurance lose the tax deduction for their share of the cost.

According to a survey last year by the Private Exchange Evaluation Collaborative, 45 percent of employers will either consider or actually switch to a private exchange by 2018. The collaborative is made up of four nonprofit business coalitions and PricewaterhouseCoopers, the accounting and consulting firm; PwC does not offer a private exchange.

Aetna spokeswoman Susan G. Millerick said in addition to surveys showing widespread interest in private exchanges among employers, research indicates that “the majority of surveyed employees are willing to embrace this change.” She said the trends reflect “a shift to greater consumer choice and engagement.”

She said Aetna offers plans on about 20 third-party private exchanges in addition to its own proprietary private exchange, Aetna Marketplace: “We believe private exchanges can offer significant value for both employers and consumers and we are continuing to actively participate in this growing distribution channel.”

Significant Events

June 2014: Vested Health introduced to the board of the directors their business development plan for the defined contribution market. The Company announced it will partner with brokers within the state exchanges to generate a business development pipeline.

April 2014: Vested Health released to the Board of Directors the three-year business plan for the defined contribution market.

March 2014: Vested Health achieved revenue which was slightly higher than forecasted, mostly attributed to the business two business development wins they achieved for the month. While the company did see lower-than-forecasted expenses for the month, the company realized a net operating loss for the period.

January 2014: Ravi Pandey and Michele O'Connor met with Vested Health's management team to discuss the business and full-year business development strategy.

2013: Vested Health's YTD was slightly above the budgeted revenue projections. Net income was ahead of budget as well. The number of enrolled employees remained steady at 14,000, but per employee revenue continued to decline.

Total revenues saw a 40% decrease from the same period one year ago. Total expenses for the Company increased 18%, primarily attributed to increased operating expenses for operations, and SG&A. The increase in expenses resulted in a YTD net income 56% worse versus the same period one year ago.

The Company maintains a stable liquid position with a current ratio of 1.34, and $312K of working capital. What was the biggest challenge for the Company was its ability to collect on its receivables. Since September their Receivables turnover was 226 days, a vast improvement from the 875 days in September. For the Company to grow and maintain their liquid position, the Company had to strengthen its credit policies. Return on Equity and Return on Assets were 14.24% and 4.21%, respectively.

June 2011: Vested Health's YTD was 4% behind revenue projections; however, net income was 9% ahead at $119,506 for the period May 2011 YTD. The number of enrolled employees stayed constant at approximately 14,000 for the past eighteen (18) months, however, the per employee revenue (fee) declined. On the positive side, the Company gained a strong foothold in the South Carolina market gaining several larger public employee groups.

June 2010: Vested Health served over 27,000 members in 42 states for over 340 employer groups. The Company was engaged in the development and implementation of OPEB liability mitigation strategies for several government clients, including Chester County, South Carolina, and the City of Myrtle Beach, South Carolina.

June 2009: Vested Health signed on 357 employer groups, 13,629 EE lives, and 27,292 members. The Cmpany uncovered another line of revenues through GASB. GASB 43 and 45 became new governmental financial reporting requirements for all state and local governments that sponsor post-employment healthcare benefits. The major covered benefits included medical, dental, life insurance and disability.

June 2008: Vested Health saw significant changes in the management as former CEO and Founder, Mike Baker, left the Company. Shawn Dobson became the new CEO, and Sherri Parks served as Chief Financial Officer. The Company at the time, provided health coverage for 323 employees including 13,800 covered employees. Average cash burn was approximately $50K per month with cash reserves slightly in excess of $250K. Vested Health financial projects indicated they would be better than break-even by the start of the first quarter of 2009.

September 2007: The WVJIT Board of Directors approved a $250,000 "follow-on" investment in Vested Health in the form of Series C preferred stock as part of a minimum $4.0M round.

June 2004: The WVJIT Board of Directors approved an additional $150,000 in Vested Health as part of a $450,000 round. Each investment was structured as a convertible debenture with warrants to purchase Series B preferred stock and has been converted as described.

November 2004: The WVJIT Board of Directors approved a $100,000 equity investment in Vested Health as part of a $3.0M Series B preferred units round, which included approximately $2.0M in new money and conversion of $1M in debentures to equity. WVJIT converted $335K in debentures to equity at the close of the round. WVJIT's equity ownership stood at 252,647 units or 13.21% of the Company.

