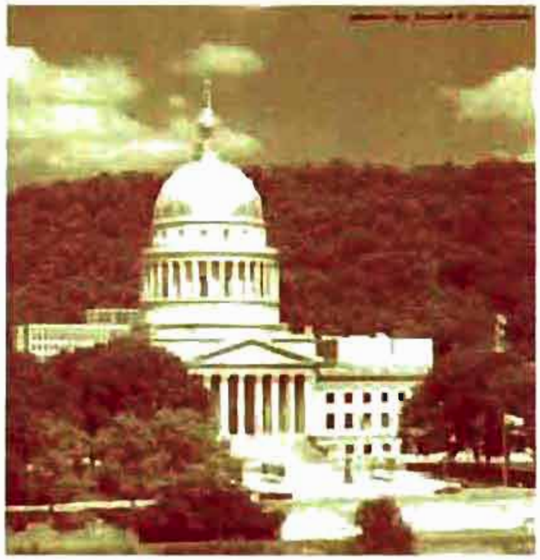

WEST VIRGINIA JOBS INVESTMENT TRUST

JUNE 30, 2007

INVESTMENT ANALYSES

Kelley M. Goes, Chairman of the Board
Richard C. Ross, Executive Director

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CONFIDENTIAL

AugustaSystems

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

AUGUSTA SYSTEMS, INC.

Investment Analysis Index

I. Background Information

Augusta Systems, Inc., was founded in 2002 and headquartered in Morgantown, West Virginia. The initial goal of the Company was to provide enterprise emissions management products and services to aid clients in determining and implementing optimum greenhouse gas (GHG) emission management strategies. In time, they have emerged as a provider of sensor optimization enabling technologies for security, asset tracking, and monitoring purposes.

Augusta Systems software and computing systems technologies deliver at-point sensor processing, at-point data filtering, resilient communications, rapid data alignment from diverse sources including wireless sensor networks, RFID systems, and electro-optic sensors, among several other applications and systems.

Utilizing its expertise in technology research and development, Augusta Systems, in conjunction with project partners and the U.S. Navy's Office of Naval Research, is also developing communications and control technologies for coordinated behavior of small, unmanned aerial vehicles (UAVs).

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- August 2003: Investment of a $200,000 Convertible Debenture used for software development and working capital.

- February 2003: $50,000 convertible debenture used for software development and general working capital.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** – Augusta Systems, Inc. is managed by five team members who are responsible for daily operations. They are; Patrick Esposito, P.E., Ph.D.; CEO; Patrick Esposito, II, COO; John Moody, Ph.D., Director, Systems Engineering; Michelle Varga, Director of Client Services; and, James Dobbs, Director of Corporate Relations.

3. **Business Operations** – The Company's main headquarters is located in Morgantown, West Virginia, and located nearby to the United States Department of Energy's National Energy Technology Laboratory (USDOE/NETL). This close proximity to USDOE/NETL provides Augusta Systems with collaborative opportunities for research and development (R&D).

4. **Quality of Management** – Patrick Esposito, P.E., Ph.D. is the CEO and possesses over thirty years of experience in energy and environmental engineering and serves as the Chairperson of the West Virginia Governor's Energy Task Force. His son, Patrick Esposito, II is COO and brings knowledge in regulatory affairs, government relations, and business development from WV State Government. The Director of Systems Engineering, John Moody, Ph.D., directs systems engineering efforts in the defense/aerospace sector, focusing on communications, controls, embedded computing systems and sensor applications. The Director of Client Services, Michelle Varga, brings background in emerging business operations including human resources, investment capital solicitation, business development and marketing from two Washington, D.C. based start-up businesses; and, the Director of Corporate Relations, James Dobbs, delivers skills in public affairs and strategic communications, and has served as Deputy Press Secretary to U.S. Senator Robert C. Byrd.

C. *Information Regarding the Company (business plans, etc.)*

Augusta Systems provides enabling technologies for sensor optimization. These technologies assist business and government with managing the data overload resulting from wide-scale sensor deployments for security, asset tracking, and monitoring by providing flexible tools to streamline the process of developing and managing sensor-based systems.

June 2007: Augusta Systems ThreatViewer™ product was chosen to be implemented at the 2007 U.S. Open Championships golf tournament held in Pittsburgh, PA. ThreatViewer™ is an integrated security product that provides remote monitoring capabilities.

May 2006: Augusta Systems was selected to present at the Mid-Atlantic Venture Association's Capital Connection held in Washington, D.C. It is one of the nation's most successful and influential venture events.

May 2005: Augusta Systems opened a Pittsburgh office to better serve its clients. The Company's new office is located downtown in the former Westinghouse Tower at 11 Stanwix Street, Suite 1411. Pittsburgh provides Augusta Systems with many possibilities for growth. With its manufacturing base, its emerging robotics sector, its critical infrastructure, and a host of other industries that rely upon sensors for data-gathering, it is an ideal location for sensor intelligence solutions.

November 2005: Augusta Systems, in collaboration with West Virginia University and Altarum Institute of Ann Arbor, Michigan, was awarded a two-year, $750,000 contract through the U.S. Navy's Phase II Small Business Technology Transfer (STTR) program to develop a technology that would improve the ability of unmanned aircraft to locate and recognize objects, an achievement known as automatic target recognition.

July 2003: Augusta Systems was awarded a $5 million Department of Defense contract to design and develop an intelligent control system for ultra-lightweight, unmanned aerial vehicles. The Company is working in collaboration with ALION Science and Technology and the West Virginia University Institute of Technology to develop this second line of business.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

In March 2007, a South Dakota based venture fund invested $250,000 in Series B Preferred Stock. This investment is on the same terms as the JIT Series B investment.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;

- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Augusta Systems, Inc. at value, which is currently presumed to be the same as cost or $295,983.

EMERGENT
GAME TECHNOLOGIES

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

EMERGENT GAME TECHNOOGIES, INC.

Investment Analysis Index

I. Background Information

Emergent Game Technologies (EGT) was founded in 1999 in Shepherdstown, WV as Butterfly.net, Inc., and is now headquartered in Los Angeles, California. The Company was funded initially by the founders and a seed round of $500,000. JIT invested $500,000 in the Series B Preferred Stock round, which closed in April 2002.

Emergent Game Technologies (Butterfly.net) was founded to provide interactive game development companies the dominant platform for the operation of Massively-Multiplayer Games (MMGs). This is still a large part of the business as the Company continues to develop for the game industry the software infrastructure and subscription management systems to connect millions of players on mobile devices, PCs, and consoles in persistent, real-time game-play. However, the Company has now expanded its business goals to be a single source for all the tools required to build, test, manage and expand interactive games.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

Investment of $500.000 in Series B Convertible Preferred Stock in April 2002, as a part of a $1,500,000 round used for working capital.

B. Type of Business

1. **Legal Form** – "C" Corporation.

2. **Functional Type of Organization** - Emergent Game Technologies, Inc. is comprised of focused, talented and experienced software engineers. The management of Emergent Game Technologies and those responsible for the daily operations are; Geoffrey Selzer, Chairman and CEO; Scott Johnson, Executive Vice-President; John Austin, Senior Vice President of Sales and Business Development; Michael Steele, Vice President and General Manager of Live Game Services; Larry Mellon, Vice President of Engineering and Systems Architecture; and, Doug Kubel, Vice President of Product Development.

3. **Business Operations** –The Company has developed, or acquired through license agreements, middleware solutions for game developers that provide the tools required to build, test, and manage interactive games. Their 3D graphics engine, Gamebryo, has been used by developers to create more than 70 games, and with 70 more in production, the Gamebryo game engine is the best choice for developers seeking a rich set of tools to expand their production pipeline. The Company has developed a metrics product that offers developers simple tools for efficiently and routinely collecting, analyzing and sharing game data with team members. Emergent's Automation product gives developers the power to rein in the mounting complexity of building and testing today's games, significantly reducing the cost and pain of managing the build process. The Automation product merges build solutions with automated testing capabilities to give developers control over the entire continuum of build/test processes.

   The Company continues to develop their Server product whose core is the original "Butterfly Grid" technology that allows the players of Massively Multiplayer Games (MMGs) to play and interact in ways that extend the current state of the art. Players can co-inhabit games and environments, interact and play with each other, and experience a persistent game space irrespective of their access device. Players can use widely different platforms, from Pocket PCs to high-performance 128 bit game consoles, and still have fun. The key to this technology is a multi-layered architecture that presents the window into the world in a way that is natural and intuitive to users of all types of platforms. Current so-called platform independent systems (such as the World Wide Web) try to simulate platform independence by forcing an arbitrary interface convention on all users of the system, regardless of their access platform.

4. **Quality of management** – CEO Geoffrey Selzer, from 1995 through 1998, served as VP of Creative Development and Production for Disney Interactive where he was responsible for the design, development and production of the interactive software titles at Disney interactive. Prior to his work at Disney, Geoff was acting publisher for the New American Magazine group for 2-1/2 years after an 8-year successful career as an investment banker focused on mergers and acquisitions. President Scott Johnson was co-founder and CEO of Mobility Entertainment (MENT), a successful mobile entertainment developer that delivered more than twenty titles, including an IGN "Game of the Year." Prior to that, he was Vice President and CFO for Universal Interactive, which he helped transform into one of the fastest-growing video game publishers, releasing multiple hit titles and reaching revenues in excess of $300 million. Vice President John Austin served as CEO of NDL prior to the merger and is a veteran of the

games middleware market, having been around since shortly after NDL announced the NetImmerse product in 1998. He has more than 20 years of experience in the computer graphics industry, encompassing management and engineering positions at Hewlett-Packard, Inc. and Sun Microsystems. Vice President Michael Steele was the Executive Producer for *The Matrix Online* at ubi.com. Prior to building the online operations team and infrastructure for ubi.com, he was the Vice President of Technology for Turbine Entertainment, Director of Development for Hasbro/Microprose, and Director of Engineering for Disney Online.

C. Information Regarding the Company (business plans, etc.)

Emergent Game Technologies, Inc. has a strategic alliance with IBM and Sony Entertainment. Their achievements include:

- March 2007: The Company continues to sign license agreements for their Emergent Elements technologies, including recently signed licenses with Austin-based Online Alchemy and Bethesda Softworks. Online Alchemy is an independent videogame and technology development studio. Bethesda Softworks is a Rockville, MD, developer and publisher of interactive entertainment software which has produced numerous award-winning titles.

- March 2006: Shanda Interactive Entertainment, China's largest publisher of interactive games, and Emergent approve a license agreement for multi-game, multi-platform development. Shanda operates one of the industry's most diverse portfolio of online games and interactive entertainment, including some of the most popular massively multi-player online role playing games, or MMORPGs, and casual online games in China as well as online chess and board games and network PC games. Shanda is also a provider of cartoon, literary and music content. As of June 30, 2005, Shanda had approximately 460 million registered accounts, 18.5 million active paying accounts, and more than 2.5 million total peak concurrent users for all of its games in commercial service.

