

\$25,915,000
State of West Virginia
Higher Education Policy Commission
Revenue Refunding Bonds
(Higher Education Facilities)
2007 Series A

Closing Date: April 17, 2007
VOLUME II OF II

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\$25,915,000
STATE OF WEST VIRGINIA
HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(Higher Education Facilities)
2007 SERIES A

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Certificate") dated as of April 17, 2007, from the West Virginia Higher Education Policy Commission (the "Commission") to Citigroup Global Markets Inc., Crews & Associates, Inc. and Ferris, Baker Watts, Inc., the Underwriters of the \$25,915,000 West Virginia Higher Education Policy Commission Revenue Bonds (Higher Education Facilities), 2007 A (the "2007 A Bonds"), as initial purchasers (the "Purchasers") of the 2007 A Bonds which are being issued by the Commission, is executed and delivered in connection with the issuance of the 2007 A Bonds. Capitalized terms used in this Certificate shall have the respective meanings specified above or in Article IV hereof. The Commission certifies as follows:

ARTICLE I

The Undertaking

Section 1.1. Purpose. This Certificate shall constitute a written undertaking for the benefit of the holders of the 2007 A Bonds, and is being executed and delivered solely to assist the Purchasers in complying with subsection (b)(5) of the Rule, as hereinafter defined.

Section 1.2. Annual Financial Information.

(a) The Commission shall provide Annual Financial Information, including without limitation Audited Financial Statements, with respect to each fiscal year of the Commission, and with respect to each fiscal year of the West Virginia Lottery, commencing with the fiscal year ending June 30, 2007, no later than 270 days after the end of the respective fiscal year, to each NRMSIR and the SID.

(b) The Commission shall provide in a timely manner, notice of any failure of the Commission to provide the Annual Financial Information by the date specified in subsection (a) above to (i) either the MSRB or each NRMSIR, and (ii) the SID.

Section 1.3. Material Event Notices.

(a) If a Material Event occurs, the Commission shall provide, in a timely manner, notice of each Material Event to (i) either the MSRB or Each NRMSIR, (ii) the SID, and (iii) the Purchasers.

(b) Any such notice of a defeasance of 2007 A Bonds shall Commission whether the 2007 A Bonds have been escrowed to maturity or to an earlier redemption date and the date of such maturity or redemption.

Section 1.4. Additional Disclosure Obligations. The Commission acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Commission and that, under some circumstances, additional disclosures or other action in addition to those required by this Certificate may be required to enable the Commission to fully discharge all of its duties and obligations under such laws.

Section 1.5. Additional Information. Nothing in this Certificate shall be deemed to prevent the Commission from disseminating any other information, using the means of dissemination set forth in this Certificate or any other means of communication, or including any other information in any Annual Financial Information or notice of Material Event hereunder, in addition to that, which is required by this Certificate. If the Commission chooses to do so, the Commission shall have no obligation under this Certificate to update such additional information or include it in any future Annual Financial Information or notice of Material Event hereunder, in addition to that, which is required by this Certificate.

Section 1.6. No Previous Non-Compliance. The Commission represents that since July 3, 1995, it has not failed to comply in any material respect with any previous undertaking in a written contract or agreement, as entered into by the Commission, as issuer, specified in paragraph (b)(5)(i) of the Rule.

ARTICLE II

Operating Rules

Section 2.1. Reference to Other Documents. It shall be sufficient for purposes of this Certificate if the Commission provides Annual Financial Information by specific reference to documents (i) either (1) provided to each NRMSIR existing at the time of such reference and the SID or (2) filed with the SEC or (ii) if such document is an Official Statement, available from the MSRB.

Section 2.2 Submission of Information. Annual Financial Information may be provided in one document or multiple documents and at one time or in part from time to time.

Section 2.3 Transmission of Information and Notices. Unless otherwise required by law, the Commission shall employ such methods of information and notice transmission, as it shall so determine.

Section 2.4. Fiscal Year. The Commission's and the West Virginia Lottery's current fiscal year is the twelve-month period ending on June 30. The Commission shall promptly notify (i) each NRMSIR, (ii) the SID and (iii) the Purchasers of each change in its fiscal year or the fiscal year of the West Virginia Lottery.

ARTICLE III

Effective Date, Termination, Amendment and Enforcement

Section 3.1 Effective Date; Termination.

(a) This Certificate shall be effective upon the issuance of the 2007 A Bonds.

(b) The Commission's obligations under this Certificate shall terminate upon a legal defeasance, prior redemption or payment in full of all of the 2007 A Bonds.

(c) This Certificate, or any provision hereof, shall be null and void in the event that the Commission (1) delivers to the Purchasers an opinion of Counsel, addressed to the Commission and the Purchasers, to the effect that those portions of the Rule which require this Certificate, or such provision, as the case may be, do not or no longer apply to the 2007 A Bonds, whether because such portions of the Rule are invalid, have been repealed, or otherwise, as shall be specified in such opinion, and (2) delivers copies of such opinion to each NRMSIR and the SID.

Section 3.2. Amendment.

(a) This Certificate may be amended without the consent of the holders of the 2007 A Bonds, if all of the following conditions are satisfied: (1) such amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof, or a change in the identity, nature or status of the Commission or the type of business conducted thereby, (2) this Certificate as so amended would have complied with the requirements of the Rule as of the date of this Certificate, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, (3) the Commission shall have delivered to the Purchasers an opinion of counsel, addressed to the Commission and the Purchasers, to the same effect as set forth in clause (2) above, (4) the Commission shall have delivered to the Purchasers an opinion of Counsel or a determination by a person, in each case unaffiliated with the Commission (such as bond counsel or the Purchasers) and acceptable to the Commission, addressed to the Commission and the Purchasers, to the

effect that the amendment does not materially impair the interests of the holders of the 2007 A Bonds, and (5) the Commission shall have delivered copies of such opinion(s) and amendment to each NRMSIR and the SID.

(b) This Certificate may be amended without the consent of the holders of the 2007 A Bonds, if all of the following conditions are satisfied: (1) an amendment to the Rule is adopted, or a new or modified official interpretation of the Rule is issued, after the effective date of this Certificate which is applicable to this Certificate (2) the Commission shall have delivered to the Purchasers an opinion of Counsel, addressed to the Commission and the Purchasers, to the effect that performance by the Commission and Purchasers under this Certificate as so amended will not result in a violation of the Rule and that in the opinion of Counsel such change will not materially impair the owners of the 2007 A Bonds and (3) the Commission shall have delivered copies of such opinion and amendment to each NRMSIR and the SID.

(c) To the extent any amendment to this Certificate results in a change in the type of financial information or operating data provided pursuant to this Certificate, the first Annual Financial Information provided thereafter shall include a narrative explanation of the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

(d) If an amendment is made pursuant to Section 3.2(a) hereof to the accounting principles to be followed by the Commission in preparing its financial statements, the Annual Financial Information for the fiscal year in which the change is made shall provide written explanation of such change or changes.

Section 3.3. Benefit; Third-Party Beneficiaries; Enforcement.

(a) The provisions of this Certificate shall constitute a contract with and inure solely to the benefit of the holders from time to time of the 2007 A Bonds, except that beneficial owners of 2007 A Bonds shall be third-party beneficiaries of this Certificate and shall be deemed to be holders of 2007 A Bonds for purposes of Section 3.3(b) hereof. The provisions of this Certificate shall create no rights in any person or entity except as provided in this subsection (a).

(b) The obligations of the Commission to comply with the provisions of this Certificate shall be enforceable (i) in the case of enforcement of obligations to provide Annual Financial Information and Material Event notices, by any holder of Outstanding 2007 A Bonds or by the Purchasers on behalf of the holders of Outstanding 2007 A Bonds or (ii) in the case of challenges to the adequacy of the Annual Financial Information so provided, by the Purchasers on behalf of the holders of Outstanding 2007 A Bonds; provided, however, that the Purchasers shall not be required to take any enforcement action except at the direction of the holders of not less than 25% in aggregate principal amount of the 2007 A Bonds at the time Outstanding who shall have provided the Purchasers with adequate security and indemnity. The holders' and Purchasers' rights to enforce the provisions of this Certificate shall be limited solely to a

right, by action in mandamus or for specific performance, to compel performance of the Commission's obligations under this Certificate.

(c) Any failure by the Commission or the Purchasers to perform in accordance with this Certificate shall not constitute a default or an Event of Default under the General Resolution or the 2007 A Bonds, and the rights and remedies provided by the General Resolution upon the occurrence of a default or an Event of Default shall not apply to any such failure.

(d) This Certificate shall be construed and interpreted in accordance with the laws of the State, and any suits and actions arising out of this Certificate shall be instituted in a court of competent jurisdiction in the State; provided, however, that to the extent this Certificate addresses matters of federal securities laws, including the rule, this Certificate shall be construed in accordance with such federal securities laws and official interpretations thereof.

ARTICLE IV

Definitions

Section 4.1. Definitions. The following items used in this Certificate shall have the following respective meanings:

(1) "Annual Financial Information" means collectively (i) the Commission's Audited Financial Statements, and (ii) the West Virginia Lottery's Audited Financial Statements, and (iii) the information regarding amendments to this Certificate required pursuant to Sections 3.2 (c) and (d) of this Certificate. Annual Financial Information shall include Audited Financial Statements, if available, or Unaudited.

(2) "Audited Financial Statements" means the annual financial statements, if any, of the Commission and the West Virginia Lottery, as applicable, audited by such auditor as shall then be required or permitted by State law. Audited Financial Statements shall be prepared in accordance with GAAP. Audited Financial Statements, for purposes of this definition, shall also be deemed to mean any special purpose financial statements, audited by such auditor as shall then be required or permitted by State law, that are prepared specifically for the 2007 A Bonds, provided, that such special purpose financial statements shall be prepared in accordance with generally accepted auditing standards.

(3) "Counsel" means any nationally recognized bond counsel or counsel expert in federal securities law.

(4) "GAAP" means generally accepted accounting principles as prescribed from time to time for governmental units by the Governmental Accounting Standards Board, the Financial Accounting Standards Board, or any successor to the duties and responsibilities of either of them.