November 2002: Vested Health raised an $825,000 convertible preferred equity round with participation from WVJIT, Mountaineer Capital, Adena Ventures, and angel investors.

Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Vested Health, LLC at value, which is currently presumed to be the same as cost or **$999,997.**

Snapshot:

Company: **WV Potato Chip, LLC**
Website: Buymisterbee.com
Location: Parkersburg, WV
Total Employees: FT/16; PT/1
WV Employees: FT/16; PT/1

WVJIT Investment: $250,000
WVJIT Ownership: 21.74%
Subject to GASB 62: YES

Leadership

Rick Barton, Chief Executive Officer
Randall Holden, President
Dwight Holden, Director of Operations
Jonathan Betancourt, Sales Manager
Mark Licot, Production Manager
April Hymen, Finance/Accounting Manager

Background

The WV Potato Chip Company, LLC was established in 2012 by Rick Barton and Randall Holden to manufacture potato chips under the Mister Bee brand. The assets to Mister Bee Potato Chips were purchased after the Company filed for bankruptcy protection in November of 2011. The Company owns and operates a plant in Parkersburg, WV capable of processing 3,600 pounds of potatoes per hour in various sizes.

The original Mister Bee brand was started in 1951 by Leo and Sara Klein. The Company grew to be a million dollar business in 1972 serving West Virginia and parts of Ohio and eastern Kentucky.

WVJIT Investment History

- **April 2013**
  - $250,000 Series A Preferred Units; 7% Quarterly Dividend

  Warrants/Warrant Coverage:

  - 100% at 50% discount; with a 7 year time frame.

  Total WVJIT Investment: $250,000 ($125,000 funded through WVCAP**)**

  GASB 62 Adjustment: $47,331

  Valuation based on GASB 62 (as of 6/30/14): $ 297,331

FY2014 Dividend Revenue: $17,499.96

Co-Investors/Lenders

Rick Barton	58.70%
Randall Holden	19.56%

Board of Directors

Rick Barton, Chief Executive Officer

Rick Barton purchased the assets to Mister Bee in the beginning of 2012 and assumed the role of CEO. He has a large amount of business experience previously serving as an executive with Simonton Windows. After leaving Simonton, he founded Wincore Windows, a massive success story in West Virginia business. He serves as the CEO of Wincore, whose logistics have been widely praised and the company boasts a week turnaround on orders. The company opened with 50 employees and now has over 300. Under Mr. Barton's guidance, Wincore has become one of the fastest growing companies in the region.

Randall Holden, President

Randall Holden is also a founding partner of Wincore Windows and has been with WV Potato Chip Company since its inception. He is the President of the Company and has been instrumental to its early success. Like Mr. Barton, Mr. Holden also has years of industry experience in his time with Wincore and possesses an impressive mind for business.

Michele O'Connor, West Virginia Jobs Investment Trust

Michele O'Connor has more than 25 years' experience in the finance and banking industry. She attained her Certified Financial Planner designation along with the Accredited Investment Fiduciary Manager designation. She was the Portfolio Manager for the Trust Department at First United Bank and managed over $600 million for the department. Currently, she is the Investment Manager for the West Virginia Jobs Investment Trust, which is a leading venture capital firm focused on turning the innovation of new ideas into successful world-class companies. Ms. O'Connor graduated Magna Cum Laude with a BA in Finance from the University of Maryland College.

Products

WV Potato Chip's core business is the manufacturing and sale of potato chips. It purchases potatoes from Wisconsin-based Highland Lake Farms and Oneida Potato Exchange, and uses a brokerage firm to purchase potatoes from a co-op in Pennsylvania. When the company receives potatoes, they clean them and slice them before cooking them in oil.

Competition/Market Summary

The potato chip industry is currently dominated by the brands under PepsiCo, collectively known as Frito Lay North America, Inc. These brands include well known chips like Lay's, Ruffles, Fritos, Doritos and many others. Frito Lays North America generated $14.1 billion in revenue during 2013 and reported a profit of more than $3.8 billion. The next largest potato chip brand is Pringles, which is owned by Kellogg. The Utz brand of chips are currently in third place, followed by Cape Cod, Kettle, Herr Foods, Wise Foods, Snyder's of Hanover, Old Dutch Foods, and Snyder of Berlin. Frito Lay North America has a commanding hold over the market and there are no real large challengers among major corporations. Instead, most challengers to Frito Lay come in the form of small regional companies.