- August 2005: Emergent merges with NDL, a maker of 3D graphics technology for the interactive entertainment industry. NDL, headquartered in Chapel Hill, N.C., is an independent developer of 3D graphics software used by leading game publishers and developers such as Atari, Vivendi Universal Games, Firaxis, Mythic Entertainment, Bethesda

Softworks, and Irrational Games. The Company's flagship product, the Gamebryo graphics engine and toolkit, is the culmination of two decades of 3D graphics expertise. The merger brings credibility, talent and revenues to EGT.

- May 2005: Butterfly.net, Inc. changed its name to Emergent Game Technologies, Inc., and built on its established online games infrastructure solutions to develop evolutionary tools for evolutionary games. The name change reflects the direction of the strategy to take the Company into a broader, more expansive market.

- March 2005: Butterfly.net, Inc. announced that Geoffrey T. Selzer had been appointed Chief Executive Officer. A media specialist with a background in production, design and finance, Selzer now leads Butterfly.net's senior management team.

- February 2003: Butterfly signed a PlayStation®2 Tools and Middleware agreement with Sony Computer Entertainment Inc. to provide technology and networking services for the PlayStation®2 computer entertainment system. As part of the agreement, IBM and Butterfly activated computing grid that allows online game developers to take advantage of the advanced capabilities of PlayStation®2 by more efficiently provisioning resources to meet the demands of console gamers. Clients that use Butterfly's software to create online components pay a hosting fee for the service that varies according to usage.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

Emergent Game Technologies secured $12 million in its Series D round of funding. Sales growth of more than 100% over the past twelve months, with incorporation of its technology into over 200 gaming titles, and broad industry recognition of Emergent's leading game development solutions, led the Company to close its successful funding round.

In March 2004, Butterfly.net closed a $10M Series C investment round from a group of top-tier global venture firms. With this financing round, three new members have joined the Company's Board of Directors. The Jobs Investment Trust underlying price per share remains the same as the previous round.

On December 31, 2001, Butterfly.net, Inc. closed a deal with IBM, the world's largest provider of information technology. IBM hosts the Butterfly.net, Inc. systems in their e-business hosting center, provides the Linux servers to operate the infrastructure, and to jointly market the MMG infrastructure. Under terms of the deal, Butterfly.net, Inc. received a credit on hosting that exceeded the first-year costs of the collocation facilities and bandwidth, favorable leasing terms for the hardware, and market development funds for promotional activities. Butterfly.net. Inc. management has been working with the media and entertainment practice leads at IBM in Los Angeles to design a joint marketing and sales plan and drive adoption of the MMG infrastructure.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities:
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- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;

- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

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The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

Based on the foregoing, Jobs Investment Trust finds it most appropriate to record its investment in Emergent Game Technologies, Inc. at value, which is currently presumed to be the same as cost or $500,000.

GAULEY MOUNTAIN MOULDING, INC.

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

GAULEY MOUNTAIN MOULDING CORPORATION

Investment Analysis Index

I. Background Information

Gauley Mountain Moulding Corporation located in Craigsville, West Virginia, started doing business in September of 1997, and is a small manufacturer and distributor of hardwood doors, flooring, and moldings. The Company has developed a market niche by offering a complete line of finished wood products (except for furniture and cabinets) for the interior of a home in high-grade oak and poplar. Contractors and retail customers alike are impressed by the quality and selection of the products sold. They are also a distributor for hardwood flooring manufactured in Arkansas. Gauley Mountain Moulding is a one-stop shop for wood flooring, moldings, doors and stair parts.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

May 9, 2001 - Investment of $15,000 in convertible preferred stock and $43,500 in a convertible secured term loan that was used to:

- Purchase leased equipment.
- Purchase new equipment.
- General working capital.

B. Type of Business

1. **Legal Form** "C" Corporation

2. **Functional Type of Organization** - The Company employs eight people on a full-time basis. There are six production employees and the husband and wife team of Roland and Mary Griffith. Roland, President/Owner of the Company, is in charge of the production area. His wife, Mary, is in charge of accounting, accounts payable and receivable.

3. **Business Operations** – The United States wood products industry remains a world leader in the production and trade of a multitude of products used in residential and light commercial construction as well as consumer-oriented products. Gauley Mountain Moulding Corporation has received a very welcome response for its products. Almost all retail sales have come by word-of-mouth recommendations from satisfied customers within a 100-

mile radius of the business location. Contractor sales had been slow to develop, but now the Company has about fifteen customers, ten from the local Nicholas County area, two at Snowshoe in Pocahontas County, two in Lewisburg in Greenbrier County, and one in the Charleston area.

The Company also sells flooring that is purchased rather than manufactured. The flooring segment of the millwork industry is large, and larger companies with larger investments in facilities and equipment are able to produce at lower costs. But many customers would like to purchase flooring, so the Company stocks flooring provided by a distributor on consignment and sells this flooring at a ten per cent profit margin. The Company has also started applying finishes and coatings to some of the doors and moldings it produces and will be a high-profit addition to the business.

4. **Quality of management** – Roland Griffith has received training at the Robert C. Byrd Wood Technology Center in Princeton, West Virginia, and is a serious, responsible and cautious individual. Mary Griffith eagerly seeks instruction and guidance in doing the Company's books. Each of them has been very willing to seek and accept advice and counsel.

C. Information Regarding the Company (business plans, etc.)

In June 2006, the Company had a solid year with inventories remaining firm, payables down and sales up 45% from last year. In addition, David Hofstetter has joined the Board of Directors. Mr. Hofstetter founded Parkline, Inc., a manufacturer of non-residential metal buildings. Under Dave's leadership, the company grew from 35 employees to 120 employees with plants in Eleanor, WV and Bristow, Oklahoma. Since 1988, he has been vice chairman and chief financial officer of Coal Fillers, Inc., a coal based producer with plants in Raleigh County, WV and Tazewell County, Virginia. Dave is also President of Indian Head II, an Advantage Valley property developer.

Through a relationship with a former manager at Sterling Construction, Gauley Mountain Moulding traveled to Virginia in early July 2004 to bid on a residential housing development project south of Lewisburg that may include up to 500 high end homes. The Company won the bid.

In 2004, the Company developed a close relationship with Sterling Construction Management in White Sulphur Springs, WV. Sterling Construction Management is the lead contractor for the Greenbrier Resort's proposed second home development that could include between 200 and 500 high-end custom homes over a five to ten year period. The Company also has a relationship with McCabe

Henley properties in Charleston and the March Westin Company, in Morgantown, WV. These relationships have generated repeat business over the past three years.

The Company has completed construction of a 2,800 square foot building adjacent to the current location. This area will be used to store finished goods inventory as demand for stained and finished products has occurred. The new addition significantly improves workflow and finished goods storage capacity. Funding for this expansion was financed through Bank One in the form of a short-term construction loan.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

The JIT investment was made simultaneously with an investment equal in amount and structure by The Conservation Fund's Natural Capital Investment Fund. No significant events have occurred since JIT's investment in the Company.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

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- existence of merger proposals or tender offers affecting the securities;
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- the nature of the business and history of the enterprise from its inception;

- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
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- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
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- likelihood of exercise of conversion privileges of convertible securities;
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The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

Based on the foregoing, Jobs Investment Trust finds it most appropriate to record its investment in Gauley Mountain Moulding Corporation at value, which is currently presumed to be the same as cost or $28,189.

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

GTR LABS, INC.

Investment Analysis Index

I. Background Information

GTR Labs, Inc. is a later stage company with a manufacturing facility in Gassaway, West Virginia. The company was organized in 1996 under the laws of the State of Connecticut. The primary products being developed center on new approaches to X-ray generators. Currently, the company manufactures a family of microprocessor-controlled, high-frequency X-ray generators that, when connected as a component in a medical X-ray room, provide a continuous and uninterrupted source of extremely accurate ionizing radiation for the production of diagnostic medical images. The unique nature of the microprocessor provides extreme accuracy in the production of X-rays and allows levels of diagnostic imaging never before achieved.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

A loan of $450,000 to supplement working capital. In April of 2001 the company concluded a conversion to a "C" corporation. Concurrently with that event JIT and another principal creditor of the company, each converted portions of their respective loans to the company to proportionate shares of convertible preferred stock. Other former LLC members each received a like amount of common stock of the reorganized company. JIT currently has a 32.2% equity ownership on a fully diluted basis. JIT also holds the balance of the loan principal of $192,216.

2. Sources Considered for Repayment

Working capital from operations.

3. Secondary Source of Repayment

a. The loan is secured by a lien on all business assets of the company, including, but not limited to, all inventory, equipment, furniture, fixtures, accounts receivable, and other rights to payment and general intangibles, with the security interest subject only to the existing security interest in the collateral granted to the financing bank.

b. Joint and several guarantees by Founder and principal creditor.

c. An Initial Public Offering (IPO), an acquisition or a private placement of our shares.

B. *Type of Business*

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** - The Company was a member-managed Limited Liability Company; in April 2001, it was converted to a Connecticut "C" corporation. The Board of Directors consists of Ewell Ferguson and Peter Silitch of GTR Labs; Don Gallion of FCX Systems, Inc. of Morgantown, WV; Former Air Corp General Kent McLaughlin: Eddie Grey of Triana Energy (also a company shareholder); and, Matt Wender, who represents JIT.

3. **Business Operations** - Designer, manufacturer and distributor of products (microprocessor-controlled, high-frequency X-ray generators) for the medical industry, including the veterinarian and chiropractic professions. GTR also manufactures X-ray tables for veterinarian use.

4. **Quality of Management** - Of the two members who are responsible for daily operations. Ewell Ferguson, who serves as the manager of operations, has a degree in electrical technology. His life's work experiences have been in the design, manufacture, and sale of medical equipment. The second, Peter Silitch, has a degree in Applied Physics and holds two patents in the field of electronics and communications. Peter was a founding member of the Westinghouse Learning Corporation. Other team members have various related degrees and years of associated experience in design, research, and development.

C. *Information Regarding the Company (business plans, etc.)*

GTR was founded in early 1996 and has developed innovative state-of-the-art high-voltage power supplies for the X-ray industry. The X-ray generator market is divided into two sectors: (1) OEM system manufacturers, which includes General Electric, Siemans, Phillips, Picker, and others, and (2) service organizations that repair, retrofit, and refurbish X-ray systems. Major OEMs are increasingly outsourcing their generator requirements. Service organizations tend to purchase generators from independent generator manufacturers.

The Company has completed its ISO 9001:2000 certification.