(5) "Material Event" means any of the following events with respect to the 2007 A Bonds, whether relating to the Commission, the West Virginia Lottery or otherwise, if material:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers or their failure to perform;
- (vi) adverse tax opinions or events affecting the tax-exempt status of the security;
- (vii) modifications to rights of security holders;
- (viii) bond calls;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the securities; and
- (xi) rating changes.

(6) "MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

(7) "NRMSIR" means, at any time, a then existing nationally recognized municipal securities information repository, as recognized from time to time by the SEC for the purposes referred to in the Rule.

(8) "Official Statement" means "final official Statement", as defined in paragraph (f)(3) of the Rule.

(9) "Rule" means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as in effect on the date of this Certificate, including any official interpretations thereof issued either before or after the effective date of this Certificate which are applicable to this Certificate.

(10) "SEC" means the United Commissions Securities and Exchange Commission.

(11) "SID" means, at any time, a then-existing State information depository, if any, as operated or designated as such by or on behalf of the State for the purposes referred to in the rule. As of the date of this Certificate, there is no SID.

(12) "Unaudited Financial Statements" means the same as Audited Financial Statements, except that they shall not have been audited.

ARTICLE V

Miscellaneous

Section 5.1. Counterparts. This Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.2. Severability. If any one or more sections, clauses, sentences or parts hereof shall for any reason be questioned in any court of competent jurisdiction and shall be adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions hereof or thereof, or the 2007 A Bonds, but shall be confined to the specific sections, clauses, sentences and parts so adjudged.

IN WITNESS WHEREOF, the Commission has caused this Certificate to be executed by its duly authorized representatives, all as of the date first above written.

WEST VIRGINIA HIGHER EDUCATION
POLICY COMMISSION

By: _____



Chancellor

Date: April 17, 2007

\$25,915,000
STATE OF WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES)
2007 SERIES A

GENERAL CERTIFICATE OF THE
WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION

On the date set forth below, the undersigned Chancellor of the West Virginia Higher Education Policy Commission (the "Commission"), a commission of the State of West Virginia (the "State"), created pursuant to Chapter 18B, Article 1B of the Code of West Virginia, as amended (the "Act"), hereby certifies, in connection with the issuance of its \$25,915,000 State of West Virginia Higher Education Policy Commission Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A (the "2007 A Bonds"), for and on behalf of the Commission, (i) to Citigroup Global Markets, Inc., Ferris, Baker Watts, Inc., and Crews & Associates, Inc., as underwriters of the 2007 A Bonds (the "Original Purchasers" or "Purchasers"), (ii) to all counsel in this transaction, and (iii) to other interested parties, as follows:

The University of West Virginia Board of Trustees (the "Board of Trustees") on September 9, 1992, adopted a General Resolution (the "University General Resolution") pursuant to which it was authorized to issue one or more series of revenue bonds. The Board of Directors of the State College System (the "Board of Directors") on September 9, 1992, adopted a General Resolution (the "College General Resolution" and together with the University General Resolution, the "General Resolution") pursuant to which it was authorized to issue one or more series of revenue bonds. The Commission is the successor to the Board of Trustees and the Board of Directors and is empowered and authorized to issue bonds pursuant to the Act, in furtherance of the public purposes as found and determined by the Legislature of West Virginia as set forth in Section 5 of the Act, including, among other things, to refund the Bonds To Be Refunded.

1. The General Resolution has been amended and supplemented from time to time including the Fourth Consolidated Supplemental Resolution of the Commission adopted March 15, 2007 (the "Resolution"). All capitalized terms used in this General Certificate and not otherwise defined herein have the respective meanings ascribed to them in the Resolution, the Certificate of Determination setting forth the final terms and provisions of the 2007 A Bonds and executed by the Chancellor of the Commission on April 4, 2007 (the "Certificate of Determination"), or the Bond Purchase Agreement (as hereinafter defined);

2. The following persons were and are the duly chosen, qualified and acting members of the Commission, to and including the date of this Certificate, holding the office set forth opposite their respective names as follows:

<u>NAME</u>	<u>OFFICE</u>	<u>EXPIRATION OF TERM</u>
David Richard Tyson	Interim Chairman	June 30, 2009

Constitution of West Virginia, and the certificate as to each such oath has been filed with the Secretary of State of the State.

6. Attached as Exhibit A hereto and incorporated herein by reference is a copy of the General Resolution, which has been compared by me to the original thereof and is true, correct and complete and identical thereto. The General Resolution was duly adopted by the Board of Trustees and the Board of Directors at a meeting thereof duly called and held on September 9, 1992. A quorum of each Board was present and acting throughout said meeting. The General Resolution was amended by the Fourth Consolidated Supplemental Resolution of the Commission adopted March 15, 2007, a copy of which is attached hereto and incorporated herein by reference as Exhibit B. A quorum of the Commission was present and acting throughout said meetings.

7. Attached to and incorporated in this General Certificate by reference as Exhibit C is a copy of the Certificate of Determination of the Commission with respect to the 2007 A Bonds, duly executed by the Chancellor of the Commission under the Resolution. The Certificate of Determination has been compared by me with the original on file in the office of the Commission, and is a true, complete and correct copy of the original thereof and has not been amended, modified, supplemented or repealed and is in full force and effect.

8. Attached to and incorporated in this General Certificate by reference as Exhibit D is a specimen of the 2007 A Bonds, which, except as to authentication, date of maturity, principal amount, and interest rate is identical in all respects to such 2007 A Bonds this day delivered to the original purchasers thereof and is substantially in the form prescribed by the Fourth Consolidated Supplemental Resolution.

9. No authority or proceedings for the issuance of the 2007 A Bonds or execution, delivery and performance of the Bond Documents has been repealed, revoked, rescinded or superseded.

10. The Commission is in compliance in all respects with the Resolution and is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Resolution. Except as provided in paragraph 6 hereof, the Resolution has not been amended, modified, supplemented or repealed and remains in full force and effect.

11. Attached to the Transcript of Proceedings as Item 12 is a copy of the Bond Purchase Agreement, dated April 4, 2007, (the "Bond Purchase Agreement") between the Commission and Citigroup Global Markets, Inc., Ferris, Baker Watts, Inc., and Crews & Associates, Inc. (the "Underwriters"). The copy of the Bond Purchase Agreement attached to the Transcript of Proceedings as Item 12, has been compared by me to the original thereof and is true, correct and complete and identical thereto. The Bond Purchase Agreement was duly approved and authorized by the Commission pursuant to the Resolution and is in full force and effect and has not been modified, amended or supplemented as of the date hereof. The

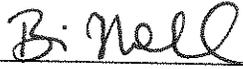
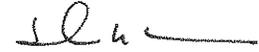
or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, in any materials respect, such officer shall promptly notify the Underwriters thereof and, upon request of the Underwriters, shall assist in the preparation of an amendment or supplement which will correct such statement or omission at the expense of the Underwriters.

13. The Preliminary Official Statement dated March 30, 2007 (the "Preliminary Official Statement"), is a true copy of the Preliminary Official Statement of the Commission with respect to the 2007 A Bonds, the distribution of which was ratified, confirmed and approved by the Commission pursuant to the Resolution.

14. The Official Statement dated April 4, 2007 (the "Official Statement"), is a true copy of the Official Statement of the Commission with respect to the 2007 A Bonds, the distribution of which was authorized by the Commission pursuant to the Resolution. A copy of the Official Statement, signed manually by the Chancellor of the Commission, is on file in the office of the Commission.

15. The Commission is obligated under the terms of the Continuing Disclosure Certificate to perform and undertake the actions set forth therein. The Commission is in full compliance with any and all prior continuing disclosure undertakings entered into pursuant to Securities Exchange Commission Rule 15c2-12(b)(5).

16. Appearing opposite the respective names of the persons indicated below are their true and correct titles and true and correct specimens of their signatures:

<u>Name</u>	<u>Title</u>	<u>Specimen Signature</u>
Dr. Brian Noland	Chancellor	
David K. Hendrickson	Secretary	

16. The Commission is not currently, nor has it been in the past, in default on any bonds, notes or other evidences of indebtedness issued by it.

IN WITNESS WHEREOF, I have duly executed this General Certificate of Commission
this 17th day of April, 2007.

WEST VIRGINIA HIGHER EDUCATION
POLICY COMMISSION

By: B. Noland
Dr. Brian Noland, Chancellor

468838

EXHIBIT A

GENERAL RESOLUTION

(See Tab 1)

EXHIBIT C

CERTIFICATE OF DETERMINATION

(See Tab 6)

\$25,915,000
STATE OF WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES)
2007 SERIES A

CERTIFICATE AS TO SIGNATURES

The undersigned, as the Governor of the State of West Virginia (the "State"), and the Chancellor of the West Virginia Higher Education Policy Commission (the "Commission"), a commission of the State, hereby certifies as follows:

1. Subscribed below are our true and genuine signatures.
2. On or before the date hereof, the State of West Virginia Higher Education Policy Commission Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A, in the aggregate principal amount of \$25,915,000, dated April 17, 2007 (the "2007 Bonds"), and issued by the Commission on behalf of the State, were duly and completely executed on behalf of the State and the Commission by the respective manual or facsimile signatures of the undersigned Governor of the State and the undersigned Chancellor of the Commission, and by impressing thereon the Great Seal of the State and attestation thereof by the manual or facsimile signature of the undersigned Secretary of State of the State.
3. At the time of such signing and on the date hereof, we were and are the duly chosen, qualified and acting officers of the State and of the Commission, respectively, authorized to execute the 2007 Bonds and holding the respective offices indicated by the official titles set opposite our signatures below.
4. The seal which is impressed below has been imprinted on the 2007 Bonds, and it is the legally adopted, proper and only official Great Seal of the State.