These small regional companies are all located outside of the State of West Virginia. However, for the most part, they are located very close to Parkersburg. Utz, a top-5 potato chip brand, is located 5 hours from the Mr. Bee's factory. Other brands like Herr's, Wise Snacks, Snyder's of Hanover, and Snyder of Berlin are all located in Pennsylvania as well. These companies are seen as the most direct challengers to the WV Potato Chip Company. Due to the size of Frito Lay North America's operations, there is very little chance that the Company could compete on the same level. Pennsylvania is home to 24 potato chip plants and Ohio is home to 10. In comparison, there are only 60 potato chip plants nationwide not owned by Frito Lay.

Utz Quality Food, Inc.

Utz was founded in 1921 by Bill and Salie Utz and is currently operated by the third generation of the Company, Mike and Jane Rice. According to their corporate website, Utz is the biggest independent privately held snack company in America. They make over a million pounds of chips each week and ships their product from Maine to North Carolina. In 2011, Utz's main line of potato chips had sales of $137.6 million. Utz owns a distribution center in Fairmont and Parkersburg and can be found in stores throughout WV. It is the most successful of the smaller group of companies, narrowly edging out Cape Cod and Kettle in terms of sales in 2012 with over $170 million in revenue. This number is still more than nine times less than what Frito Lay North America made in 2012.

Herr's Food

Herr's food was founded by James Stauffer Herr in 1946 when he was only 21 years old. His grandson, James M. Herr has been running the Company since 2005. Herr has an office in Ona, West Virginia as well as Chillicothe, Ohio. Their main line of chips had revenues of $61.1 million in 2011, putting it behind brands like Utz, Kettle, and

Cape Cod. Like Utz, Herr's is also distributed throughout the State of West Virginia and has been a very successful brand.

Conn's Potato Chips

Conn's Potato Chips is located nearby in Zanesville, Ohio, which is only an hour and a half drive from Parkersburg. It was founded in 1935 by the Conn family. The brand focuses on their brand of chips as well as private label branding. Owners Montie Hunter and Tom George, Sr. have recently built a new 100,000 square foot facility. Conn's was recently featured in a video segment for AOL.

Industry Summary

Some 35 snack food industry executives from across the nation attended SFA's 2014 Legislative Summit in Washington on April 9-10, 2014, meeting face-to-face with 67 U.S. senators, members of the House of Representatives and staff to express their views about key issues affecting their companies and the industry.

News was made April 9, 2014 on one of SFA's top concerns as Rep. Mike Pompeo (R-KS) introduced the Safe and Accurate Food Labeling Act of 2014, which would establish a federal voluntary labeling standard for food and beverage products containing genetically modified organisms (GMOs).

Supported by SFA, the bill would give the Food and Drug Administration (FDA) authority over labeling of GMO food and beverage ingredients, superseding state requirements. In 2013, at least 26 states have proposed legislation that would require food products made from GMOs to be labeled. Under the Pompeo bill, GMO-free products could be labeled as such; there would be no requirement to label products containing GMOs. Pompeo said he expected subcommittee hearings sometime in June.

In their meetings with lawmakers, snack executives emphasized that because their companies distribute their products across state lines it would be impossible to create packages with differing messages to comply with individual state mandates.

Also on the list of issues discussed in the Summit meetings were:

- Opposition to proposed FDA user fees;
- Restrictions on the use of independent contractors through efforts to classify them as employees, an inaccurate definition since these small business people are not employees, but individual entrepreneurs who purchase and then distribute snack products.
- Removal of partially hydrogenated oils from the Generally Recognized as Safe (GRAS) list by the FDA. Industry executives cautioned this could lead to the "devastating" result of also removing salt and sugar from that list.

Sodium Reduction Ingredients Market

The Sodium Reduction Ingredients Market is projected to grow at CAGR of 11.0% over the review period. In 2014, North America led the Sodium Reduction Ingredients Market in value, followed by Europe and Asia-Pacific.

Sodium is indigenously used as an essential nutrient, mandatory for the smooth functioning of the body. Despite sodium being important for normal operations of the body, it is also responsible for creating hypertension or cardiovascular diseases. Therefore, it is recommended that the sodium content in most food products that are consumed on a daily basis be reduced. High-sodium food represents severe health issues as reported by many organizations such as World Health Organization (WHO). An average sodium intake of 1,500 mg - 2,300 mg per day is tolerable to lead a healthy life for an adult. However, according to recent data available, Canadians and Americans consume 3,400 mg per day, which would lead to chronic diseases in most of the adult population in the coming years.