In 2004, the Company added two new members to the Board of Directors. New member, Don Gallion is Chairman, President, and CEO of FCX Systems, Inc. located in Morgantown, West Virginia. FCX Systems designs, manufactures and sales solid state frequency converters and air conditioning units for the commercial aviation, military, shipyards, utility, and industrial industries. FCX sales are throughout the United States and fifty-three foreign countries. Also, Former Air Corp General Kent McLaughlin has joined the GTR Board. Mr. McLaughlin organized and commanded the West Virginia Air National Guard for thirty years. Both men bring a wealth of experience to the Board that has proved beneficial to the growth of the Company. In April 2004, the Company hired Bill Mallory to serve as a GTR sales representative.

As of June 2006, the Company sales are up 56% from a year ago. Currently, the Company has 15 employees. The Company has entered into a joint software agreement with a company in the x-ray control market to develop European style proportional control systems for generators that will begin sometime during the 3rd quarter.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

In April 2001, the Company completed its conversion to a "C" corporation. Concurrently, JIT and other creditor, converted substantial portions of their respective debt to convertible preferred stock in the Company. Former "members" of GTR Labs, LLC received a like amount of common stock equity in the new Company. The purpose of the reorganization is to configure the Company so that prospective new investors will have the opportunity to invest in one or more additional series of preferred shares under terms to be negotiated at the time.

In April 2004, the JIT note became due and was restructured as a three-year note with the first year payments to include interest only. Payments for year two and three will include principal and interest with the principal amortized over ten years. The current balance including interest as of June 1, 2004 was $223,988.

The Company continues to meet their debt obligation. The Note was again renewed on July 1, 2007 and the principal balance is $192,216.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

Based on the foregoing, Jobs Investment Trust finds it most appropriate to record its investment in GTR Labs, Inc. at value, which is currently presumed to be the same as cost or $625,058.00.

IMAGETREE

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

IMAGETREE, INC.

Investment Analysis Index

I. Background Information

ImageTree Corporation, located In Morgantown, WV provides innovative forest and standing timber analysis solutions that are unparalleled in speed of delivery, granularity of detail, and overall accuracy. ImageTree's integrated approach leverages advanced automated feature extraction (AFE) algorithms, comprehensive field forestry utilities and sophisticated probabilistic sampling methods in a production environment managed by experienced forestry professionals. This integrated system assists land owners, forest stewards, and timber managers in reducing their overall forestry management costs, improving the productivity of their operational teams, and providing insights into valuation and health that enables a maximum return on timber assets while enhancing the overall productivity and well-being of the ecosystem.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- August 2006: Investment of $250,000 in Series B Preferred Stock as a part of a total "B" round of $4,500,000 that was used for general working capital.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** – ImageTree Corporation provides forest imaging technology for advanced forestland management. The Company's Board of Directors includes: Scott Nissembaum (chair), PA Early Stage; Rob McCord, PA Early Stage; Mort Collins, Battelle Ventures; Mark Redlus; ImageTree Corporation.

3. **Business Operations** – The Company's main headquarters is located in Morgantown, WV.

4. **Quality of Management** – **Mark Redlus, CEO**, has been a serial entrepreneur and executive leader in the information technology industry for the last decade. Mark served as CEO of Red Sector A, Inc., a Philadelphia-based Internet consultancy and software integrator, from 1996-1999, and grew that entity 2100% during his tenure culminating in a successful sale at

a 3.5X revenue to CoreTech Consulting Group in 1999. **Robert Pliszka, Vice President Operations and Forestry**, is responsible for overseeing field forestry activities, production operations, biometric support, and raw material supplier management for ImageTree. He has nearly 10 years of operational and management experience in forestry, GIS, and Remote Sensing Applications. **Neeraj Mathawan, Chief Technology Officer,** is responsible for leading commercial software development of the FACT application, Research and Development, and the technology infrastructure of ImageTree. He has over 16 years of technology leadership experience and been involved in approximately $2.5 billion worth of hands-on IT projects over that time-frame. **Olavi Kelle, Chief Research and Development** is the Chief Software Engineer and head of research and development for ImageTree. He has 15 years of experience with algorithm engineering. He developed extensive software for using digital imagery leveraging automatic timber stand delineation and timber inventory based on delineating individual trees.

C. Information Regarding the Company (business plans, etc.)

ImageTree is a Delaware C corporation funded and established in 2005 by a venture fund located in Wayne, PA. The new company was established with corporate headquarters in Morgantown, WV and made key hires of experienced technology entrepreneurs and senior forestry professionals. ImageTree acquired the integrated technology platform, associated intellectual property, selected assets, and management team personnel from International Hardwood Consulting (dba Falcon Informatics) in December 2005.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

In June 2007, the Company closed a $6.5 million Series B round with a portion of the funds used to payoff the existing credit facility.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;

- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position:
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance: and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114. *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

Based on the foregoing, Jobs Investment Trust finds it most appropriate to record its investment in ImageTree, Inc. at value, which is currently presumed to be the same as cost or $250,000.

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

INTEGRATED SOFTWARE METRICS, INC.

Investment Analysis Index

I. Background Information

Integrated Software Metrics, Inc. was founded in 2003 to develop new tools that detect, analyze, and predict errors in software code. Robert M. Chapman created the initial technology concept and commercialized it with the help of lead developer and software error analysis expert, Justin DiStefano. The Company office is located at the West Virginia High Technology Consortium Foundation's Business Incubator in Fairmont, WV. The Company has a suite of products that perform multiple functions including metrics generations, error data capture and analysis. As these tools are applied to software code, they predict which software elements of the projects will have errors. The ISM differentiating factor is the prediction, opposed to detection, of errors in software code. Also, the use of their proprietary machine learner (artificial intelligence) is unique in the market. The Company has current revenues from ongoing multi-year service contracts with various government and aerospace contractors. The core of the technology was developed in conjunction with NASA through the NASA Metrics Data Program.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- November 2006: Investment of a 2-year 10%, $100,000 Convertible Debenture with Warrants used primarily for sales and marketing of their products.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** – Integrated Software Metrics, Inc. is managed by two team members who are responsible for daily operations. They are: Robert M. Chapman, CEO, and Justin DeStefano, Chief Technology Officer.

3. **Business Operations** – The Company's main headquarters is located in Fairmont, WV at the West Virginia High Technology Consortium Foundation.

4. **Quality of Management** – The Core management team of Mike Chapman and Justin Stefano are extremely driven individuals with a great desire to

succeed. They have held positions as software development leads, software managers and quality assurance personnel. This gives them the unique ability to speak the language of their customers and provides a thorough understanding of their customers needs. Also, the Company has personal relationships with Federal entities and government subcontractors which will continue to benefit the Company's business development efforts.

C. *Information Regarding the Company (business plans, etc.)*

ISM's product family, Predictive, consists of a set of tools that predict errors in source code and does so at the function level of software code. Currently, (2006) Predictive tools can be used on C and C++ code as well as Java. Other languages are in development. The suite of tools performs multiple functions, including metrics generation, error data capture/association and analysis. As these tools are applied to software code, they predict which software elements of the projects will have errors.

The ISM differentiating factor is the prediction, opposed to detection, of errors in software code. Also, the use of their proprietary machine learner (artificial intelligence) is unique in the market. The Company has current revenues from ongoing multi-year services contracts with various government and aerospace contractors.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

In November 2006, the JIT Board approved a $100,000 investment in Integrated Software Metrics. The investment is a two-year 10% Convertible Debenture with 40%-100% warrant coverage for notes purchased. Warrant coverage is based on closing dated of first preferred equity round.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;

- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

Based on the foregoing, Jobs Investment Trust finds it most appropriate to record its investment in Integrated Software Metrics, Inc. at value, which is currently presumed to be the same as cost or $100,000.

JBLCo

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

JBLCO, INC.

Investment Analysis Index

I. Background Information

JBLCo, Inc. 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 (JBL) located in Knoxville, TN. JBL is a developer and manufacturer of bulk material sampling equipment for industrial markets. JBL'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.

II. Basic Considerations

A. *Type of Investment*

1. Amount and Purpose

- December 2002: Investment of $500,000 in Series A Convertible Preferred Stock. The funds were used to refinance debt incurred in the acquisition of the businesses referred to above and to relocate appropriate segments of those businesses and their respective jobs to West Virginia.

B. *Type of Business*

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** - The management for JBLCo, Inc. include CEO, Steve Campbell and David Robinson, Director of Sales and Marketing.

3. **Business Operations** - JBLCo, Inc. designs and manufactures automated truck scale data collection systems that are utilized in various industries including coal, power generation, aggregates, grain, and solid wastes. JBLCo is a supplier of innovative sampling systems and components, mine

transportation and safety equipment, and related services to the bulk materials and mining industries.

The focus of JBLCo's business lines is in the coal and aggregate industries with over 90% of gross revenues coming from the United States domestic market and approximately 75% of this business coming from the Eastern United States. Approximately 60% of gross revenues are generated from the coal industry and are evenly split between the producers (coal mining, production and treatment) and users (coal fired power plants).

4. **Quality of Management** – The Senior Management, including Jeff Hoops and Steve Campbell, have experience in supplying equipment and services to the mining and industrial markets of North America and abroad. The Company currently has numerous employees with many holding engineering or other technical degrees. The second tier managers and the technical staff are an experienced and growth oriented management staff.

C. Information Regarding the Company (business plans, etc.)

JBLCo. has several promising new products to offer the market to meet changing industry needs and one new manufacturing change. First, is the addition of a newly designed and patented heavy material truck/rail batch weighing, load-out facility. This specially designed load-out is 60% smaller than the current competitors, 30% cheaper and approximately 15% more efficient. Second, the Company is also looking to address the industry's need for more timely material handling analysis. In early 2000, the Company began investing product research and development as an industrial partner with Western Kentucky University to incorporate neutron activation technology into the Company's JBL line of sampling equipment. Such technology expands the ability to determine the elemental concentration in coal feedstock either at the mine or as fed into an electric power plant. Every indication is that environmental pressures will put increasingly tighter control on combustion and scrubbers for coal power plant use that will require just this capability for real time measurement of, for example, sulphur, ash, and nitrogen. This technology is in the research and development phase and is not commercially viable. The Company has donated all assets related to this project to WKU. Third, JBL has been working with manufacturers of special video imaging equipment that will provide on-line size analysis of aggregate products. This new product is expected to improve the ability of aggregate plants to maintain consistent product size distribution. Coupled with the JBL sampling equipment, on-line video imaging is an exciting new development in the aggregate industry. Finally, with the increasing competition for heavy truck scales, the Company is now positioned to manufacture scales in-house instead of purchasing scales on the wholesale market. In-house scale manufacturing will improve customer turnaround, provide increased design flexibility, and double gross margins.

The Company has changed its name from CSI Group to JBLCo, Inc. This was done in order to complete the separation of the Company from Compro Systems. JBLCo. (John B. Long Company), is a well-known credible brand in the industry.