Signature:



Joe Manchin, III

Official Title:

Governor, State of West Virginia



Dr. Brian Noland

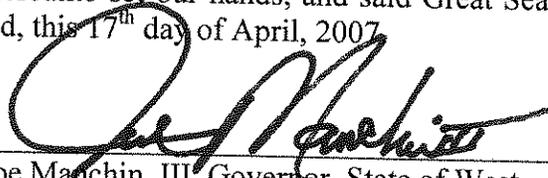
Chancellor, West Virginia Higher Education
Policy Commission



Betty Ireland

Secretary of State, State of West Virginia

IN WITNESS WHEREOF, we have hereunto set our hands, and said Great Seal of the State of West Virginia has been hereunto affixed, this 17th day of April, 2007.



Joe Manchin, III, Governor, State of West Virginia



Dr. Brian Noland, Chancellor, West Virginia Higher Education Policy Commission

468850

\$25,915,000
STATE OF WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES)
2007 SERIES A

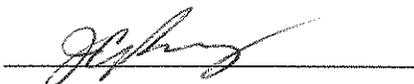
CERTIFICATE OF BANK OF NEW YORK TRUST COMPANY, N.A.

The undersigned, on behalf of the Bank of New York Trust Company, N.A., as registrar (the "Registrar") in accordance with a General Resolution adopted on September 9, 1992, by the University of West Virginia Board of Trustees (the "Board of Trustees") and a General Resolution adopted on September 9, 1992, by the Board of Directors of the State College System (the "Board of Directors"), predecessors to the West Virginia Higher Education Policy Commission (the "Commission"), as amended by the Fourth Consolidated Supplemental Resolution of the Commission adopted March 15, 2007 (the "Fourth Consolidated Supplemental Resolution and a Certificate of Determination dated April 4, 2007 (the "Certificate of Determination") with respect to the \$25,915,000 State of West Virginia Higher Education Policy Commission Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A (the "2007 Bonds"), hereby certifies as follows:

1. The Registrar is a national banking association duly organized, validly existing, and in good standing under the laws of the United States, and is lawfully empowered, pursuant to such laws, to execute and accept the trust contemplated and as provided under the Resolution and to serve in the capacities as Registrar thereunder and hereby accepts the duties and obligations of the Registrar.

2. The person indicated below was at the time of the execution of this Certificate and is now the duly elected, qualified and acting incumbent of his or her respective office, and pursuant to authorization from the Board of Directors of the Registrar, as evidenced by its resolution, an excerpt of the pertinent portion of which is attached as Exhibit A hereto, such person, in his or her official capacity, is authorized to execute and deliver this Certificate and such other documents as are necessary to complete the financing described in the Resolution for and on behalf of the Registrar.

3. Appearing opposite the respective names of the persons indicated below are their true and correct titles and true and correct specimens of their signatures:

<u>Name</u>	<u>Title</u>	<u>Signature</u>
Joseph C. Progar	Vice President	

4. Joseph C. Progar, whose specimen signature appears in paragraph 3 above, is an authorized officer of the Registrar for the purposes of executing this Certificate.

5. The Registrar acknowledges receipt of the sum of \$142,940.00 which amount shall be deposited in the 2007 Series A Bonds (Higher Education Facilities) Costs of Issuance Fund.

The Registrar has received all documents, certificates and other items required by the Resolution and the Certificate of Determination and upon request of the Commission, the undersigned this day authenticated and delivered the 2007 Bonds to Citigroup Global Markets, Inc. and to the Depository Trust Company ("DTC") on behalf of Citigroup Global Markets, Inc., Ferris, Baker Watts, Inc. and Crews & Associates, Inc., as the original purchasers thereof.

6. Capitalized terms used and not otherwise defined herein shall have the meaning assigned to such terms in the Resolution.

IN WITNESS WHEREOF, Bank of New York Trust Company, N.A., has caused this Certificate to be executed by its duly authorized officer this 17th day of April, 2007.

Bank of New York Trust Company, N.A.,

By: 
Joseph C. Progar, Vice President

468858

Exhibit A

BOARD OF DIRECTORS RESOLUTION

THE BANK OF NEW YORK TRUST COMPANY, N.A.

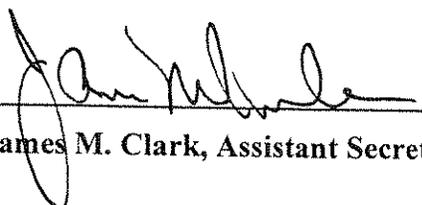
I, the undersigned, James M. Clark, Assistant Secretary of The Bank of New York Trust Company, N.A., a national banking association organized under the laws of the United States (the "Association") and located in the State of California, with a trust office located at 301 Grant Street, Pittsburgh, Pennsylvania, DO HEREBY CERTIFY that the following individuals are duly appointed and qualified Officers of the Association:

<u>Officer</u>	<u>Title</u>	<u>Signing Authority</u>
David M. Babich	Vice President	A, C2, J
Ronald J. McKenna	Vice President	A, C2, J
Robert Mialki	Vice President	A, C2, J
Joseph C. Progar	Vice President	A, C2, J
Elaine D. Renn	Vice President	A, C2, J
Gail K. Sakalik	Vice President	A, C4
John J. Scarpiniti	Vice President	A, C3, J
Bridget Schessler	Vice President	A, C2, J
Kerry S. Zombeck	Vice President	A, C2, J
Brian D. Butler	Assistant Vice President	A, C2, J
Kevin D. Rockwell	Assistant Vice President	A, C2, J

I further certify that as of this date they have been authorized to sign on behalf of the Association in discharging or performing their duties in accordance with the senior and limited signing powers provided under Article V, Section 5.3 of the By-laws of the Association and the paragraphs indicated above of the signing authority resolution of the Board of Directors of the Association.

Attached hereto are true and correct copies of the excerpts of the By-laws of the Association and the signing authority resolution, which have not been amended or revised since January 20, 2005 and are full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of The Bank of New York Trust Company, N.A. this 29th day of March, 2007.


James M. Clark, Assistant Secretary

Extracts from By-Laws
Of
The Bank of New York Trust Company, N.A.
As Amended Through January 20, 2005

ARTICLE V
SIGNING AUTHORITIES

Section 5.1 Real Property. Real property owned by the Association in its own right shall not be deeded, conveyed, mortgaged, assigned or transferred except when duly authorized by a resolution of the Board. The Board may from time-to-time authorize officers to deed, convey, mortgage, assign or transfer real property owned by the Association in its own right with such maximum values as the Board may fix in its authorizing resolution.

Section 5.2. Senior Signing Powers. Subject to the exception provided in Section 5.1, the President and any Executive Vice President is authorized to accept, endorse, execute or sign any document, instrument or paper in the name of, or on behalf of, the Association in all transactions arising out of, or in connection with, the normal course of the Association's business or in any fiduciary, representative or agency capacity and, when required, to affix the seal of the Association thereto. In such instances as in the judgment of the President, or any Executive Vice President may be proper and desirable, any one of said officers may authorize in writing from time-to-time any other officer to have the powers set forth in this section applicable only to the performance or discharge of the duties of such officer within his or her particular division or function. Any officer of the Association authorized in or pursuant to Section 5.3 to have any of the powers set forth therein, other than the officer signing pursuant to this Section 5.2, is authorized to attest to the seal of the Association on any documents requiring such seal.

Section 5.3. Limited Signing Powers. Subject to the exception provided in Section 5.1, in such instances as in the judgment of the President or any Executive Vice President, may be proper and desirable, any one of said officers may authorize in writing from time-to-time any other officer, employee or individual to have the limited signing powers or limited power to affix the seal of the Association to specified classes of documents set forth in a resolution of the Board applicable only to the performance or discharge of the duties of such officer, employee or individual within his or her division or function.

Section 5.4. Powers of Attorney. All powers of attorney on behalf of the Association shall be executed by any officer of the Association jointly with the President, any Executive Vice President, or any Managing Director, provided that the execution by such Managing Director of said Power of Attorney shall be applicable only to the performance or discharge of the duties of said officer within his or her particular division or function. Any such power of attorney may, however, be executed by any officer or officers or person or persons who may be specifically authorized to execute the same by the Board of Directors.

Section 5.5. Auditor. The Auditor or any officer designated by the Auditor is authorized to certify in the name of, or on behalf of the Association, in its own right or in a fiduciary or representative capacity, as to the accuracy and completeness of any account, schedule of assets, or other document, instrument or paper requiring such certification.

SIGNING AUTHORITY RESOLUTION

Pursuant to Article V, Section 5.3 of the By-Laws

RESOLVED that, pursuant to Section 5.3 of the By-Laws of the Association, authority be, and hereby is, granted to the President or any Executive Vice President, in such instances as in the judgment of any one of said officers may be proper and desirable, to authorize in writing from time-to-time any other officer, employee or individual to have the limited signing authority set forth in any one or more of the following paragraphs applicable only to the performance or discharge of the duties of such officer, employee or individual within his or her division or function:

(A) All signing authority set forth in paragraphs (B) through (I) below except Level C which must be specifically designated.

(B1) Individuals authorized to accept, endorse, execute or sign any bill receivable; certification; contract, document or other instrument evidencing, embodying a commitment with respect to, or reflecting the terms or conditions of, a loan or an extension of credit by the Association; note; and document, instrument or paper of any type, including stock and bond powers, required for purchasing, selling, transferring, exchanging or otherwise disposing of or dealing in foreign currency, derivatives or any form of securities, including options and futures thereon; in each case in transactions arising out of, or in connection with, the normal course of the Association's business.

(B2) Individuals authorized to endorse, execute or sign any certification; disclosure notice required by law; document, instrument or paper of any type required for judicial, regulatory or administrative proceedings or filings; and legal opinions.

(C1) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in excess of \$100,000,000 with single authorization for all transactions.

(C2) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in excess of \$100,000,000*.

(C3) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$100,000,000.

(C4) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check

certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$10,000,000.

(C5) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$5,000,000.

(C6) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$1,000,000.

(C7) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$250,000.

(C8) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$50,000.

(C9) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$5,000.

*Dual authorization is required by any combination of senior officer and/or Sector Head approved designee for non-exempt transactions.
Single authorization required for exempt transactions.

(D1) Authority to accept, endorse, execute or sign any contract obligating the Association for the payment of money or the provision of services in an amount up to \$1,000,000.