Alteration of food consumption habits of a particular population is a difficult task. The dietary habit of a specific population relies on the social, economic, and cultural environment. Most of the sodium chloride intake is through the processed foods that are consumed on a daily basis. More than two-third of the sodium content consumed is through the same. Conceptualization of the sodium-contained product to sodium-reduced or replaced product is a crucial task. Food manufacturers have to carefully reduce or replace the salt in a particular food item without affecting taste, appearance, and texture of the final product, which has an impact on the buying behavior of the consumer. Ingredients such as amino acids, yeast extracts, potassium chloride, seaweed extracts, hydrolyzed vegetable proteins, and nucleotides are mainly used as sodium substitutes. Sodium reduction ingredients are used either individually or with mixed blends in the targeted product.

Significant Events

March 2014: WV Potato Chip is working with WVJIT's legal counsel to correct/update membership issues discovered in December 2013 board meeting.

December 2013: Sales were down compared to previous year (same period), but due to a cooker fire, WV Potato Chip was not able to offer specials. In addition, the Company was working through the set-up of a new distribution contract with Snyder's. Those two issues contributed to the lower sales. The Company and its accountant were working with the insurance company to settle its claim and to determine what the insurance company will pay on the lost sales.

The Company's sales mix continues to reflect Walmart and Kroger taking a lion share of the distribution with 30% and 12%, respectively, followed by GoMart, Foodland, and Snyder's.

September 2013: The chips are being made in the WV plant. The cooker was replaced and up and running. Snyder's picked up several routes and will be expanding the sales territory. Management expects the Snyder's distribution contract to double their current production. Production would increase from its current 2 days to 4 days.

June 2013: WV Potato Chip, LLC closed on funding transaction with WVJIT. Company experienced a cooker fire in their Parkersburg plant location.

Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in WV Potato Chip Company, LLC at value, which is currently presumed to be the same as cost or **297,331** as per the GASB 62 Adjustment.

Snapshot:

Company: **WV Therapy, LLC**
Website: odysseyrehab.com
Location: Bridgeport, WV
Total Employees: FT/128; PT/101
WV Employees: FT/128; PT/101

WVJIT Investment: $485,080
6/30/14 Balance
WVJIT Ownership: 0.0%

Leadership

Greg Hayes, President
Dr. Jack A. Spatafore,Vice President
George W. Wyatt, Chief Financial Officer
Amy Dotson,VP of Administration
Ester Jones, VP of Operations
Mike Dotson, VP Sales and Marketing

Background

WV Therapy Services, LLC, founded in 2006 and based in Bridgeport, WV, currently partners with 21 healthcare providers in various West Virginia locations where 329 full and part time employees provide quality Physical Therapy, Occupational Therapy and Speech Therapy services to meet the needs of their patients. The company also provides comprehensive management of the healthcare providers' rehab department. This management allows the healthcare provider to concentrate on other important aspects of their organization. The Company went through a rebranding and now does business as Odyssey Rehabilitation.

WVJIT Investment History

- **July 2012**
  - $500,000 Secured Note, 9% Interest w/monthly payments
  - Maturity: August 17, 2014

Total WVJIT Loan: $500,000 (Funded through WVCAP)

WVJIT FY14 Interest Revenue Received: $41,796.20

Co-Investors/Lenders

Greg Hayes	66.0%
Jack Spatafore	33.0%

Management

Greg Hayes, President

Greg Hayes has an extensive background in Physical Therapy. In 2006, he started West Virginia Therapy Services. Mr. Hayes also has ownership shares in Fairmont Appliance & TV Sales, LLC and Double D Appliance Repair, LLC. Mr. Hayes attended Fairmont State and received an Associate's degree as a Physical Therapist Assistant. He worked for a contract therapy company as a Regional Assistant Manager for West Virginia before starting WV Therapy Services.

Dr. Jack A. Spatafore, Vice President

Dr. Jack Spatafore helped to establish WV Therapy Services in 2006. He is also is a part owner of Bridgeport Physical Therapy. Dr. Spatafore has a Master's of Science in Exercise Physiology from WVU and a Doctorate of Physical Therapy from Shenandoah University and is an active member of WV Physical Therapy Board of Directors.

George W. Wyatt, Chief Financial Officer

George Wyatt is currently the Managing Partner of Post-Acute Professionals. Previously he was the Chief Financial Officer for Functional Pathways and has many years of experience in the financial management of contract therapy providers.