In June 2005, the JBLCo Board signed a letter of intent to hire Jeff Hoops as the new CEO of JBLCo. Jeff brings a wealth of experience in the industry having been the former Vice President of Arch Coal's Eastern Operations as well as the President and Founder of Solomons Mining Company. Mr. Hoops received equity in the Company and the JIT percentage of equity ownership was reduced as a result.

In June 2006, under the leadership of current CEO Jeff Hoops, the Company has performed well over the last fiscal year. The 2005 year-end financials show revenues increasing slightly while net income increased significantly. The Company has acquired a scale company to increase sales and market share.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

In August 2003, the Compro Board, with recommendation from the consulting firm of Nachman Hays, elected Steve Campbell as the new CEO of the Company to head all operations. Former CEO, Mike Shafer resigned from the Company.

In September 2003, the Company received an additional $500,000 investment structured as a secured note. Additionally, an equity investor purchased, at a deep discount, the existing debt previously held by a secured creditor.

In 2002, no significant internal events occurred. However, the coal industry continues in the doldrums and capital spending for that industry is down significantly. The automated scale part of Compro's business is therefore suffering and the total revenue for the Company is well behind projections. There are some modest signs of recovery and the JBL line continues to perform acceptably.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital

companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

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The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

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

MANNETTE
STEEL DRUMS
LTD

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

MANNETTE STEEL DRUMS, LTD.

Investment Analysis Index

I. Background Information

Mannette Steel Drums, Ltd., located in Morgantown, WV, is a manufacturer of steel drum instruments. Ellie Mannette, founder and CEO, is widely regarded as the "father of the modern day steel drum" and has dedicated his life to the steel drum art form. Dr. Mannette, founded the Company in 2000 and has trained a group of skilled apprentices to build and tune drums. Mannette's instruments are celebrated for their high quality of craftsmanship, balanced tone, and widest range of any steel drum manufacturer.

The Steel Drum, or Pan, is a unique instrument and one of the most recently invented. It is a skillfully hammered 55-gallon drum which has been carefully tuned to produce tones. The Steel Drum carries the full chromatic range of notes and can produce numerous types of music.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

March 2005: Investment of $75,000. Funds used as working capital.

- $50,000 (8%; plus 2% royalty) senior subordinate debenture.
- $25,000 preferred stock; put right at end of five years for 100% of investment plus a premium of 15% compounded.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** - The management of Mannette Steel Drums and those responsible for the daily operations are: Ellie Mannette President, Chanler Bailey, CEO, and Kaethe George, COO.

3. **Business Operations** – Mannette operates from their manufacturing facility in Morgantown, WV with twelve full time and two part time employees. The Company manufactures two lines of steel drum instruments; a Professional Series and a Classic Series. All drums are manually produced from 55-gallon steel drums sourced from suppliers. Prior to shipping, drums

are tuned by the founder or a qualified apprentice. Mannette Steel Drums sells principally to school band directors and professional steel drum players. Currently, the customer mix is as follows: 70% schools, 16% professionals, 9% individuals, 4% churches, and 1% mix. The WVU Research Corporation has provided various different resources to Mannette including sales and marketing support, production efficiency improvement processes, and market research, etc.

4. **Quality of Management** – Ellie Mannette is responsible for much of the innovation of the steel drums and for taking them to a very high level of tonal sophistication. For these achievements he was awarded in 1999 the National Heritage Fellowship Award from the NEA for lifetime achievement and excellence in the traditional arts. In November 2003, he was inducted into the Percussive Arts Society Hall of Fame, the highest honor an artist can receive for contributions in the field of percussion. Chanler Bailey, CEO, has been with Mannette since 2000. Mr. Bailey started as an apprentice under Ellie Mannette and has developed into a master craftsman. With a strong desire to see the Company grow and succeed, Mr. Bailey transitioned from craftsman to operations manager and in May 2005, officially took over all operations as CEO of the Company.

   Board of Directors include Mike Kelly, President Dulaney Oil; and, Ron Justice, Mayor of Morgantown, WV. Chanler Bailey and COO Kathie George represent Mannette on the Board. The JIT has observer rights to all Mannette Board meetings.

C. Information Regarding the Company (business plans, etc.)

In June 2006, the Company was working with a Deleware based Company, to produce the low end drum line. This Company has built a prototype machine capable of automating a significant portion of the steel drum manufacturing process. The electronic device includes a robotic arm that pneumatically forms the drum surface. The WVU Technology Transfer Office is aiding Mannette in contract negotiations between the two companies.

Mannette offers two specific lines of drums made up of the Classic Series and the Professional Series. The Classic Series include instruments crafted and tuned entirely by employees for a wide market. This line is sold to non-professional musicians and schools. These drums are either finished with powder coating or chrome. The Professional Series are constructed by the top craftsman and final tuning is performed by Ellie Mannette. By the 2nd quarter of 2006, Mannette planned to introduce a low-end drum line that will market to educational institutions, particularly middle schools and financially disadvantaged high schools. This market is projected to account for a significant amount of the sales for the Company.

Mannette recommends that all drums be tuned at least once a year to maintain the professional high quality sound. To support this recommendation, Mannette offers tuning support services that are performed by only the most qualified staff members.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

JIT agreed to terminate, as of June 30, 2006, the monthly, 2% royalty payment arrangement that Mannette was obligated to pay. JIT have received from Mannette, in lieu of cash royalty payments, demand notes for the months of November and December 2005 as well as January and February of 2006. We requested and received the royalty payments for the months of March through June 2006.

In March 2005, the JIT Board approved a $50,000 debenture. The proposed investment is an 8%, interest bearing note with maturity date of 60 months from the date of issue. Additionally, the JIT Board approved a $25,000 preferred stock investment.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;

- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

Based on the foregoing, Jobs Investment Trust finds it most appropriate to record its investment in Mannette Steel Drums, Ltd. at $37,500.

MOUNTAINEER TROUT FARM, LLC

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

MOUNTAINEER TROUT FARM, LLC

Investment Analysis Index

I. Background Information

Mountaineer Trout Farm, LLC is an aquaculture business formed in March 2007, and is a joint partnership run by Ted Miller of Birch Creek Deer Farms located in Pennsylvania, and S. E. Thompson, Jr., of Gainesville, Florida. Operations are 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-feed. thus eliminating redundant pumping systems, which significantly reduce operating costs and gives the Company a cost advantage.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

Mountaineer Trout Farm, LLC entered into a sub-lease agreement with WVJIT for a period of thirty (30) years with two ten (10) year renewal options.

2. Sources Considered for Repayment

The sub-lease is payable monthly, in arrears. WVJIT will collect five percent 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 will be applied to sales resulting from an arms length transaction

WVJIT in turn will pay a royalty of 1.25% to the landowner, Piney Land.

B. Type of Business

1. **Legal Form** – Limited Liability Company.

2. **Functional Type of Organization** - The Company is a joint ownership of Ted Miller and S. E. Thompson, Jr. Ted Miller is in charge of the operation and S.E. Thompson, Jr. is primarily an investor.

3. **Business Operations** - Aquaculture project - hatching, growing, delivering and selling trout.

4. **Quality of Management** – Ted Miller has many years of experience in the aquaculture business. S. E. Thompson, Jr. is a partner and co-investor from Gainesville, FL.

C. Information Regarding the Company (business plans, etc.)

Mountaineer Trout Farm, LLC was formed to take advantage of a natural resource - mine water used to supply an aquaculture project.

The Company has completed six new concrete raceways each measuring 100 feet by 20 feet. The Company has started construction on the final five raceways. The raceways have been constructed with Company funds. The raceways are estimated to enable first year production of up to 300,000 pounds of trout and increasing to a maximum capacity of 400,000 in future years.

The lease gives Mountaineer Trout Farm, LLC the right of first refusal on any future lease for the McAlpin Farm site.

With regard to the possible use of the second site, Mr. Miller and Mr. Thompson see its initial use as overflow capacity for larger trout raised at the Lillybrook site. By utilizing this second site and with the completion of the raceways at the Lillybrook site, and the possible utilization of the McAlpin site, the Company believes capacity will increase to 750,000 pounds of trout per year within three to five years.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

Mountaineer Trout Farms, LLC business is limited to the grow-out and sale of live fish. The prior tenant of the fish farms, High Appalachian of WV, utilized the processing plant in Sophia for value added processing. Since the equipment was not needed by Mountaineer Trout Farms, WVJIT has since sold it to a processor located in Monroe County, WV.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

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The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

Based on the foregoing, WV Jobs Investment Trust finds it most appropriate to record its investment in the assets owned or controlled by WVJIT for use in the aquaculture industry, some of which are leased to Mountaineer Trout Farm, LLC at $867,505.

NEW FRONTIER FIREWOOD, LLC

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

NEW FRONTIER FIREWOOD, LLC

Investment Analysis Index

I. Background Information

New Frontier Firewood, LLC, is a Green Bank, WV Company that supplies bundled firewood products and is operated by its founder, Lynn Grimes. The Company offers bundled firewood, bundled chiminea wood, bundled kindling wood, and bulk firewood. Most of the Company's business is derived from retail stores through a broker. New Frontier Firewood has a golden opportunity to entrench itself in the bundled firewood market due to the increased demand and short supply of mass producers and is one of the first facilities in the state to supply this product to large volume markets.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

May 10, 2006 - Investment of up to $200,000 that was funded as follows: $50,000 in Preferred Membership Units and $150,000 in subordinated debt that was used to acquire equipment owned by Deer Creek Management, LLC and for working capital.

B. Type of Business

1. **Legal Form** – Limited Liability Company.

2. **Functional Type of Organization** – New Frontier Firewood, LLC is currently managed by Lynn Grimes.

3. **Business Operations** – New Frontier Firewood, LLC is a successor company to Frontier Firewood Supply, Inc., who had been in business since 2003, and was a producer and seller of bundled and bulk firewood. The Company organized and restarted operations in August 2006, by acquiring the real estate and improvements through a court approved asset purchase from Deer Creek Management, LLC. Deer Creek was an asset holding entity and was placed in voluntary bankruptcy in August 2005 to satisfy creditor claims. New Frontier Firewood was funded by WVJIT and a venture capital fund. Both investors contributed equity and debt along with a real-estate loan from the WV Infrastructure and Jobs Council.

4. **Quality of Management** – Lynn Grimes has been in the logging/timber business since 1967. Through a series of events, Lynn Grimes expanded his

logging operation to include a facility to process pulpwood (unusable as saw logs) into packaged firewood for the consumer market.

C. Information Regarding the Company (business plans, etc.)

Through a series of events Lynn Grimes expanded his logging operation to include a facility to process pulpwood (unusable as saw logs) into packaged firewood for the consumer market. Prior to entering the firewood business the pulpwood produced by the logging operation was sold to the Mead Westvaco pulp mill in Covington, Virginia.

Principal Competitors include: Curtis Farms, Nassawadox, VA; Gish Logging, Ft. Loudon, PA ; Loyalsock Firewood Company, Montoursville, PA; and, Triangle Firewood, Raleigh, NC .