(D2) Authority to accept, endorse, execute or sign any contract obligating the Association for the payment of money or the provision of services in an amount up to \$250,000.

(D3) Authority to accept, endorse, execute or sign any contract obligating the Association for the payment of money or the provision of services in an amount up to \$50,000.

(D4) Authority to accept, endorse, execute or sign any contract obligating the Association for the payment of money or the provision of services in an amount up to \$5,000.

(E) Authority to accept, endorse, execute or sign any guarantee of signature to assignments of stocks, bonds or other instruments; certification required for transfers and deliveries of stocks, bonds or other instruments; and document,

instrument or paper of any type required in connection with any Individual Retirement Account or Keogh Plan or similar plan.

(F) Authority to accept, endorse, execute or sign any certificate of authentication as bond, unit investment trust or debenture trustee and on behalf of the Association as registrar and transfer agent.

(G) Authority to accept, endorse, execute or sign any bankers acceptance; letter of credit; and bill of lading.

(H) Authority to accept, endorse, execute or sign any document, instrument or paper of any type required in connection with the ownership, management or transfer of real or personal property held by the Association in trust or in connection with any transaction with respect to which the Association is acting in any fiduciary, representative or agency capacity, including the acceptance of such fiduciary, representative or agency account.

(I1) Authority to effect the external movement of free delivery of securities and internal transfers resulting in changes of beneficial ownership.

(I2) Authority to effect the movement of securities versus payment at market or contract value.

(J) Authority to either sign on behalf of the Association or to affix the seal of the Association to any of the following classes of documents: Trust Indentures, Escrow Agreements, Pooling and Servicing Agreements, Collateral Agency Agreements, Custody Agreements, Trustee's Deeds, Executor's Deeds, Personal Representative's Deeds, Other Real Estate Deeds for property not owned by the Association in its own right, Corporate Resolutions, Mortgage Satisfactions, Mortgage Assignments, Trust Agreements, Loan Agreements, Trust and Estate Accountings, Probate Petitions, responsive pleadings in litigated matters and Petitions in Probate Court with respect to Accountings, Contracts for providing customers with Association products or services.

(N) Individuals authorized to accept, endorse, execute or sign internal transactions only, (i.e., general ledger tickets); does not include the authority to authorize external money movements, internal money movements or internal free deliveries that result in changes of beneficial ownership.

RESOLVED, that any signing authority granted pursuant to this resolution may be rescinded by the President or any Executive Vice President and such signing authority shall terminate without the necessity of any further action when the person having such authority leaves the employ of the Association.

REGISTRAR AGREEMENT

This Registrar Agreement ("Agreement") is executed and effective this 17th day of April, 2007 by and between the **Bank of New York Trust Company, N.A.**, a national banking association, as registrar (the "Registrar") and the **West Virginia Higher Education Policy Commission** ("Issuer").

WHEREAS, Issuer contemplates issuing its \$25,915,000 State of West Virginia Higher Education Policy Commission Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A (the "2007 Bonds");

WHEREAS, Issuer desires that the Registrar act on behalf of Issuer to perform the duties of Registrar as set forth in this Agreement; and

WHEREAS, the Registrar is willing to act in such capacities solely in accordance with this Agreement and subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt, adequacy, and sufficiency of which are hereby acknowledged, Issuer and the Registrar agree as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions

"Authorized Officer" means the person designated pursuant to Section 1.03 of the Fourth Consolidated Resolution.

"General Resolution" means the General Resolution adopted by the West Virginia Higher Education Policy Commission, as successor to the University of West Virginia Board of Trustees and the Board of Directors of the State College System, on September 9, 1992, as amended and supplemented from time to time.

"Register" means a complete listing of all holders of record of all 2007 Bonds outstanding at any time.

"Registrar" means any bank, trust company, national association or other organization duly authorized and empowered by law and applicable State or Federal regulations to perform the duties set forth under Section 2.02 herein and shall initially be the Bank of New York Trust Company, N.A.

"Underwriter" means the firm or firms purchasing the 2007 Bonds from Issuer.

All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the General Resolution.

Section 1.02 Effect of Headings

the written instructions of Issuer or the Underwriter as agent for Issuer;
and

- b) to keep and maintain the Register complete, current and accurate at all times; and
- c) to maintain a full and complete accounting of all 2007 Bonds issued outstanding, destroyed, and in inventory; and
- d) upon reasonable, prior written request, permit the inspection of the Register during the Registrar's normal business hours by Issuer or, at the Issuer's written direction, any other person or entity that the Issuer has determined has a legitimate legal interest therein; and
- e) to cancel any 2007 Bonds which has been paid, redeemed, transferred, exchanged, converted or otherwise required to be canceled; and
- f) in accordance with the Registrar's policies and procedures, to destroy all canceled 2007 Bonds, at such time as permitted by applicable law or regulation and to provide Issuer with a certificate which lists all 2007 Bonds so destroyed; and
- g) to provide information concerning the 2007 Bonds and its Register to any party entitled to such information.

Section 2.03 Duties of Issuer

- a) Issuer agrees to provide or cause the Underwriter to provide to Registrar at the time of initial issuance of the 2007 Bonds an accurate and complete list setting forth the following information; all of which shall be in a form acceptable to the Registrar:
 - 1) Each bondholder's name as it is to appear on each 2007 Bond to be issued, or in the event a 2007 Bond is to be registered to a trust or to a minor, then Registrar will be provided with all information necessary to register such 2007 Bond in proper legal form; and
 - 2) Each bondholder's address; and
 - 3) Each bondholder's Social Security Number or Federal Tax Identification Number; and
 - 4) The principal amount of each 2007 Bond to be issued; and
 - 5) The stated maturity of each 2007 Bond to be issued; and

The Registrar's fees and expenses as compensation for the performance of its duties as Registrar under the terms of this Agreement shall be as follows:

Acceptance Fee	-	\$ 250.00
Annual Fee	-	\$ 250.00

Fees and expenses quoted in this Section 3.01 are based upon current charges and expenses. The Registrar reserves the right to revise its fees and expenses in the normal course of business.

Section 3.02 Resignation of Registrar - Successor

- a) The Registrar may resign as Registrar hereunder by giving Issuer not less than 60 days' prior written notice of the effective date of such resignation. If at any time the Registrar shall cease to be eligible to act under this Agreement in any capacity it shall resign from such capacity in the manner and with the effect hereinafter specified.
- b) Upon receipt of the Registrar's notice of resignation in any of its capacities here under, Issuer shall, within 45 days, appoint a successor Registrar, as the case may be. In the event Issuer fails to select a successor, the Registrar, at the Issuer's expense may apply to a court of competent jurisdiction for the appointment thereof.
- c) The Registrar shall use its best efforts to make an orderly transition to its successors in any capacity thereunder by surrendering to its successors upon Issuer's written order all documents reasonably required by the successor for the successor to perform its duties as such. The Registrar may retain copies of any such documents as it may deem appropriate.
- d) Upon the effective date of the succession to the duties of the Registrar by its successor and the surrender of all funds held by the Registrar to its successor, the Registrar's successor shall have all rights, duties and obligations which the Registrar had thereunder in respect of the capacity or capacities assumed by such successor, and the Registrar shall have no further liability with respect thereto.
- e) Any corporation or association into which the Registrar in its individual capacity may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which the Registrar in its individual capacity shall be a party, or any corporation or association to which all or substantially all the corporate trust business of the Registrar in its individual capacity may be sold or otherwise transferred, shall be the Registrar under this Agreement without further act.

imposed on, incurred by, or asserted against, the Indemnitees or any of them for following any instruction or other direction upon which the Registrar is authorized to rely pursuant to the terms of this Agreement. In addition to and not in limitation of the immediately preceding sentence, to the extent permitted by law, the Issuer also agrees to indemnify and hold the Indemnitees and each of them harmless from and against any and all Losses that may be imposed on, incurred by, or asserted against the Indemnitees or any of them in connection with or arising out of the Registrar's performance under this Agreement provided the Registrar has not acted with gross negligence or engaged in willful misconduct. The provisions of this Section 3.03(c) shall survive the Registrar's resignation or removal or the termination of this Agreement. In no event shall the Registrar be liable for consequential, indirect or special damages, even if it has been advised of the possibility of such damages.

- d) The Registrar may consult with, and obtain advice from, legal counsel of its selection in the event any question as to any of the provisions hereof or its duties thereunder shall arise, and it shall incur no liability and shall be fully protected in acting or refraining from acting in good faith in accordance with the opinion and instructions of such counsel. The cost of such services shall be born by Issuer.
- e) The Registrar shall have no duties except those which are expressly set forth herein, which shall be deemed purely ministerial in nature, and shall under no circumstance be deemed a fiduciary for the Issuer, any of the parties ancillary to this transaction and the holders of the 2007 Bonds. The Registrar shall not be bound by any notice of a claim or demand with respect thereto, or any waiver, modification, amendment, termination or rescission of this Agreement, unless in writing received by it, and, if its duties or liabilities as set forth herein are affected, unless it shall have given its prior written consent thereto.
- f) The permissive rights of the Registrar to do things enumerated in this Agreement shall not be construed as a duty.
- g) Whenever in the administration of this Agreement, the Registrar deems it desirable that a matter be proved or established before it takes, suffers or omits any action, the Registrar may rely upon a certificate of an Authorized Officer.
- h) Registrar shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report notice, direction, consent, order, or other paper or document.
- i) Except as otherwise expressly provided hereunder, the Registrar shall not be required to give or furnish any notice, demand, report, reply, statement advice or opinion to the Issuer or any person, and the Registrar shall not incur any liability

Executed on the date first above written.

WEST VIRGINIA HIGHER EDUCATION
POLICY COMMISSION

By: B. Noland
Dr. Brian Noland, Chancellor

BANK OF NEW YORK TRUST COMPANY,
N.A.

By: _____
Joseph C. Progar, Vice President

468926

Executed on the date first above written.

WEST VIRGINIA HIGHER EDUCATION
POLICY COMMISSION

By: _____
Dr. Brian Noland, Chancellor

BANK OF NEW YORK TRUST COMPANY,
N.A.