Amy Dotson, VP of Administration

Amy Dotson attended WVU and Fairmont State prior to joining the Company in 2008. She assisted with the initiation of a full benefit program.

Ester Jones, VP of Operations

Ester Jones joined the Company in 2008. She has a B.S. in Medical Technology and a Masters in Occupational Therapy from WVU and is a licensed Occupational Therapist and a current member of the American Occupational Therapy Association. She assisted with the installation of Therapute Billing software system and is also the instructor for the CEU program.

Mike Dotson, VP of Sales and Marketing

Mike Dotson joined the Company in 2010 with an extensive background in the pharmaceutical industry and sales.

Products

Odyssey offers to children and adults holistic and medical Physical, Occupational and Speech therapy. Types of services and amenities include:

- Fall prevention
- Restraint reduction
- Quarterly screens
- Quality indicator management
- Monthly chart audits
- Assistance in the development of restorative nursing programs, such as:
  - Walking programs
  - Dining programs
  - Contracture management
- MDS quality management
- Third party consulting services
- Facility training annually
- Annual seminars/sessions to facility staff on preventing back injuries (free of charge to the facility)
- Billing software
- Therapute software management

Odyssey and Accelerated Care Plus (ACP)

Odyssey Rehabilitation specializes in offering rehabilitation programs that optimize patient outcomes and reduce the routine cost of equipment. Through ACP, Odyssey Rehabilitation has programs available to enhance clinical outcomes for a variety of neurological and musculoskeletal conditions including:

- Acute and chronic wounds
- Edema (swelling)
- Chronic pain
- Contractures (loss of joint motion)
- Urinary incontinence
- Muscle re-education
- Falls
- Neurological and stroke motor dysfunction
- Dysphagia (difficulty swallowing)
- Post-surgical recovery

Competition/Market Summary

Odyssey Rehabilitation has competed on a daily basis in the WV Long Term care marketplace since its inception in 2006. This market currently has approximately 140 Nursing Homes and 48 Hospitals. Of those 140 Nursing Homes, 53 of them are owned by corporations such as Genesis, Aegis and HCR Manor Care who provide their own therapy services within the facility. This leaves the potential business in the WV marketplace in the nursing home market at 87. Currently, Odyssey contracts with nursing facilities for a market share of a little more than 14%. In the hospital market, WV Therapy currently services for a market share in excess of 8%.

As Odyssey Rehabilitation implements its plan for growth with the rebranding strategy from WV Therapy Services, they plan to market their services into surrounding states. Odyssey recently obtained a contractual relationship in Virginia, and intends on contracting with other surrounding states such as Ohio, Maryland, Kentucky, and Pennsylvania in the future.

Industry Summary

While states are making measureable progress in improving long term services and supports (LTSS) – which includes home care services, family caregiver supports, and residential services such as nursing homes – widespread disparities still exist across the country, with even top performing states requiring improvement. Further, the pace of change remains slow, threatening states' ability to meet the needs of the aging population.

On June 19, 2014, AARP, The Commonwealth Fund, and the SCAN Foundation released Raising Expectations: A State Scorecard on Long-Term Services and Supports for Older Adults, People with Physical Disabilities and Family Caregivers, evaluates 26 indicators in five key dimensions that make up the LTSS system in each state. This state-by-state report updates the inaugural 2011 LTSS Scorecard.

The highest ranked states – Minnesota, Washington, Oregon, Colorado – can offer lessons for possible solutions, but they too have opportunities for improvement. Leading states have implemented laws and policies that build stronger Medicaid programs and support family caregivers. These laws include paid sick leave, nurse delegation of health maintenance tasks, and devoting more Medicaid dollars to home and community based services. Top states also have lower use of nursing homes and minimize disruptive transitions between care settings, providing lessons for lower-ranked states.

"Americans want to live independently in their homes and communities as they age," says AARP Senior Vice President for Public Policy Susan Reinhard. "States are starting to step up to meet this challenge, but more must be done in short time to meet the changing needs of a growing older population. By addressing the findings in the Scorecard, states have the power to affect positive change both immediately and in the long run so older residents and their family caregivers can access the quality long term services and supports they require."