Packaged firewood is a commodity that can be produced in many parts of the country. The hardwoods native to West Virginia provide certain advantages. Those advantages are subject to the end customers perception of price and value. Freight rates are a significant cost to the retail seller. Future increases in petroleum may increase prices and have a negative affect on demand.

The Company's production is dependant upon a steady supply of pulpwood. The Company must pay for pulpwood when it is delivered. It will be necessary to make sure adequate inventories are on hand to prevent supply shortages due to weather conditions.

This is a Company that has a modern manufacturing facility, an experienced workforce, and close proximity to sources of supply for raw materials. In order to survive, the Company must have the opportunity to (i) develop a broad customer base and (ii) implement the capacity and efficiency improvements necessary to achieve a high level of success.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
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- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

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The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

Based on the foregoing, Jobs Investment Trust finds it most appropriate to record its investment in New Frontier Firewood, LLC at $100,000.

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

PLETHORA TECHNOLOGY, INC.

Investment Analysis Index

I. Background Information

Plethora Technology, Inc. is a minority founded and managed Company with cutting-edge products for secure remote computing. The Company began operation in the year 2000 with eight employees based in the Howard County technology business incubator in Columbia, Maryland. In May 2005, the Company relocated its corporate headquarters to Charles Town, WV. Plethora's lead product, "Perspective," allows workers to easily and securely connect to an office network from a remote PC over any wired or wireless internet connection. Workers can also remotely control a home PC or any other remote PC on the network from the office or from another Internet connection. Plethora uses a unique authentication, encryption key generation, and firewall technology to establish a secure "tunnel" through which users transfer files, send instant messages, text conference, remotely control other PC's, and use other collaborative tools and resources.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- March 2005: Investment of $250,000 in Series A Preferred Stock used for working capital.
- February 2006: Investment of $150,000 convertible note as part of a $400,000 bridge loan, used for working capital.
- November 2006: Investment of $150,000 convertible note as part of a $450,000 bridge loan, used for working capital.
- March 2007: Investment of $100,000 convertible note to be used for working capital.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** – The executive management of the Company responsible for daily operations are; Annette Kerlin, Chief Executive Officer; Joel Haspel, Chief Strategy Officer; Tim Simms, Chief Technical Officer; and, Troy Williams, Vice President of Product Development.

3. **Business Operations** – Plethora currently operates from its Charles Town, WV headquarters. The Company's first product, Perspective, is

fundamentally a client-server enterprise information gateway. Perspective is focused on connecting users to information resources regardless of location or format. The focus of Perspective is on facilitating connectivity from anywhere to information resources anywhere: PC applications and files, server applications and files, and network-based resources. There are three key segments that make up the market including: (1) remote PC access, (2) secure access/virtual private networking, and (3) collaborative tools.

The federal government is the primary target customer due to its size and the demand for secure remote access products. This was created by a legislative mandate to establish employee "telework" programs for daily operations and "business continuity" programs in the event of a disaster. Plethora's is one of the few, and probably the most viable software product at present that meets the recent federal telework standards.

4. **Quality of Management** – Annette Kerlin is currently serving as CEO, following her previous role as Executive Vice President. Kerlin was most recently director of federal area operations at Cisco Systems, where she built and led her teams to consistently meet and achieve Cisco's aggressive stretch goals in the Company's federal division year over year. Prior to Cisco, Kerlin was vice president and general manager of the government business unit at Texas Instruments' software division. Tim Simms, Co-founder and Chief Technology Officer, is the technical visionary and architect of Plethora Technology's principal software products - SecureChannel™ and Perspective™. His expertise includes computer security and cryptography, Windows and Linux/UNIX architectures, and Internet networking infrastructure. Joel Haspel, Co-founder and Chief Strategy Officer, is responsible for marketing, positioning, competitive intelligence, business development, corporate strategy, and legal affairs for Plethora. He has a strong technical background, including Windows and Linux/UNIX programming, Internet programming, and database development.

C. Information Regarding the Company (business plans, etc.)

Plethora's licensed software product, Perspective™, is a secure enterprise information gateway. Perspective provides unified interaction with any and all enterprise information resources from any device on any Internet connection. Files and applications stored on other PCs, files and applications on servers, and the ideas, knowledge, and advice of colleagues are all directly available through Perspective's single unified user interface. Perspective provides access to information through a variety of built-in tools such as messaging, application and network tunneling, file transfer, and remote desktop control.

The Company's technology is utilized by extremely credible organizations such as the Department of Defense and the Internal Revenue Service. The number of government agencies implementing telework will grow rapidly in the coming years and Plethora will leverage their credibility with existing clients to open doors to other government agencies.

Plethora's value proposition to both federal and commercial customers is in combining remote access and control, essential productivity tools, and high security in a product that is inexpensive and easy to manage. These qualities are highlighted in contrast to other products on the market that were (a) either designed to do more and are too complex and expensive or (b) products with limited function where more is needed.

June 2006, announced the availability of Release 4.5 of its flagship product Perspective. Rollout of the new release to Plethora's existing customer base, as well as several new users, has already begun. Plethora's customer base numbers more than twenty organizations in the public, private, and non-profit sectors. The sales pipeline continues to grow in number and includes some very prestigious prospects that will add value to an already credible customer list.

Also in June, Plethora introduced its new product, *Enterprise-In-A-Flash*, that enables one or more users to securely access remote PCs and share files and business systems.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

In addition to the $250,000 invested by JIT, there was $750,000 of new equity funding from two venture capital fimrs.

February 2006: The Company issued $400,000 in convertible notes in which the JIT committed to $150,000. Co-investors loaned the remaining $250,000 to the Company. As part of the transaction, the lenders received first lien on all assets including the Intellectual Property of the Company that was pledged as collateral on the loan.

November 2006: A $450,000 bridge round was closed, which included $150K from JIT and $300K from equity co-investors. In consideration for the bridge notes, the lenders received warrants to purchase 200% of the amount of the loan worth of common shares.

March 2007: A $100,000 convertible note invested by JIT to be used by the Company as working capital.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
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- financial statements;
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- the portfolio company's market position;
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The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

Based on the foregoing, Jobs Investment Trust finds it most appropriate to record its investment in Plethora Technologies, Inc. at value, which is currently presumed to be the same as cost or $750,000.

protea™

biosciences, inc

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

PROTEA BIOSCIENCES, INC.

Investment Analysis Index

I. Background Information

Protea Biosciences, Inc., located in Morgantown, West Virginia, began as a Delaware corporation in July 2001, and is an early-stage biotechnology Company founded to advance and commercialize new proteomics services and technology in conjunction with the West Virginia University Health Sciences Center. The Company was founded to discover and characterize novel protein targets and then create long-term revenue-sharing partnerships with pharmaceutical and biotechnology companies for the preclinical development, the completion of clinical trials and ultimately, FDA approval of new pharmaceuticals and diagnostics based upon the Company's novel protein targets.

While the Company continues to provide protein identification services, Protea has developed into a products based biotechnology Company with technology developed to improve the ability to separate and identify proteins from biological samples. Protea has introduced the first fully-integrated protein sample preparation system that enables life science researchers to obtain higher quality information from their biological samples.

II. Basic Considerations

A. *Type of Investment*

1. Amount and Purpose

- November 2004: Investment of $250,000 in Convertible Debenture with detachable Warrants that will be used for working capital.

- February 2004: Investment of a $100,000 Convertible Debenture with detachable Warrants that was used for working capital.

- August 2002: Investment of $250,000 in Convertible Debenture with detachable Warrants that was used for working capital.

B. *Type of Business*

1. Legal Form – "C" Corporation

2. **Functional Type of Organization** - The executive officers and directors of the Company responsible for daily operations are; Stephen Turner, President and CEO; Leo Harris, Director; and, Patrick Muraca, Director.

3. **Business Operations** – Protea Biosciences, Inc. is comprised of a team of chemists, biologists and engineers, focused on developing new products to support the critical needs of modern biology research. The Company has developed a line of products to improve the ability to separate and identify proteins from biological samples.

   Through proteomics, the Company envisions a future for cancer diagnosis and therapy in which treatment strategies will be individually tailored, based upon the specific signaling pathways and the profile of signaling proteins that a patient's tumor may express. The Company envisions that new auxiliary therapies will result which may be used with existing treatments to optimize the outcome for the individual patient.

4. **Quality of Management** – The Company's directors, officers and science advisors have extensive experience in biotechnology business development. President and CEO, Steve Turner, has founded a number of biotechnology companies and is committed to building an outstanding management team and scientific advisory board who will represent world-class knowledge in cellular and molecular biology, pharmacology and micro fluidics.

C. *Information Regarding the Company (business plans, etc.)*

In April 2006, the Company introduced a complete product line including over 80 new products, all designed and produced by the Company in Morgantown. This technology and product system greatly improves a researcher's ability to obtain better protein identification data from biological samples, such as blood and tumor biopsies. The product is believed to be the first-of-kind in the market and was showcased at the American Association of Cancer Researchers annual meeting held in Washington D.C. to over 20,000 cancer researchers.

In June 2005, Protea completed design on their first generation micro-fluidic chip device. Test production units are now being produced and evaluated.
In March 2005, Matthew Powell, PhD., a recent graduate of the WVU Chemistry PhD. Program, accepted the position of manager of protein research services at Protea.

During the first quarter, Manoj Warrier, PhD., joined the company fulltime as the manager of Protea's protein separation product development programs. Dr. Warrier joins Protea from the UCLA Dept. of Chemical Engineering. in Los Angeles, CA.

By the end of the second quarter of 2004, Protea assembled and tested their first prototype microfluidics protein separation chips. The Company believes that this accomplishment will generate a growing base of market interest, leading to increased revenue for the Company and will allow them to conclude an equity financing to secure its future working capital requirements.

In February 2004, an important milestone for the Company was accomplished, with the successful installation of state-of-the-art laser micromachining instrumentation (from Oxford Lasers, Cambridge, England). This instrumentation provides the capability for Protea to manufacture its protein separation chips, with tolerances down to 0.1 nanoliters (nanotechnology scale). Prototype chips are now being manufactured with the instrument, which has accelerated their development program.

The Company has demonstrated that their proprietary protein target, AFAP–110, plays a significant role in the progression of breast cancer. The Company seeks to create a license agreement with pharmaceutical companies to finance the development of a new cancer drug based on the protein target AFAP-110. The Company has an existing relationship with the Mary Babb Randolph Cancer Center, Morgantown, WV, which could provide much of the infrastructure necessary to support such an effort.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

In March 2007, the Company 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 payment of the note and JIT expects to exercise them at a cost of $250 for 25,000 common shares.

In November 2004, the JIT Board approved an additional $250,000 investment in Protea. The investment is a two-year 10% Convertible Debenture with 50% warrant coverage for notes purchased. In addition to the convertible loan by the JIT for $250,000, the Company closed a $250,000 common stock round with previous investors.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
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- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
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The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital

companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

Based on the foregoing, 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 $350,000.

secure methods

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

SECURE METHODS, INC.