By:  _____
Joseph C. Progar, Vice President

468926

\$25,915,000
STATE OF WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES)
2007 SERIES A

CERTIFICATE OF WEST VIRGINIA MUNICIPAL BOND COMMISSION

The undersigned, on behalf of the West Virginia Municipal Bond Commission, (the "MBC") in accordance with a General Resolution (the "University General Resolution") adopted on September 9, 1992, by the University of West Virginia Board of Trustees (the "Board of Trustees") and a General Resolution (the "College General Resolution" and together with the University General Resolution, the "General Resolution") adopted on September 9, 1992, by the Board of Directors of the State College System (the "Board of Directors"), predecessors to the Higher Education Policy Commission (the "Commission"), as amended and supplemented from time to time including the Fourth Consolidated Supplemental Resolution of the Commission adopted March 15, 2007 (the "Fourth Consolidated Supplemental Resolution"), and a Certificate of Determination dated April 4, 2007 (the "Certificate of Determination") with respect to the State of West Virginia Higher Education Policy Commission Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A issued by the Commission, in the aggregate principal amount of \$25,915,000 (the "2007 Bonds"), certifies as follows.

1. The MBC is a commission of the State of West Virginia with the statutory duty, among other things, to serve as fiscal agent for revenue bonds issued by commissions of the State of West Virginia, and is lawfully empowered, pursuant to such laws, to execute and accept the duties as Paying Agent and Escrow Agent contemplated and as provided under the Resolution, and does hereby accept the duties and obligations as Paying Agent and Escrow Agent imposed thereon by the Resolution for the benefit of the Commission, the holders of the 2007 Bonds, Ambac Assurance Corporation, as insurer of the 2007 Bonds (for itself and for the benefit of the holders of the 2007 Bonds), and the Registrar (collectively, the "Beneficiaries"), and acknowledges and agrees that the Beneficiaries may and will rely on the obligations of MBC accepted and assumed hereby.

2. The person indicated below is now the acting incumbent of her respective office, and, such person, in her official capacity, is authorized to execute and deliver such documents as are necessary to complete the financing described in the Resolution for and on behalf of the MBC.

3. Appearing opposite the respective name of the person indicated below is her true and correct title and true and correct specimen of her signature:

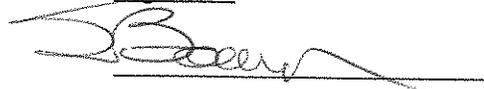
Name

Title

Signature

Sara Boardman

Executive Director



4. The Municipal Bond Commission acknowledges receipt of the sum of \$25,752,783.16, which amount shall be deposited into the various subaccounts as follows:

(a) The sum of \$25,750,063.62 shall be deposited in the 2007 Series A Bonds (Higher Education Facilities) Escrow Fund;

(b) The sum of \$2,719.54 shall be deposited in the 2007 Series A Bonds (Higher Education Facilities) Interest Account within the 2007 Series A Bond Fund (Higher Education Facilities).

5. Capitalized terms used and not otherwise defined herein shall have the meaning assigned to such terms in the Resolution.

[The Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the West Virginia Municipal Bond Commission has caused this Certificate to be executed by its duly authorized officer this 17th day of April, 2007.

WEST VIRGINIA MUNICIPAL BOND
COMMISSION

By: 
Sara Boardman, Executive Director

468883

\$25,915,000
STATE OF WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES)
2007 SERIES A

ORDER AS TO AUTHENTICATION AND DELIVERY OF BONDS
AND APPLICATION OF BOND PROCEEDS

April 17, 2007

Bank of New York Trust Company, N.A.,
as Registrar
One Oxford Centre, Suite 1100
301 Grant Street
Pittsburgh, PA 15219

Ladies and Gentlemen:

We herewith hand to you, duly executed, the \$25,915,000 State of West Virginia Higher Education Policy Commission Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A (the "2007 Bonds") issued by the West Virginia Higher Education Policy Commission (the "Commission") authorized to be issued under and pursuant to the Resolution (as hereinafter defined) of the Commission.

As of this date, we have delivered to you:

- A. Copies, certified by the Secretary of the Commission of the General Resolution (the "University General Resolution") adopted on September 9, 1992, by the University of West Virginia Board of Trustees (the "Board of Trustees") and a General Resolution (the "College General Resolution" and together with the University General Resolution, the "General Resolution") adopted on September 9, 1992, by the Board of Directors of the State College System (the "Board of Directors"), predecessors to the Commission, as amended and supplemented from time to time including the Fourth Consolidated Supplemental Resolution of the Commission adopted March 15, 2007 (the "Fourth Consolidated Supplemental Resolution");
- B. A copy of the Certificate of Determination of the Commission dated April 4, 2007;
- C. The opinion of Spilman Thomas & Battle, PLLC, bond counsel, dated April 17, 2007, to the effect that (i) the Fourth Consolidated Supplemental Resolution of the Commission has been duly and lawfully adopted and is in full force and effect; (ii) the General Resolution has been duly and lawfully adopted and is valid and binding upon, and enforceable against the Commission (except to the extent that the enforceability thereof may be limited by

(a) The sum of \$142,940.00 shall be transferred from the Paying Agent to the Bank of New York Trust Company, N.A. to be deposited in the 2007 Series A Bonds (Higher Education Facilities) Cost of Issuance Fund;

(b) The sum of \$25,750,063.62 shall be deposited in the 2007 Series A Bonds (Higher Education Facilities) Escrow Fund;

(c) The sum of \$2,719.54 shall be deposited with the Paying Agent in the 2007 Series A Bonds (Higher Education Facilities) Interest Account within the 2007 Series A Bond Fund (Higher Education Facilities).

Capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Resolution.

[Remainder of Page Intentionally Left Blank]

You are hereby requested and authorized to authenticate and deliver the 2007 Bonds, on behalf of the Commission, to the Depository Trust Company for the benefit of Citigroup Global Markets, Inc., Ferris, Baker Watts, Inc., and Crews & Associates, Inc. as Original Purchasers of the 2007 Bonds.

WEST VIRGINIA HIGHER EDUCATION
POLICY COMMISSION

By 
Dr. Brian Noland, Chancellor

Attest:


Secretary

\$25,915,000
STATE OF WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES)
2007 SERIES A

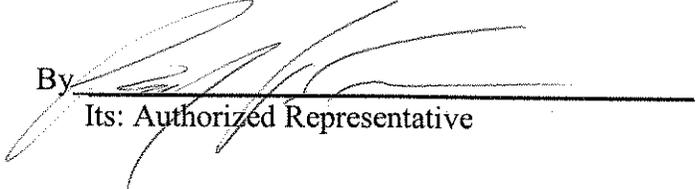
RECEIPT FOR BONDS

On the date hereof, the undersigned, on behalf of itself, Ferris, Baker Watts, Incorporated and Crews & Associates, Inc., acknowledges receipt of the \$25,915,000 State of West Virginia Higher Education Policy Commission Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A (the "2007 Bonds"), issued by the West Virginia Higher Education Policy Commission (the "Commission").

The 2007 Bonds are issued by the Commission pursuant to the General Resolution (the "University General Resolution") adopted on September 9, 1992, by the University of West Virginia Board of Trustees (the "Board of Trustees") and a General Resolution (the "College General Resolution" and together with the University General Resolution, the "General Resolution") adopted on September 9, 1992, by the Board of Directors of the State College System (the "Board of Directors"), predecessors to the Commission, as amended by the Fourth Consolidated Supplemental Resolution of the Commission adopted March 15, 2007 (the "Fourth Consolidated Supplemental Resolution"). The 2007 Bonds are dated April 17, 2007, bear interest from said date payable semiannually on October 1 and April 1 of each year until maturity or prior redemption, commencing October 1, 2007; are in the form of one bond for each stated maturity; and are numbered from R-1 consecutively upward in order of authentication and are registered in the name of Cede & Co., as nominee for The Depository Trust Company.

Dated this 17th day of April, 2007.

CITIGROUP GLOBAL MARKETS, INC., on
behalf of itself, FERRIS, BAKER WATTS,
INCORPORATED and
CREWS & ASSOCIATES, INC.

By 
Its: Authorized Representative

\$25,915,000
STATE OF WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES)
2007 SERIES A

CERTIFICATE OF DELIVERY AND PAYMENT

I, Dr. Brian Noland, Chancellor of the West Virginia Higher Education Policy Commission (the "Commission"), hereby certify as follows:

On the date hereof, the Commission has caused \$25,915,000 in aggregate principal amount of State of West Virginia Higher Education Policy Commission Revenue Bonds (Higher Education Facilities) 2007 Series A (the "2007 Bonds") to be delivered to the Depository Trust Company on behalf of Citigroup Global Markets, Inc., Ferris, Baker Watts, Inc., and Crews & Associates, Inc., upon receipt of payment of the purchase price of on such 2007 Bonds as follows:

Par	\$25,915,000
Plus: Net Premium	\$163,818.75
Less: Underwriter's Discount	<u>\$105,196.89</u>
Amount this day received	\$25,973,621.86

The proceeds of the 2007 Bonds shall be paid or deposited as follows:

(a) A portion of the proceeds of the 2007 Bonds shall be deposited with the Paying Agent as follows: \$25,750,063.62 shall be deposited in the 2007 Series A Bonds (Higher Education Facilities) Escrow Fund.

(b) A portion of the proceeds of the 2007 Bonds shall be deposited with the Registrar as follows: \$142,940.00 shall be deposited in the 2007 Series A Bonds (Higher Education Facilities) Costs of Issuance Fund.

(c) A portion of the proceeds of the 2007 Bonds shall be deposited with the Paying Agent as follows: \$2,719.54 shall be deposited in the 2007 Series A Bonds (Higher Education Facilities) Interest Account with the 2007 Series A Bond Fund (Higher Education Facilities).

(d) The remaining \$77,898.70 of the proceeds of the 2007 Bonds shall be paid by the Purchaser directly to Ambac Assurance Corporation for the Bond Insurance Policy for the 2007 Bonds.

Capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the General Resolution (the "University General Resolution") adopted on September 9, 1992, by the University of West Virginia Board of Trustees (the "Board of

2007. IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of April,

WEST VIRGINIA HIGHER EDUCATION
POLICY COMMISSION

By: B. Noland
Dr. Brian Noland, Chancellor

468935

\$25,915,000
STATE OF WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES)
2007 SERIES A

CERTIFICATE REGARDING ADDITIONAL BONDS

The undersigned, Dr. Brian Noland, Chancellor of the West Virginia Higher Education Policy Commission (the "Commission"), hereby certifies, for and on behalf of the Commission, to the West Virginia Municipal Bond Commission, as Paying Agent and Escrow Agent, (the "Paying Agent") and Bank of New York Trust Company, N.A., as Registrar (the "Trust Company") for the State of West Virginia Higher Education Policy Commission Revenue Refunding Bonds (Higher Education Facilities), 2007 Series A (the "2007 Bonds"), pursuant to a General Resolution (the "University General Resolution") adopted on September 9, 1992, by the University of West Virginia Board of Trustees (the "Board of Trustees") and a General Resolution (the "College General Resolution" and together with the University General Resolution, the "General Resolution") adopted on September 9, 1992, by the Board of Directors of the State College System (the "Board of Directors"), predecessors to the Commission, as amended and supplemented from time to time including the Fourth Consolidated Supplemental Resolution of the Commission adopted March 15, 2007 (the "Fourth Consolidated Supplemental Resolution"), and the Certificate of Determination, dated April 4, 2007, as follows:

(i) all payments into the respective funds and accounts provided for in the General Resolution and any Related Supplemental Resolution respecting Bonds heretofore issued and currently Outstanding have been made in full to the date of issuance and delivery of the 2007 Bonds and no Event of Default under the General Resolution or any Related Supplemental Resolution is now existing; and

(ii) the Revenues of the type set forth in subsection (i) of the definition of "Revenues" in Section 1.02 of the Resolution, collected by the Commission for the last Fiscal Year preceding the date of issuance of the 2007 Bonds have been not less than 100% of the largest amount of Debt Service due in any Fiscal Year hereafter on the 2007 Bonds and the Prior Bonds; or

(iii) (a) the Revenues (excluding proceeds of any Bonds and earnings thereon) collected by the Commission for the last Fiscal Year preceding the date of issuance of the 2007 Bonds, plus Projected Revenues (as defined below) have been not less than 100% of the largest amount of Debt Service due in any Fiscal Year hereafter on the 2007 Bonds and the Prior Bonds (other than Bonds to be Refunded); and (b) Projected Revenues have not been greater than 20% of the largest amount of Debt Service due in any Fiscal Year hereafter on the 2007 Bonds and the Prior Bonds. For purposes of this section (iii), Projected Revenues may include any Revenues which were not in effect or which were not pledged under the General Resolution during the last Fiscal Year, but which

Capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms Resolution.

WEST VIRGINIA HIGHER EDUCATION
POLICY COMMISSION

By: B. Noland
Dr. Brian Noland, Chancellor

468948

\$25,915,000
STATE OF WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES)
2007 SERIES A

CERTIFICATE OF ATTORNEY GENERAL REGARDING NO LITIGATION

The undersigned is the duly designated representative for the Attorney General for the State of West Virginia. In connection with the issuance by the West Virginia Higher Education Policy Commission (the "Commission") of its State of West Virginia Higher Education Policy Commission Revenue Refunding Bonds (Higher Education Facilities), 2007 Series A (the "2007 Bonds"), and the offering of the 2007 Bonds pursuant to an Official Statement dated April 4, 2007, I have reviewed the information contained in such Official Statement attached to this Certificate as Exhibit A. I hereby certify that there is no pending or, to my knowledge, threatened litigation against the Commission, which is not disclosed in the Official Statement and which would materially and adversely affect the issuance, validity and enforceability of the 2007 Bonds or the security therefor.

Dated this 17th day of April, 2007.

By: 
Deputy Attorney General
Designated Representative for the
Attorney General for the State of
West Virginia

\$25,915,000
STATE OF WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES)
2007 SERIES A

CERTIFICATE AS TO ACKNOWLEDGEMENT OF RECEIPT OF BOND PROCEEDS

On the date hereof, the undersigned, on behalf of Bank of New York Trust Company, N.A. and the Municipal Bond Commission, with respect to the \$25,915,000 in proceeds from the sale of the Revenue Refunding Bonds (Higher Education Facilities), 2007 Series A (the "2007 Bonds"), issued by the West Virginia Higher Education Policy Commission (the "Commission"), acknowledges receipt of and the deposit of funds as follows:

(i) Bank of New York Trust Company, N.A., as the Registrar (the "Registrar") shall deposit \$142,940.00 of the proceeds of the 2007 Bonds in the 2007 Series A Bonds (Higher Education Facilities) Costs of Issuance Fund.

(ii) The Municipal Bond Commission as Paying Agent and Escrow Agent (the "Paying Agent") shall deposit \$25,750,063.62 of the proceeds of the 2007 Bonds in the 2007 Series A Bonds (Higher Education Facilities) Escrow Fund.

(iii) The Paying Agent shall deposit \$2,719.54 of the proceeds of the 2007 Bonds in the 2007 Series A Bonds (Higher Education Facilities) Interest Account within the 2007 Series A Bond Fund (Higher Education Facilities).

BANK OF NEW YORK TRUST
COMPANY, N.A., Registrar

By: 
Joseph C. Progar, Vice President

MUNICIPAL BOND COMMISSION, as
Paying Agent

By: 
Sara Boardman, Executive Director

\$25,915,000
STATE OF WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES)
2007 SERIES A

CERTIFICATE OF THE WEST VIRGINIA LOTTERY

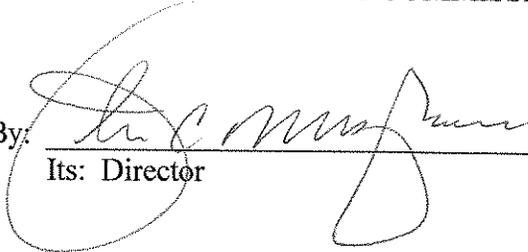
The undersigned, on behalf of the West Virginia Lottery Commission (the "Lottery Commission") in accordance with a General Resolution (the "University General Resolution") adopted on September 9, 1992, by the University of West Virginia Board of Trustees (the "Board of Trustees") and a General Resolution (the "College General Resolution" and together with the University General Resolution, the "General Resolution") adopted on September 9, 1992, by the Board of Directors of the State College System (the "Board of Directors"), predecessors to the West Virginia Higher Education Policy Commission (the "Commission"), as amended by the Fourth Consolidated Supplemental Resolution of the Commission adopted March 15, 2007 (the "Fourth Consolidated Supplemental Resolution"), with respect to the State of West Virginia Higher Education Policy Commission Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A, issued by the Commission in the aggregate principal amount of \$25,915,000 (the "2007 Bonds"), certifies as follows:

(1) the Lottery Commission has no reason to believe that, the financial statements relating to the West Virginia Lottery included as Appendix D in the Official Statement do not fairly present the respective financial positions and results of operations of the West Virginia Lottery as of the dates and for the periods therein set forth, and such financial statements have been prepared in conformity with generally accepted accounting principles (or, alternatively, generally accepting auditing principles) consistently applied in all material respects to the periods involved, except as otherwise stated in the notes thereto; (2) since June 30, 2006 there has not been any material adverse change in the properties, financial position or results of operations of the Lottery Commission, whether or not arising from transactions in the ordinary course of business, other than as set forth in the Official Statement, and since such date the Lottery Commission has not entered into any transaction or incurred any liability material as to the Lottery Commission, except as set forth in the Official Statement; (3) there are not pending or, to their knowledge, threatened, legal or administrative proceedings to which the Lottery Commission is a party or to which property of the Lottery Commission is subject, which are material as to the Lottery Commission and not disclosed in the Official Statement or which will materially and adversely affect the transactions contemplated hereby or by the Official Statement or which will materially and adversely affect the validity or enforceability of the 2007 A Bonds or the Bond Purchase Agreement; (4) the information contained in the Official Statement relating to the Lottery Commission, including but not limited to the statements contained in the Official Statement under the caption "Revenues, Debt Service Coverage And Select Financial Information," and Appendix C and ("Lottery Commission Official Statement Information") are true and correct in all material respects and does not contain any untrue or incorrect statement of a material fact and does not omit to state a material

fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading, in any material respect; and (5) if, at any time prior to receipt of notice from the Underwriters pursuant to Section 6(c) of the Bond Purchase Agreement that Final Official Statement is no longer required to be delivered under the Rule, any event occurs (including events of which such officer has received notice by any means) as a result of which the Lottery Commission Official Statement Information, as then amended or supplemented might include an untrue statement of a material fact, or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, in any material respect, such officer shall promptly notify the Underwriters thereof and, upon request of the Underwriters, shall assist in the preparation of an amendment or supplement which will correct such statement or omission at the expense of the Underwriters.

Dated: April 17, 2007

WEST VIRGINIA LOTTERY COMMISSION

By: 

Its: Director

468960

CERTIFICATE OF BOND INSURER

In connection with the issuance of \$25,915,000 in aggregate principal amount of State of West Virginia Higher Education Policy Commission (the "Obligor"), Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A, dated their date of delivery (the "Obligations"), Ambac Assurance Corporation ("Ambac") is issuing a Financial Guaranty Insurance Policy (the "Insurance Policy") guaranteeing the payment of principal and interest when due on the Obligations, all as more fully set out in the Insurance Policy.

On behalf of Ambac, the undersigned hereby certifies that:

(i) the Insurance Policy is an unconditional and recourse obligation of Ambac (enforceable by or on behalf of the holders of the Obligations) to pay the scheduled payments of interest and principal on the Obligations in the event of a Nonpayment as defined in the Insurance Policy;

(ii) the insurance premium of \$77,898.70 was determined in arm's length negotiations in accordance with our standard procedures, is required to be paid as a condition to the issuance of the Insurance Policy and represents a reasonable charge for the transfer of credit risk;

(iii) no portion of such premium represents a payment for any direct or indirect services other than the transfer of credit risk, including costs of underwriting or remarketing the Obligations or the cost of insurance for casualty of Obligation financed property;

(iv) we are not co-obligors on the Obligations and do not reasonably expect that we will be called upon to make any payment under the Insurance Policy; and

(v) the Obligor is not entitled to a refund of any portion of the premium for the Insurance Policy in the event that the Obligations are retired prior to their stated maturity.