The LTSS Scorecard evaluates performance in five key dimensions: (1) affordability and access, (2) choice of setting and provider, (3) quality of life and quality of care, (4) support for family caregivers, and (5) effective transitions. New indicators this year include length of stay in nursing homes and use of anti-psychotic drugs by nursing homes, raising serious concerns about the quality of institutionalized care.

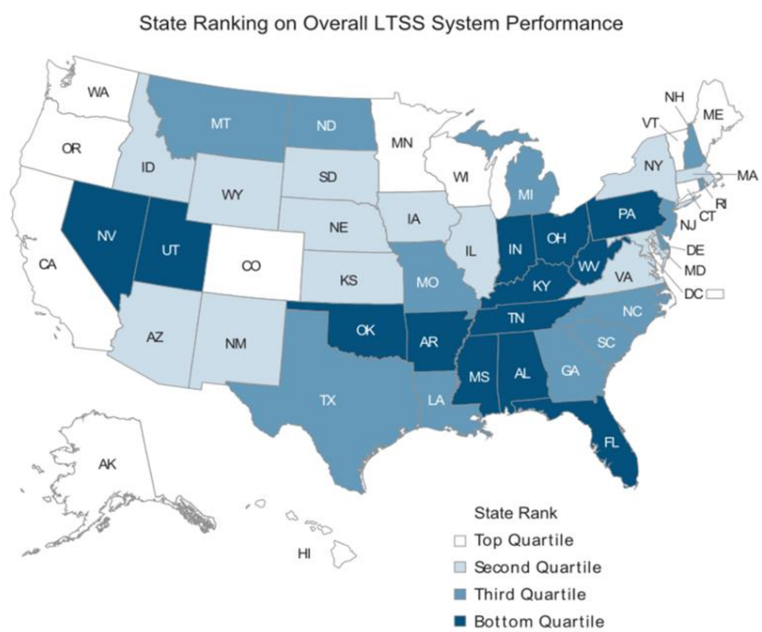
Even facing tight budgets following the Great Recession, all states made progress in at least one of the Scorecard's 26 indicators. In particular, more than half of the states (29) improved their laws and supports for family caregivers – including expanding family and medical leave requirements and laws requiring sick days, and allowing nurses to delegate health maintenance tasks to home care workers – and, 28 improved the functioning of Aging and Disability Resource Centers, which help residents navigate available services and supports. At the same time, the cost of LTSS remains unaffordable for middle income families.

The single strongest predictor of overall LTSS system performance is the reach of a state's Medicaid LTSS safety net. Nearly half the states (24) increased the percentage of Medicaid LTSS dollars that support home and community-based services – the care setting that most Americans prefer. However, widespread disparity exists across the states on this important indicator. While the five top-ranked states dedicate 62.5 percent of Medicaid LTSS dollars to HCBS, the lowest-ranking five only devote 16.7 percent.

"The report underscores the importance of public policies, including those that support providing care for people in their own homes and communities," said Melinda K. Abrams, Vice President for Health Care Delivery System Reform at The Commonwealth Fund. "Without strengthening such services, we put millions of frail elderly and disabled at risk for frequent emergency room visits, hospital stays or poor quality of care." Further, states with more effective transitions – both those that help people move out of institutions and back to the community as well as those between care settings – performed better overall in the Scorecard.

The Scorecard's authors warn of the demographic imperative to hasten progress. "In just 12 years, the leading edge of the Baby Boom Generation will enter its 80s, placing new demands on the LTSS system. This generation, and those that follow, will have far fewer potential family caregivers to provide unpaid help," the report reveals.

"This scorecard shows that all states have work to do on improving their systems of care, including assessing people's needs in a uniform way, helping people transition back home after a medical intervention, and increasing the affordability of services regardless of who pays," said Bruce Chernof, president and CEO of The SCAN Foundation. "As recognized by last year's federal Commission on Long-Term Care, the responsibility for realizing these kinds of improvements means greater action by both state and federal leaders."