Investment Analysis Index

I. Background Information

SecureMethods, Martinsburg WV, was founded in July 1999 as Technology Center, Inc. to provide computer security and technical expertise to commercial and government clients through consulting services and security products. The name of the Company was changed in March 2000 to SecureMethods, Inc. to reflect its focus on developing and deploying robust network applications that help clients perform business processes securely. Their mission is to be the world's leading provider of complete security solutions to the enterprise in both the wired and wireless world. Secure Methods goals are for its security architecture to become the standard for secure transaction processing, and to make SecureMethods' technology an essential part of web and email based information transfers. SecureMethods' innovative technology has been cleared for the highest level of Department of Defense security, and has been used to process transactions worth billions of dollars in the commercial world.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- February 2003: Investment of $500,000 in Series B Preferred Stock as a part of a total "B" round of $2,735,000 used for general working capital.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** – The management team is as follows: Dr. Paul C. Clark, President, CTO, and Managing Director.

3. **Business Operations** – The Company has designed and produces a patented software solution that together with other associated client software enables users to authenticate, audit, digitally sign and encrypt data and transactions in a legally enforceable manner. The SM Gateway provides the only Internet product that enables digital signature out of web, email, and desktop applications without causing holes in firewalls.

4. **Quality of Management** – Dr. Paul Clark, President, CTO and Managing Director, performs technical and operational oversight of all projects. Dr. Clark's expertise includes network systems and security, cryptographic applications, certification, key management, authentication, and integrity strategies.

C. Information Regarding the Company (business plans, etc.)

SecureMethods has developed and filed patents for the comprehensive security architecture embodied by the SM Gateway. Their technology offers users unrivaled benefits in both data protection and usability, and is the only Internet product that enables digital signatures out of web, e-mail and desktop applications without causing holes in firewalls. Encryption technologies will also continue to be a vital part of the Internet security sector with the growing importance of the protection of customer data such as stored credit card information and transactions, particularly as more business is conducted over the Internet and the Web.

In January 2006, Jim Condon resigned as CEO of the Company and was replaced by Co-founder, Dr. Paul Clark. Jim Condon remains on the Board of Directors.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

SecureMethods received a $1,000,000 investment capital commitment from existing institutional investors. The investment was structured as a convertible debenture.

Dr. Clark continues to operate and fund the Company and believes that the patent, which has not been issued but which he believes as significant value, based on his research of sales of similar technologies.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;

- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

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The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

As of June 2007, CEO Dr. Paul Clark, is handling all operations of the business. Dr. Clark is optimistic that the Company will be granted a patent by the USPTO and this patent could potentially be of considerable value.

Based on the foregoing, Jobs Investment Trust finds it most appropriate to record its investment in SecureMethods, Inc. at $250,000.

Sino Swearingen
AIRCRAFT CORPORATION

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

SINO SWEARINGEN AIRCRAFT, INC.

Investment Analysis Index

I. Background Information

Sino Swearingen Aircraft Corporation (SSAC) was formed to develop, build and market the SJ30 business jet. Originally started as a partnership between Swearingen Aircraft Corporation of San Antonio and Sino Aerospace Investment Corporation of Taiwan, the Company incorporated in 1999.

Sino Swearingen currently employs over 400 people and maintains approximately 220,000 sq ft. in four facilities in the United States . The Company headquarters and manufacturing /final assembly facility is located at San Antonio International Airport, San Antonio, Texas. A large static test facility is located across the field at Security Air Park on the San Antonio Airport. Additional main wing and fuselage manufacturing facilities are located at the John D. Rockefeller IV Technology Center on the airport in Martinsburg, West Virginia. Additionally, the Company maintains international sales and marketing facilities on the Orange County/John Wayne Airport in Santa Ana, California.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

$2 million loan dated April 19, 1995, due March 19, 2002. This note replaced the original bridge note of September 1, 1992. All of the accrued interest on the earlier note, totaling $123,748.55, was paid in April 1995.

The loan was made to assist the Company toward completion of FAA certification and initiation of production and marketing.

This debt was exchanged for a common stock equity position in SSAI in a process that began in 1999 and was concluded in December 2000.

2. Sources Considered for Repayment

A purchase of the Company's stock in a private sale, an acquisition of the Company, or an IPO and subsequent sale in a public market.

B. Type of Business

1. **Legal Form** – "C" Corporation.

2. **Functional Type of Organization:** An aircraft manufacturer.

3. **Business Operation** – The Company develops, designs, and manufactures government and military jet aircraft. The current aircraft under FAA certification is the new SJ30-2 twinjet, the world's fastest and longest range light business jet. SSAC's goal is to become the world's leading aircraft producer by creating a family of cost-efficient, high-performance and high-quality superior-technology business jet aircraft for the corporate, government, and military sectors of world aviation.

4. **Quality of Management** - The Company's management team has substantial design, manufacturing, certification, and marketing experience at established aircraft manufacturers based on news articles, information contained in Private Placement Memoranda, and on our personal involvement with the Company's management. **Ching-Chiang Kuo, Chairman and CEO,** has been a member of the Board of Directors for five years. Dr. Ching-Chiang Kuo assumed the position of Chairman in early 2005 and relocated to San Antonio. After 26 years with Rockwell (now Boeing) on such programs as satellites, the space shuttle, and the space station, he joined the Taiwan government as Vice Chairman of the Public Construction Committee with overall responsibility for public construction projects throughout Taiwan. **Ed Swearingen, Co-Founder and Director,** founded the Corporation and designed and engineered the first SJ30 twinjet. Currently, he is active in the Company as a Director and Senior Advisor and provides design, production, engineering, future vision, and input to the Company on a daily basis. Mr. Swearingen has previously FAA Certified several aircraft including high-speed commuter airlines in the high performance twin engine propjet category. **Kelly Simmons, CFO,** is a Texas CPA with over 25 years experience in financial management including accounting, SEC reporting, mergers and acquisitions, information systems, and investor relations. From 1988 to 2000, Mr. Simmons held various positions, including CFO, with two affiliated public companies.

C. *Information Regarding the Company* (business plans, etc.)

October 2005: Sino Swearingen Aircraft Corporation announced the receipt of a Federal Aviation Administration ("FAA") Type Certificate (TC) for the new SJ30-2 business jet. The announcement marked the first "clean sheet" corporate jet aircraft design developed by a new company to achieve FAA Type Certification since the original concept of a corporate jet emerged almost 45 years ago.

June 2005: The SJ30-2 certification flight test program had three conformed flight test aircraft in operation flying day and night missions virtually every day. One aircraft was utilized for the flight testing systems development and certification. The second aircraft was utilized for performance and aerodynamic certifications. The third and final flight test aircraft was the autopilot, avionics, function and reliability development and certification test aircraft. The FAA has been aboard two of the flight test aircraft and conducted numerous certification flight tests on the aircraft for final certification.

May 2004: Sino Swearingen announced that its Martinsburg Assembly Plant completed and shipped its final component for the first airframe structure produced in its new high technology manufacturing facility at Martinsburg , West Virginia.

Sino Swearingen's Martinsburg Plant manufactures the critical and main structures for the SJ30-2 twinjet aircraft such as the main fuselage structure, the main wing structure, and the tail empennage assembly structures. In 2004, there were 73 high technology personnel employed at the Martinsburg facility. That number was expected to grow and accelerate rapidly once the FAA Type Certification (TC) was received.

Sino Swearingen set an aviation industry world record by completing the Ultimate Cabin Pressurization Testing to 34.1 psi. No aircraft in the world has been successfully tested to this level previously. Customers will relax in the world's optimum pressurized aircraft with a SEA LEVEL cabin while flying at 41,000 ft. and a 1,800 ft cabin at 49,000 ft. The Company made substantial progress toward the FAA Type Certification and all major structural testing is complete.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

In January 1995, the Company executed a joint venture (JV) agreement with Sino Aerospace to form a venture to carry out the mission conceived by Swearingen Aircraft, Inc. The JV was called Sino-Swearingen, LLP and its general partner was Sino-Swearingen, Inc. All of the assets of Swearingen Aircraft, Inc. were transferred to the JV as of April 19, 1995, the date of the completion of the rollover of the bridge loans to longer term financing. The West Virginia Company that was our debtor, Swearingen Manufacturing, Inc., was merged into Swearingen Aircraft, Inc., (SAI) which was the successor company. In late 1999, SAI and Sino Swearingen began discussions to consolidate the interests of each company which involved the exchange of the debt held by each of the bridge lenders to SAI for a direct equity interest in Sino Swearingen Aircraft Inc. (SSAI), a "C" Corporation and the successor company to the limited partnership JV. The stock certificates were received by JIT in December of 2000. **(Please see subsequent events below.)**

A. ***Extension of Maturity Dates*** - The first extension, which involved the loan dated September 1, 1992, was until December 31, 1992. The second extension, which involved the loans dated September 1, 1992, March 10, 1993 and April 8, 1993, was until April 30, 1993. The third, fourth and fifth extensions, which involved all four loans, were until August 31, 1993, March 10, 1994, and September 30, 1994. **On September 30, 1994, Swearingen paid in full the loans dated March 10, 1993; April 8, 1993; and May 6, 1993.**

B. In January 1995, the Company and Sino-Aerospace, via teleconference between Martinsburg and Taipei, Taiwan, executed the joint-venture agreement forming Sino-Swearingen to build the plant and the SJ30 aircraft in Martinsburg, in effect, completing the capitalization of the project.

C. By Board Resolution on March 22, 1995, the Chairman or Executive Director of the Board was authorized to negotiate, review, consummate and execute all documents necessary to the conversion of the remaining $2 million Swearingen bridge loan to a like amount senior secured note. On April 19, 1995, the Company and the bridge lenders executed the new loan and the Company paid JIT all of the accrued interest totaling $123,748.55. Simultaneously, with the closing of the new loan and the transfer of all of the Company's SJ30-related assets to the JV, $43 million was deposited into the account of the JV. In addition, the Lockheed Corporation agreed to contribute $10 million to the Taiwanese consortium and agreed to cooperate with the joint venture in developing the management team and providing technical assistance.

D. In March 1996, the JV broke ground on its site in Martinsburg, West Virginia and began construction of its manufacturing plant that is now complete.

E. On December 31, 1996, Sino-Aerospace International, Inc. (SII) contributed additional cash to the joint venture and to Sino-Swearingen, Inc. (SSI), the general partner.

F. In June 1999, the joint venture hired its first production employees in the Martinsburg plant. These employees are part of a team to construct the tail section of the SJ30-II. Previously, the JV had planned to subcontract all components for final assembly in Martinsburg. This was an expansion of the role of the Martinsburg operation in the SJ30-II development.