IN WITNESS WHEREOF, Ambac Assurance Corporation has caused this certificate to be executed in its name on this 17th day of April, 2007, by one of its officers duly authorized as of such date.

AMBAC ASSURANCE CORPORATION

By: Dwight Kwa
Dwight Kwa
Vice President and
Assistant General Counsel

Ambac



SPILMAN THOMAS & BATTLE, PLLC

ATTORNEYS AT LAW

April 17, 2007

West Virginia Higher Education Policy Commission
1018 Kanawha Boulevard, East, Suite 700
Charleston, West Virginia 25301

Municipal Bond Commission
8 Capitol Street, Suite 500
Charleston, West Virginia 25301

Bank of New York Trust Company, N.A.
One Oxford Centre, Suite 1100
301 Grant Street
Pittsburgh, PA 15219

Ambac Assurance Corporation
One State Street Plaza
New York, NY 10004

Re: \$25,915,000 State of West Virginia Higher Education Policy
Commission Revenue Refunding Bonds (Higher Education
Facilities) 2007 Series A

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the West Virginia Higher Education Policy Commission (the "Commission") of its \$25,915,000 aggregate principal amount State of West Virginia Higher Education Policy Commission Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A, dated as of April 17, 2007 (the "2007 A Bonds"). We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion. We have also examined an unauthenticated specimen 2007 A Bond.

The Commission, a commission of the State of West Virginia (the "State"), is the successor to the Board of Directors of the State College System and the University of West Virginia Board of Trustees (collectively, the "Boards") and is empowered and authorized to issue bonds pursuant to Chapter 18B, Articles 1, 1B, 2, 3 and 10, Chapter 18, Article 12B, and Chapter 13, Article 2G of the Code of West Virginia, 1931, as amended, (collectively, the "Act") in furtherance of the public purposes as found and determined by the Legislature of West Virginia as set forth in the Act. The 2007 A Bonds are issued pursuant to the Act and other applicable laws, and in accordance with a General Resolution adopted by each of the Boards on September

West Virginia Higher Education Policy Commission
West Virginia Municipal Bond Commission
Bank of New York Trust Company, N.A.
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April 17, 2007
Page 2

9, 1992 (the "General Resolutions"), as amended and supplemented from time to time including the Fourth Consolidated Supplemental Resolution of the Commission adopted March 15, 2007 (the "Fourth Consolidated Supplemental Resolution" and together with the General Resolutions, collectively the "Resolution"). Proceeds of the 2007 A Bonds are issued to refund certain outstanding bonds in the principal amount of \$24,815,000 and to pay the costs associated with the issuance of the 2007 A Bonds.

The Commission has also entered into a Tax Compliance Certificate, dated as of the date hereof (the "Tax Certificate"), which, among other things, sets forth restrictions on the investment and expenditure of the 2007 A Bonds proceeds and earnings thereon, to ensure that the requirements of the Internal Revenue Code of 1986, as amended, and regulations promulgated pursuant thereto (collectively, the "Code"), necessary to establish and maintain the excludability from gross income for federal income tax purposes of the interest on the 2007 A Bonds, are and will continue to be met.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the 2007 A Bonds (except to the extent, if any, stated in the Official Statement) and we express no opinion relating thereto.

As to questions of fact material to our opinion, we have relied upon the representations of the Commission and other entities contained in the herein-described documents and certifications furnished to us by or on behalf of the Commission, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Commission is a commission of the State with power to adopt the Resolution, to execute and deliver the Resolution, the Tax Certificate, and the Escrow Agreement and to perform the agreements on its part contained therein and to issue the 2007 A Bonds.

2. The Resolution has been duly adopted by the Commission, is in full force and effect, and is valid and binding upon the Commission and enforceable against the Commission in accordance with its terms (except to the extent that the enforceability thereof may

West Virginia Higher Education Policy Commission
West Virginia Municipal Bond Commission
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Page 3

be limited by the operation of bankruptcy, insolvency and similar laws affecting rights and remedies of creditors).

3. The Tax Certificate has been duly authorized, executed and delivered by the Commission and, assuming due authorization, execution and delivery by the other parties thereto, constitutes a valid and binding agreement of the Commission, enforceable against the Commission in accordance with the respective terms thereof.

4. The Resolution creates the valid pledge which it purports to create of the Revenues (as defined in the Resolution), and other funds and accounts pledged under the Resolution, including but not limited to the pledge of funds deposited on and after July 1, 2004, in the higher education improvement fund, subject to the terms thereof.

5. The Escrow Agreement has been duly authorized, executed and delivered by the Commission and, assuming due authorization, execution and delivery by the other parties thereto, constitutes a valid and binding agreement of the Commission, enforceable against the Commission in accordance with the respective terms thereof.

6. The 2007 A Bonds have been duly authorized, executed and delivered by the Commission and, assuming proper authentication, are valid and binding special obligations of the Commission, payable solely from the sources provided therefor in the Resolution.

7. In our opinion, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2007 A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. We are of the further opinion that interest on the 2007 A Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the 2007 A Bonds. The Commission has covenanted to comply with certain restrictions designed to insure that interest on the 2007 A Bonds will not be included in federal gross

West Virginia Higher Education Policy Commission
West Virginia Municipal Bond Commission
Bank of New York Trust Company, N.A.
Ambac Assurance Corporation
April 17, 2007
Page 4

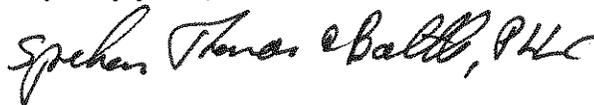
income. Failure to comply with these covenants may result in interest on the 2007 A Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the 2007 A Bonds. We assume compliance with these covenants. We have not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the 2007 A Bonds may adversely affect the value of, or the tax status of interest on the 2007 A Bonds.

Certain requirements and procedures contained or referred to in the Resolution, the Tax Certificate, the Escrow Agreement, and other relevant documents may be changed and certain actions may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. We express no opinion as to any Bond or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of bond counsel other than this firm.

8. Under the Act, the 2007 A Bonds shall, together with the interest thereon, be exempt from all taxation by the State of West Virginia or by any county, school district, municipality or political subdivision thereof.

The rights of the holders of the 2007 A Bonds and the enforceability of the 2007 A Bonds, the Resolution, the Tax Certificate, the Escrow Agreement, and the liens and pledges set forth therein may be subject to and limited by bankruptcy laws and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that the enforcement thereof may also be subject to general principles of equity and to the exercise of judicial discretion.

Very truly yours,



Spilman Thomas & Battle, PLLC



SPILMAN THOMAS & BATTLE, PLLC

ATTORNEYS AT LAW

April 17, 2007

West Virginia Higher Education Policy Commission
1018 Kanawha Boulevard, East, Suite 700
Charleston, West Virginia 25301

Citigroup Global Markets, Inc.
390 Greenwich Street, 2nd Floor
New York, NY 10013

Crews & Associates, Inc.
300 Summers Street, Suite 930
Charleston, West Virginia 25301

Ferris, Baker Watts, Incorporated
100 Laidley Tower
Charleston, West Virginia 25301

Re: \$25,915,000 State of West Virginia Higher Education Policy
Commission Revenue Refunding Bonds (Higher Education
Facilities) 2007 Series A

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance of the above-referenced Bonds (the "2007 Bonds") of the West Virginia Higher Education Policy Commission (the "Commission"), issued pursuant to the Constitution and laws of the State, including particularly Chapter 18B, Articles 1, 1B, 2, 3 and 10, Chapter 18, Article 12B, and Chapter 13, Article 2G (collectively, the "Act"), in furtherance of the public purposes as found and determined by the Legislature of West Virginia as set forth in the Act. The 2007 Bonds are issued pursuant to the Act and other applicable laws, and in accordance with a General Resolution (the "University General Resolution") adopted on September 9, 1992, by the University of West Virginia Board of Trustees (the "Board of Trustees") and a General Resolution (the "College General Resolution" and together with the University General Resolution, the "General Resolution") adopted on September 9, 1992, by the Board of Directors of the State College System (the "Board of Directors"), predecessors to the Commission, as amended and supplemented from time to time including the Fourth Consolidated Supplemental Resolution of the Commission adopted March 15, 2007 (the "Fourth Consolidated Supplemental Resolution" and together with the General Resolutions, collectively the "Resolution").

West Virginia Higher Education Policy Commission
Citigroup Global Markets Inc.
Ferris, Baker Watts, Inc.
Crews & Associates, Inc.
April 17, 2007
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We are rendering our final approving opinion of even date herewith in connection with the authorization, issuance and delivery of the 2007 Bonds to Citigroup Global Markets, Inc., Ferris, Baker Watts, Inc., and Crews & Associates, Inc., as the Underwriters named in the Bond Purchase Agreement dated as of April 4, 2007 (the "Bond Purchase Agreement"), relating to the 2007 Bonds.

In rendering this opinion, we reviewed records of the acts taken by the Commission in connection with the authorization, sale and issuance of the 2007 Bonds, including a record of proceedings of the Commission relating to the authorization, execution and delivery of the Bond Purchase Agreement, and the Certificate of Determination, dated April 4, 2007, executed by the Chancellor of the Commission, and we were present at various meetings for the preparation of various parts of the Official Statement relating to the 2007 Bonds, dated and executed by the Chancellor of the Commission on April 4, 2007 (the "Official Statement").