Significant Events

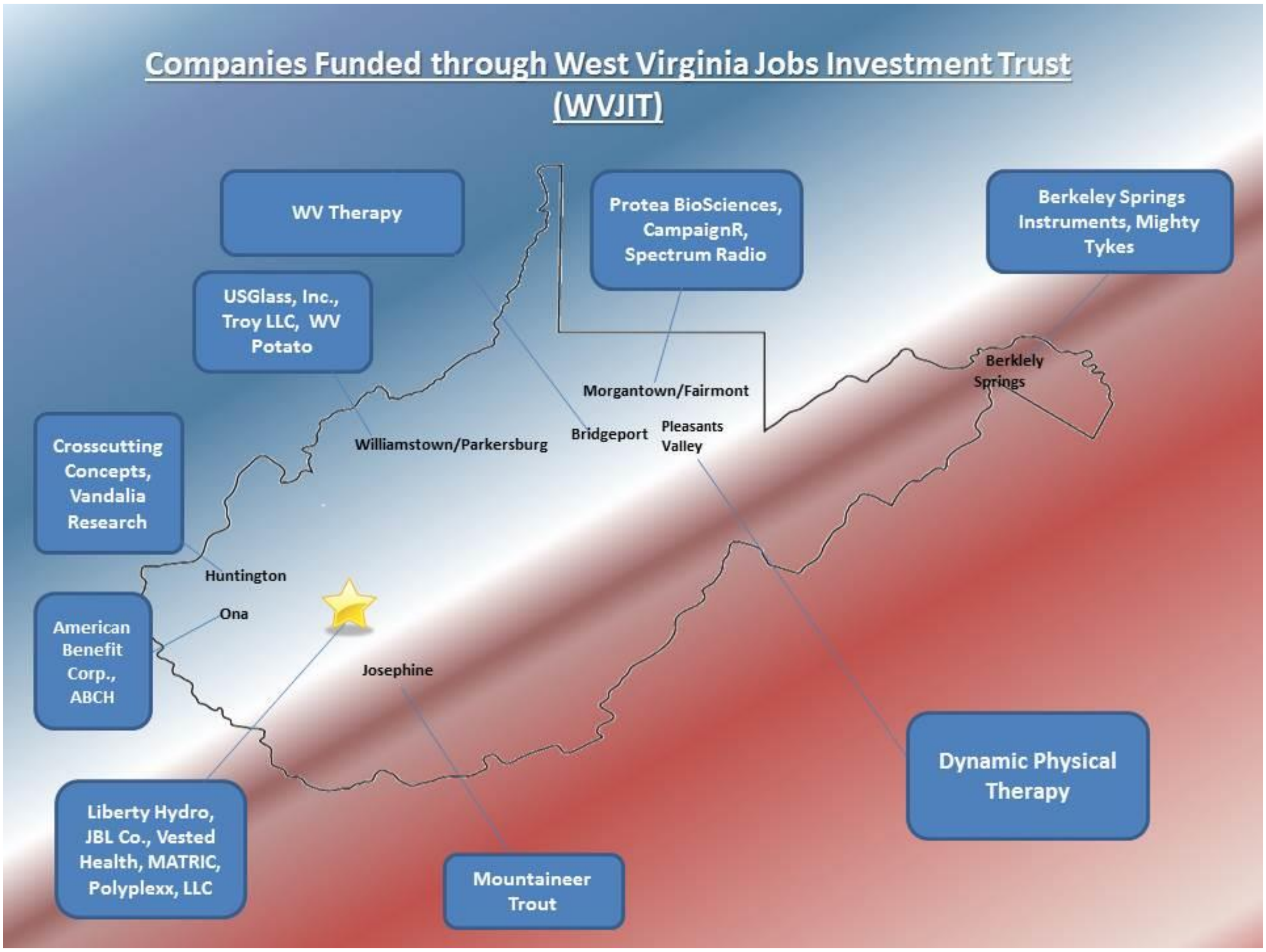
2014: WV Therapy is working with Citizen's Bank of Weston to re-write its existing loan to pay-off WVJIT's Loan.

2013: WV Therapy increased their existing line of credit to fund its continued growth and expansion.

2012: WV Therapy used loan proceeds to continue to expand into new markets. The Company opened in seven new locations.

Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in WV Therapy Services, LLC at value, which is currently presumed to be the same as cost or **$485,080.**


Companies Funded through West Virginia Jobs Investment Trust (WVJIT)
WV Therapy
Protea BioSciences, CampaignR, Spectrum Radio
Berkeley Springs Instruments, Mighty Tykes
USGlass, Inc., Troy LLC, WV Potato
Morgantown/Fairmont
Berklely Springs
Crosscutting Concepts, Vandalia Research
Williamstown/Parkersburg
Bridgeport
Pleasants Valley
Huntington
Ona
American Benefit Corp., ABCH
Josephine
Liberty Hydro, JBL Co., Vested Health, MATRIC, Polyplexx, LLC
Mountaineer Trout
Dynamic Physical Therapy