G. In the first quarter of 2000, discussions were in progress to dissolve Swearingen Aircraft, Inc. by exchanging the debt of the lenders for the equity position held by Swearingen and pledged as collateral to the lenders in Sino Swearingen, L. P. The joint venture limited partnership was to be converted to a "C" corporation and each of the bridge lenders would hold an equity position proportionate to their ratio of the debt. As of the end of the fiscal year, all of the bridge lenders are reported to have executed an agreement to finalize the conversion, but three had not executed the final documentation necessary for the trustee to deliver the stock certificates. One hundred percent participation was required, according to the trust agreement. Swearingen was not aware of any reason for there to be a non-participant and the final paperwork was expected to be in place soon. JIT had executed and delivered all of the requested documentation.

H. In December 2000, JIT received its stock certificate for 170,805 common shares which completed the exchange of debt of $3,136,052, including accrued interest, for equity. JIT still holds an equity interest in a Texas Limited Partnership equivalent to the 15,866 shares of common stock JIT previously held in SAI. This partnership was created to preserve the tax loss carry forward from the corporation. Ultimately, the partnership would be merged into SSAI and we would receive additional SSAI common shares.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;

- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the or similar lines of business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

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V. Overall Conclusion

Based on the foregoing, Jobs Investment Trust finds it most appropriate to record its investment in Sino Swearingen Aircraft, Inc. at value, which is currently presumed to be $3,136,052.

TALON MANUFACTURING COMPANY, INC.

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

TALON MANUFACTURING COMPANY, INC.

Investment Analysis Index

I. Background Information

Talon Manufacturing Company, Inc. (TALON) was engaged in the manufacturing of ammunition and conventional ammunition resource recovery including demilitarization, component reutilization, and recycling.

Talon's business operations were conducted at several locations in Wyoming County, West Virginia. The headquarters office was located at Herndon, WV where the Company's main business activity, ammunition resource recovery, was conducted. Commercial ammunition production, which had been performed in Paw Paw, Morgan County, was consolidated in Wyoming County but at a different site than the demil operation.

II. Basic Considerations

A. *Type of Investment*

1. Amount and Purpose

As a result of the Chapter 11 Bankruptcy process the JIT investment is now configured as follows:

a. $500,000 non-interest bearing loan secured by a first lien on approximately 2,300 acres of land where the reloading facility is located.

b. $1,250,000 investment in Series A Convertible Preferred Stock (40% of the investment) and the Company's common stock (60% of the investment).

All investments were made to assist the Company toward constructing and equipping manufacturing and demil facilities, completion of Department of Defense certification, and commencement of full production.

2. Sources Considered for Repayment

a. Working capital from operations

b. A sale of the company, an IPO, or

c. Conventional financing

3. **Secondary Sources of Repayment**

   a. The loan is secured by a first mortgage on approximately 2,300 acres of land known as the Slab Fork property, and a concrete building approximately 15,000 square feet located in Wyoming County, WV that could be liquidated.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** - Ammunition manufacturing, ammunition demilitarization, and fuse demil.

3. **Business Operations** – The Company was engaged in the production of conventional ammunition and ammunition resource recovery, including demilitarization, component reutilization and recycling.

4. **Quality of Management** – Anup Ruia, former CEO of Talon Manufacturing, was instrumental in the turnaround success of Talon. Mr. Ruia was a long time employee of the Company, joining shortly after obtaining a Masters in Chemical Engineering at West Virginia University.

C. Information Regarding the Company (business plans, etc.)

Talon's activities were initially planned to provide a production capability for various caliber of plastic and special purpose training ammunition, related training devices, and conventional ammunition resource recovery to include demilitarization, component reutilization, and recycling. These activities were abandoned and the Company had concentrated on demilitarization and re-manufacturing.

Phase I - Establish Talon as a qualified defense contractor to manufacture, develop and test training ammunition and related devices, perform military and commercial research and development, and secure the financing, facilities, equipment and technologies in these areas. Talon was not able to create a sustainable market for this product and the line was shut down.

Talon did, however, establish its ability to produce general-purpose ammunition in sizes from 50 caliber down. The Company's ability to produce ammunition grew and its products were well received and competitively priced shipments were both national and international, especially its remanufactured 50 caliber.

Phase II - Establish the Herndon facility to perform small caliber ammunition resource recovery to include demilitarization, component reutilization and recycling. Complete the required government documentation and create and maximize a marketing strategy for the recovered materials.

Talon met its objectives in this area. Talon expected that there were opportunities to expand the contract and they had planned to continue to uncover additional demil opportunities with the military.

January 2006: While Talon union negotiations continued, the Company continued to operate without a contract as the former one had expired. Despite the two sides remaining far apart in their negotiations, there was no indication that a strike could occur.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

A. Extension of Maturity Dates

None

B. Revised Business Plan

The Company continued to be awarded government contracts for ammunition demilitarization. It also continued to operate and develop the ammunition production facility utilizing, where possible, components recovered at the Wyoming County facility.

The Company completed construction of a modern demil facility on the Slab Fork property in Wyoming County. The building cost was paid out of working capital.

C. Recent Events

Talon declared Chapter 11 bankruptcy in July 1998. As Debtor-in-Possession, the Company continued to perform very poorly financially and fell further behind in its tax payments. In November 1998, JIT petitioned the Court to appoint a Receiver and in February 1999, the petition was granted. Mr. Jim Huitt, Jr. of the McShane Group was appointed; two weeks later Mr. Dublin resigned his position with the Company. Since then, the government had generally gained more confidence in the ability of Talon to be a responsible contractor.

In November 2001, the Court approved the Company's plan detailing its exit from Bankruptcy. The plan included an injection of capital from Mountaineer Venture Fund in the amount of $250,000 in the form of a convertible debenture. JIT had converted $1,250,000 of its debt to Series A Preferred Stock and $500,000 into a note secured by a first lien on the Company's real estate known as the Slab Fork property consisting of approximately 2,300 acres in Wyoming County, WV. The exit plan was not complete because the Company was forced to use $400,000 that it had accrued to retire certain debt to correct damage from the floods in 2000. The Company was awaiting a business interruption insurance claim settlement that it expected to receive. Assuming that the proceeds were sufficient, the plan was to be executed and confirmed. The claim settlement is still pending.

In 2002, a plasma device, which is used to destroy unusable components, was installed in cooperation with another contractor. This installation represented a capital investment of approximately $4,000,000 and its operation was funded by the Department of Defense through the Department of Energy. The flow of funds had not been smooth which was consistent with Talon's history, unfortunately.

Earlier in 2003, the Department of Defense asked Talon to research its records to determine if any adjustments for increased production costs were in order for the contracts that had been performed by the Company. Talon received $534,400 in reimbursement funds from the DOD.

Talon was approved as the contractor of choice for the Civilian Marksmanship Program (CMP). This program basically involved Talon receiving ammunition designated for the program, removing all tracer ammunition from the shipment (1 of 5 pieces), repackaging the remaining pieces and shipping it to the CMP. Talon retained ownership of the tracer units and was paid for its services. This project had everyone's approval for about eighteen months but was held up by a single individual. This obstacle was removed and the contract signed, but alas, was lost in the maze which again delayed the start of the program. The problem passed but the missing cash flow was yet another impediment to Talon's matriculation into "normal" operations.

In November 2003, work through the Civilian Marksmanship Program began. This provided the Company with an additional $100,000 in cash flow per month.

In June 2007, Talon Manufacturing ceased operations and shut down the facility as a result of an order by the State of West Virginia's Department of Environmental Protection. The $500,000 loan from JIT has been paid and the Company has few debts other than contingent ones but does have assets, including 2,300 acres of land and a $400,000 insurance claim that, when liquidated, might result in additional recovery for JIT as the sole preferred stock shareholder.

IV. Methodology of Current Evaluation of the Investment

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- cost at date of purchase,
- size of holding,
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- special reports prepared by analysts,
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- existence of merger proposals or tender offers affecting the securities,

- price and extent of public trading in similar securities of the issuer or comparable companies,
- the nature of the business and history of the enterprise from its inception,
- the general economic outlook and the condition of and outlook for the specific industry,
- an evaluation of the securities and economic condition of the portfolio company,
- the portfolio company's capacity for earnings,

- the portfolio company's market position,
- competition,
- the portfolio company's goodwill and other intangible values,
- recent sales of securities by the portfolio company,
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business,
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V. Overall Conclusion

Talon, under the direction of Mr. Anup Ruia, led an excellent turnaround effort given the poor state of the Company when he took over. However, the Company was never able to overcome the legacy issues left behind by the previous management. The issue over the explosives residue associated with the disposal of old munitions ended in closing of the business. Under a January 30th order from the West Viriginia DEP, Talon agreed to wind down its munitions related activities in an orderly fashion, sell or dispose of its accumulated inventory, and accomplish as much environmental remediation as is practical within the given time frame.

Based on the foregoing, Jobs Investment Trust finds it most appropriate to record its investment in Talon Manufacturing Company, Inc. at $0.00.

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

THREEWIDE CORPORATION

Investment Analysis Index

I. Background Information

Threewide Media became a West Virginia Limited Liability Company based in Morgantown, West Virginia in July 1999. In May 2000, they changed their name to Threewide.com, Inc., and are now a Delaware C-Corp headquartered in Morgantown, West Virginia, and operating under the name Threewide Corporation.

Threewide is the progressive leader and marketplace standard for data capture, repurposing, and exporting within the Real Estate vertical. Their mission is to reputably and responsively provide product and service solutions that meet and exceed customer expectations. The original focus was to streamline the flow of listing data from point of origin to its final destination. The founders began their vision by focusing on a digital data gathering solution for the real estate industry.

Threewide has expanded its suite of products and services to include ListExporter™ and ListSecure™, a complete set of MLS tools to package and transport MLS data and images. These tools are designed to give MLSs more control while securing their most vital asset, their data. The evolution has given Threewide products the ability to capture, package, and transport listing data to multiple destinations. To date, Threewide has secured numerous contracts, representing over 300,000 agents. Threewide's ListExporter deploys over 80 million records per month.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- Investment of up to $150,000 in Series A Convertible Preferred Stock and a $100,000* convertible debenture funded January 2001.
- A $250,000 convertible debenture funded in December 2001.
- A $150,000 convertible debenture with detachable warrants to purchase shares of Series C preferred stock in November 2003.
- A $100,000 convertible debenture with detachable warrants to purchase shares of Series C preferred stock in May 2004.

*The first $100,000 debenture was converted into shares of Series A convertible preferred stock. The $250,000 debenture was converted into Series B convertible preferred stock, and the $150,000 debenture and the second $100,000 debenture were converted into Series C convertible preferred stock.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** - The management of Threewide and those responsible for the daily operations are: Mark Wise, Chairman and Chief Product Manager; and, Luke Glass, CFO and COO.

