WEST VIRGINIA SECURITIES COMMISSION

STATEMENT OF POLICY

Definition of "Institutional Buyer"

September 3, 2008

This Statement of Policy is adopted by the West Virginia Securities Commission pursuant to the authority of the Commissioner of Securities of the State of West Virginia granted under Chapter 32 of the West Virginia Code. The West Virginia Securities Commission Staff has expressed concern about the fact that the term "institutional buyer" in §32-4-401(g)(6)(A) has not been defined by federal or West Virginia state law. Accordingly, in order to ensure that this term is defined and regulated uniformly under West Virginia law, this term is hereby defined as follows:

A. A corporation, business trust, partnership, limited liability company, limited liability partnership or a wholly owned subsidiary of any of the aforementioned entities, which has been operating on a continuing basis for at least twelve (12) months and which has a net worth of at least five million ($5,000,000) dollars, a substantial part of whose business activities consists of investing, purchasing, selling or trading in securities issued by others and whose investment decisions are made by persons who are reasonably believed by the seller to have such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of investment;

B. An entity which has been granted exempt status under Section 501(c)(3) of the Internal Revenue Code, as amended, which has been operating on a continuing basis for at least twelve (12) months and which has a net worth of at least five million ($5,000,000) dollars, a substantial part of whose business activities consists of investing, purchasing, selling or trading in securities issued by others and whose investment decisions are made by persons who are reasonably believed by the seller to have such knowledge and experience in financial and business

matters to be capable of evaluating the merits and risks of investment;

C. A Small Business Investment Company licensed by the United States Small Business Administration by the Small Business Investment Act of 1958, as amended;

D. A private business development company as defined by the Investment Advisers Act of 1940, as amended;

E. A Business Development Company as defined by the Investment Company Act of 1940, as amended;

F. A wholly-owned subsidiary of a bank, savings institution, insurance company, or investment company as defined by the Investment Company Act of 1940, as amended; and

G. A "Qualified Institutional Buyer" as defined in 17 CFR 230.144A(a).

Glen B. Gainer, III
State Auditor
Commissioner of Securities

By: Lisa A. Hopkins
General Counsel
Senior Deputy Commissioner of Securities

September 3, 2008