3. **Business Operations** –Threewide Corporation primarily focuses on the digital capture, packaging, and export of real estate data. Threewide has become a leader in real estate data management and security solutions and currently works with some of the world's largest Multiple Listing Services. The Company's principal products include List Exporter and List Secure.

   Exporter is a complete set of tools to manage (and optionally store) real estate and related data and images. An MLS can selectively package data and images from different sources, including the MLS system, and push the data to many destinations in nearly any format on a recurring basis.

   ListSecure and ListExporter together minimize the unauthorized use of listing data and images and become a significant tool for enforcing the licensing agreements of your most precious asset. ListSecure uses the latest encryption methods, data tags. image watermarks, one-time-use files, and detailed audit trails to provide increased control in the secure delivery and tracking of vital listing data.

4. **Quality of Management** – Mark Wise Co-founded the Company in 1999 and has played a large part in the Company's tremendous growth. Mark is currently the Chief Product Manager of the Company. Mark has over twelve years of experience in the Internet industry and the Real Estate industry. Luke Glass, CFO and COO, has previous experience with A.G. Edwards and Sons' Corporate Finance Group, concentrating both on capital raising, and mergers and acquisitions transactions for small to mid-sized companies. He has extensive experience in structuring capital markets transactions and has been involved with multiple merger and acquisition transactions. Luke manages all of the financial duties, operations, and human resource issues.

C. Information Regarding the Company (business plans, etc.)

Threewide continues to gain customers and acceptance of their products. Customers acquired in the last year including numerous national and regional MLS providers across the United States.

December 2005: Ira Luntz resigned as CEO of Threewide Corporation. Ira was successful in securing some significant contracts with MLS organizations that provided the Company credibility and revenues. Ira, however, was unaccustomed to the challenges often faced by startup companies and was not successful in raising additional funding for the Company. He left Threewide to pursue other interests.

May 2005: The Company was working in a temporary facility located adjacent to the site of the future permanent office in the Seneca Center located on Beechurst Avenue in Morgantown, WV. The Company had been in business for over 5 years and had grown to over 20 employees.

The Company hired Ira Luntz from Fidelity National Information Systems as its new CEO in August 2003. Ira had over 20 years experience in the industry and had the contacts to open many doors for the Company. Shortly after Ira's arrival, the Company hired Rob Reid as the new VP of Sales to focus on the national MLS market.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

In May 2004, the JIT Board approved a $100,000 bridge loan convertible to purchase shares of Series C preferred stock. The investment was part of a total $360,000 bridge loan that included participation from previous investors. The investment group received 50% warrant coverage for bridge notes purchased.

In October 2003, the JIT Board approved a $150,000 bridge loan convertible to purchase shares of Series C preferred stock. The investment was part of a total $450,000 bridge loan that included participation from previous investors. The investment group received 50% warrant coverage for bridge notes purchased.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;

- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

Based on the foregoing, Jobs Investment Trust finds it most appropriate to record its investment in Threewide.com, Inc. at value, which is currently presumed to be the same as cost or $766,777.

TROY™

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

TROY, LLC

Investment Analysis Index

I. Background Information

Troy Mills, Inc., a New Hampshire based company was established in 1865. It owned a facility located in Harrisville, West Virginia who 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 122 employees. The New Hampshire Company filed for bankruptcy protection in 2001. Mountaineer Capital, JIT, 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.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

Investment of $500,000 funded February 2002 and divided 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.
- Preserve the jobs of the 122 employees currently working at the Harrisville, West Virginia facility.

B. Type of Business

1. **Legal Form** – Limited Liability Company.

2. **Functional Type of Organization** – Troy Mills, LLC is currently managed by Richard Kerns, Director of Operations; Martin Ballen, Director of Sales; Linda Golden, Material Control Manager; John Ceisla, Engineering Manager; Gail Snodgrass, Quality Control Manager; and, Larry Pennington, Human Resources Manager.

3. **Business Operations** - Troy Mills, Inc. was organized in 1865 in Troy, New Hampshire, originally engaged in textile manufacturing making horse blankets. Through many years of selling to evolving markets resulting in a majority of products targeted to the automotive industry, the company saw

the transition away from woven textiles to needle punch technology. To enter this new product market the company opened a second manufacturing facility in 1974 in Harrisville, West Virginia specifically for the manufacture of needle punched textiles. The facilities in Troy, New Hampshire were also converted for the production of needle-punched textiles. The facilities at Troy, New Hampshire were very old and presented many operating inefficiencies coupled with high overhead costs. The company sales from the New Hampshire facility had declined while the sales from the Harrisville plant have shown growth over the years. The downturn in automotive sales, coupled with the events of September 11, 2001, forced the company to file for bankruptcy protection. Key members of management, believing the Harrisville facility could successfully compete in the industry as a stand-alone facility, formed Troy, LLC with the intent of acquiring the plant and assets based in Harrisville.

4. **Quality of Management** – Troy Mills has an experienced Harrisville-based production management team with experience in the automotive textile industry, as well as the necessary technical skills to succeed with over 84 years of combined manufacturing experience overseeing the Harrisville operations. Richard Kerns has served many capacities since starting with the company at the start-up of the Harrisville facility in 1974. He has demonstrated the ability to be an effective manager and appears to have a very positive working relationship within the factory as well as with customers, suppliers and competitors. He has demonstrated the management skills to lead the company through the transition emerging from Bankruptcy with employees, customers, and suppliers' support.

C. *Information Regarding the Company (business plans, etc.)*

Throughout Troy Mills' long production history is the Company's ability to design and develop a wide range of products to meet the ever-changing needs of the textile markets. Troy Mills prides itself on being an early adopter of needle punching technology, a core technology still utilized by the Company today. The needle punch fabrics market in North America has grown steadily particularly within the automotive industry, as pressure to cut costs makes knit and woven products less attractive. Natural fibers have historically played a prominent role in non-woven production and recently there has been renewed interest and increased use due to lighter weight, cost savings, product adaptability to a variety of applications and meeting the aesthetic desires of consumers.

June 2006: The current turmoil in the automobile industry had caused General Motors, Ford, and Chrysler to put enormous pressure on suppliers, including Troy, to reduce prices and in fact have demanded price cuts. This when combined with major increases in oil prices, a principal ingredient in the raw material used by Troy, had caused the Company to lose money. Troy has considered alternatives to reverse the losses.

While the future of the automotive industry and the economy in general is unsure, the financial projections have been based on conservative sales forecast. Troy is recognized for its total quality management (TQM) through its International Organization for Standardization (ISO-9002) and the automotive industry's Quality System (QS-9000) designations.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

The management sees the current hardships placed on Troy as their opportunity to demonstrate their commitment to customers by maintaining product quality and consistently meeting delivery schedules.

Troy, LLC may be a new entity, however, they have the advantages of a twenty-eight year history at Harrisville and are well established in the middle of a supply chain between suppliers and customers. In meeting JIT's mission of job creation and preservation, great importance is placed on the current employees at the Harrisville facility and in weighing the potential for success against the risks, JIT recommended this project for funding.

The Company operates by primarily manufacturing and providing products to the automotive industry. Therefore, the Company is subject to the cycles that prevail in that industry. Currently, the industry is struggling to be profitable in an environment of deep discounts and "special" financing offers. Inevitably, this circumstance accrues to Troy and challenges the Company to adjust its operations to maintain its own profitability. To date, management has done an admirable job of controlling costs and seeking out profitable work.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital

companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

Based on the foregoing, 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 $500,000.

Vested Health

INVESTMENT ANALYSIS

JUNE 30, 2007

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

VESTED HEALTH, LLC

Investment Analysis Index

I. Background Information

Vested Health, Charleston, WV was formed to capitalize on the next major trend in healthcare; consumer directed health programs (CDHPs). A CDHP creates a more efficient healthcare market by shifting control and responsibility to the consumer. The company is the first CDHP to operate in West Virginia and the surrounding region and the health coverage is offered through a series of relationships with leading insurance carriers.

The value of Vested Health's CDHP is that it empowers consumers to accumulate assets under Vested Health management, provides medical outcomes information to encourage efficient decision making within the delivery system, provides referral opportunities to financial service organizations, and defines and stabilizes health care expenses for employers.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- November 2002, Investment of $250,000 in Preferred Membership Units.
- November 2003, a $250,000 convertible debenture with detachable warrants to purchase shares of Series B preferred stock
- June, 2004, approval for a $150,000 convertible debenture with detachable warrants to purchase shares of Series B preferred stock
- November 2004, approval for a $100,000 equity investment in Series B Preferred Membership Units.

B. Type of Business

1. **Legal Form** – "LLC" Limited Liability Corporation

2. **Functional Type of Organization** - The founder and manager of the company responsible for daily operations is Michael Baker, CEO.

3. **Business Operations** – Vested Health, LLC owns and operates a consumer directed health insurance program (CDHP). Its product is a defined contribution health plan that lowers an employer's health insurance costs by combining a health savings account, low cost health plan, and medical outcomes information. This provides employees the ability to accumulate

assets for their current and future needs, reduce their out-of-pocket expenses, and lower their payroll contributions. Customer service for providers and members is a vital factor in the success of this product. Because the identity of Vested Health will in large part be determined by customer interactions, the Company will not outsource the person-to-person communications. Efficient claims management will be a key attribute of Vested Health. While initial claims will be handled through a combination of manual and automated processes, investment in technology will allow Vested Health to transition to a process that is almost entirely automated.

Vested Health has defined a manageable target market consisting of sixteen metropolitan statistical areas within West Virginia, Western Maryland, Southwest Virginia, Eastern Kentucky and South East Ohio. Within this target area the principals have existing relationships with brokers and major employer groups and extensive market knowledge.

4. **Quality of management** – The Vested Health management team brings a balanced managerial approach to the company. Michael Baker, CEO has a Bachelor of Science in Business Administration from WVU.

C. *Information Regarding the Company (business plans, etc.)*

The company's initial market will focus on West Virginia and the surrounding area, where the founders have existing relationships and detailed market knowledge. After securing a substantial base of customers in the initial target market, Vested Health's footprint will gradually be expanded geographically. When choosing geographic markets to annex, Vested Health will consider existing relationships with insurance carriers, age and sex demographics, CDHP competition and competitive healthcare provider discount arrangements.

III. Events Subsequent to the Initial Investment and the Effect on the Investment

In November 2004, the JIT Board approved a $100,000 equity investment in the Company as part of a $3.0M Series B Preferred Units round. The JIT converted $335K in debentures to equity at the close of the round. The JIT's equity ownership stands at 252,647 units or 13.21% of the Company.

The JIT has participated in two bridge rounds since the initial investment. In November of 2003 the JIT invested an additional $250,000 in Vested Health as part of a $750,000 round. In June of 2004, the JIT Board 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 have been converted as described.

IV. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
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- existence of merger proposals or tender offers affecting the securities;
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- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

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The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

Based on the foregoing, 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 $750,000.