Based upon the foregoing, we are of the opinion that:

1. The Bond Purchase Agreement has been duly authorized, executed and delivered by the Commission, and (assuming due authorization, execution and delivery by the Underwriters and that it is a binding agreement of the Underwriters in accordance with its terms) constitutes a binding agreement of the Commission in accordance with its terms.
2. The Bond Documents have been duly authorized, executed, acknowledged and delivered by the Commission (assuming due authorization, execution and delivery by the other parties thereto) and are legal, valid and binding agreements of the Commission enforceable in accordance with their respective terms (except as enforcement of remedies may be limited by bankruptcy, insolvency or other laws and equitable principles affecting the right of creditors).
3. The 2007 Bonds are exempt from registration requirements pursuant to the Securities Act of 1933, as amended, and the Resolutions are exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended.
4. The Official Statement has been duly approved, executed and delivered by the Commission.



West Virginia Higher Education Policy Commission
Citigroup Global Markets Inc.
Ferris, Baker Watts, Inc.
Crews & Associates, Inc.
April 17, 2007
Page 3

5. The statements contained in the Official Statement under the caption "Tax Matters" are true and accurate in all material respects and present a fair and accurate summary and description of the matters summarized and described under such caption.

6. The statements contained in the Official Statement under the captions "Introduction," "The 2007 A Bonds," "Security for the 2007 A Bonds," (excepting matters as to the "Book-Entry-Only System") "Revenues, Debt Service Coverage and Select Financial Information" (as to matters related to the "Pledged Educational and General Capital Fees" and "Pledged Excess Lottery Revenues" and the General Resolution only), "Appendix E - Summary of Certain Provision of the Principal Documents," and "Appendix F - Proposed Form of Opinion of Bond Counsel, and "Appendix J - Information Concerning The Commission and the General Resolution," do not contain any untrue statement of a material fact or omit to state a material fact necessary to make such statements, in light of the circumstances under which they were made, not misleading in any material respect.

Very truly yours,

Spilman Thomas & Battle, PLLC



**WEST VIRGINIA
H I G H E R
E D U C A T I O N
P O L I C Y
C O M M I S S I O N**

DAVID R. TYSON
INTERIM CHAIR

BRIAN NOLAND
CHANCELLOR

April 17, 2007

Spilman Thomas & Battle, PLLC
300 Kanawha Blvd, East
Charleston, WV 25301

West Virginia Higher Education
Policy Commission
1018 Kanawha Blvd, East, Suite 700
Charleston, WV 25301

Ambac Assurance Corporation
One State Street Plaza
New York, New York 10004

Citigroup Global Markets Inc.
390 Greenwich Street, 2nd Floor
New York, NY 10013

Ferris, Baker Watts, Inc.
100 Laidley Towers
Charleston, WV 25301

Crews & Associates, Inc.
300 Summers Street, Suite 930
Charleston, WV 25301

Re: \$25,915,000 State of West Virginia Higher Education
Policy Commission Revenue Refunding Bonds (Higher
Education Facilities) 2007 Series A

Ladies and Gentlemen:

I have acted as Counsel to the West Virginia Higher Education Policy Commission (the "Commission") in connection with the sale by the Commission of the above-captioned bonds (the "2007 Bonds") to Citigroup Capital Markets Inc., Ferris, Baker Watts, Inc., and Crews & Associates, Inc. (the "Underwriters"), pursuant to a Bond Purchase Agreement dated April 4, 2007 (the "Bond Purchase Agreement") between the Commission and the Underwriters. The 2007 Bonds are issued in accordance with a General Resolution (the "University General Resolution") adopted on September 9, 1992, by the University of West Virginia Board of Trustees (the "Board of Trustees") and a General Resolution (the "College General Resolution" and together with the University General Resolution, the "General Resolution") adopted on September 9, 1992, by the Board of Directors of the State College System (the "Board of Directors"), predecessors to the Commission, as amended and supplemented from time to time including the Fourth Consolidated Supplemental Resolution of the Commission adopted March 15, 2007 (the "Fourth Consolidated Supplemental Resolution" and together with the General Resolutions, collectively the "Resolution").

I hereby state no litigation is pending or, to my knowledge, threatened (a) to restrain or enjoin the issuance or delivery of any of the 2007 Bonds or the collection of Revenues and other funds pledged under the Commission

Documents and the Bond Documents, (b) in any way contesting the power or the authority of the Commission for the issuance of the 2007 Bonds or the validity of the Resolution, the 2007 Bonds, the Bond Purchase Agreement or the Bond Documents, (c) in any way contesting the existence or powers of the Commission relating to the issuance of the 2007 Bonds.

To the best of my knowledge, no event affecting the Commission has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purpose for which it is to be used or that is necessary to disclose therein in order to make the statements and information therein with respect to the Commission not misleading in any material respect.

The Commission is a commission of the State and existing under the provisions of the Act, and has full legal right, power and authority to enter into the Bond Documents and each constitutes the legal, valid and binding agreement of the Commission enforceable in accordance with its respective terms (subject to bankruptcy, insolvency and other laws affecting the rights of creditors generally and to general principles of equity), and compliance with the provisions of each thereof will not conflict with or constitute a violation or breach of or default under any existing law or administrative rule or regulation, or any court order or decree or any agreement, contract or other instrument, to which the Commission is party or otherwise subject or bound.

The Official Statement has been duly approved, executed and delivered by the Commission and the statements contained in the Official Statement under the captions "Plan of Finance," "Security for the 2007A Bonds," "Revenues, Debt Service Coverage And Select Financial Information," "The Commission," "West Virginia Higher Education," "Litigation," and "Continuing Disclosure" (as such information pertains to the Commission) do not contain any untrue statement of a material fact or omit to state a material fact necessary to make such statements, in light of the circumstances under which they were made, not misleading in any material respect.

Very truly yours,

A handwritten signature in black ink, appearing to read "Bruce R. Walker". The signature is stylized and cursive.

Bruce R. Walker
Counsel to the West Virginia Higher
Education Policy Commission



Lewis Glasser
Casey & Rollins
PLLC
LAW OFFICES

300 Summers Street
BB&T Square, Suite 700
Post Office Box 1746
Charleston, WV 25326
Telephone: 304.345.2000
Telecopier: 304.343.7999

Writer's Contact Information:
304.345.2000

April 17, 2007

Citigroup Global Markets, Inc.
Public Finance Department
390 Greenwich St., 2nd Floor
New York, NY 10013

Crews & Associates, Inc.
300 Summers Street, Suite 930
Charleston, WV 25301

Ferris, Baker Watts, Incorporated
500 Lee Street, East, Suite 100
Charleston, WV 25301

Ambac Assurance Corporation
One State Street Plaza, 15th Floor
New York, NY 10004

Re: \$25,915,000 State of West Virginia Higher Education Policy
Commission Revenue Refunding Bonds (Higher Education Facilities)
2007 Series A

Ladies and Gentlemen:

We have acted as counsel to you, Citigroup Global Markets, Inc., Crews & Associates, Inc. and Ferris, Baker Watts, Incorporated (collectively, the "Underwriters") in connection with the issuance and sale by the State of West Virginia Higher Education Policy Commission (the "Commission") of its Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A, in the aggregate principal amount of \$25,915,000 (the "2007 A Bonds").

In connection with rendering this opinion, we have examined the Official Statement dated April 4, 2007, the Bond Purchase Agreement dated April 4, 2007 (the "Purchase Agreement"), and Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"). Capitalized terms used but not defined herein shall have the meanings set forth in the Purchase Agreement.

Lewis Glasser
Casey & Rollins
PLLC

Citigroup Global Markets, Inc
Crews & Associates, Inc
Ferris, Baker Watts, Incorporated
Ambac Assurance Corporation
April 17, 2007
Page - 3 -

This opinion is solely for the benefit of, and may be relied upon only by, the Underwriters and by Ambac Assurance Corporation; and it is not to be used, circulated, quoted or otherwise referred to for any other purpose, except that a copy hereof may be included in the transcript of closing documents pertaining to the delivery of the 2007 A Bonds.

Respectfully submitted,

Lewis, Glasser, Casey & Rollins, PLLC



SPILMAN THOMAS & BATTLE, PLLC

ATTORNEYS AT LAW

April 17, 2007

West Virginia Higher Education Policy Commission
1018 Kanawha Boulevard, East, Suite 700
Charleston, West Virginia 25301

Municipal Bond Commission
8 Capitol Street, Suite 500
Charleston, WV 25301

Bank of New York Trust Company, N.A.
One Oxford Centre, Suite 1100
301 Grant Street
Pittsburgh, PA 15219

Ambac Assurance Corporation
One State Street Plaza
New York, NY 10004

Re: \$25,915,000 State of West Virginia Higher Education Policy
Commission Revenue Refunding Bonds (Higher Education
Facilities) 2007 Series A

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance of the above-referenced Bonds (the "2007 Bonds") of the West Virginia Higher Education Policy Commission (the "Commission"), issued pursuant to the Constitution and laws of the State, in particular Chapter 18B, Articles 1, 1B, 2, 3 and 10, Chapter 18, Article 12B, and Chapter 13, Article 2G of the Code of West Virginia, 1931, as amended, (collectively, the "Act"), in furtherance of the public purposes as found and determined by the Legislature of West Virginia as set forth in the Act. The 2007 Bonds are issued pursuant to the Act and other applicable laws, and in accordance with a General Resolution (the "University General Resolution") adopted on September 9, 1992, by the University of West Virginia Board of Trustees (the "Board of Trustees") and a General Resolution (the "College General Resolution" and together with the University General Resolution, the "General Resolution") adopted on September 9, 1992, by the Board of Directors of the State College System (the "Board of Directors"), predecessors to the Commission, as amended and supplemented from time to time including the Fourth Consolidated Supplemental Resolution of the Commission adopted March 15, 2007 (the "Fourth Consolidated Supplemental Resolution" and together with the General Resolutions, collectively the "Resolution"). Capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the General Resolution.

West Virginia Higher Education Policy Commission
West Virginia Municipal Bond Commission
Bank of New York Trust Company, N.A.
Ambac Assurance Corporation
April 17, 2007
Page 2

In rendering this opinion, we reviewed records of the acts taken by the Commission in connection with the authorization, sale and issuance of the 2007 Bonds, including the record of proceedings of the Commission relating to the authorization, execution and delivery of the 2007 Bonds.

The opinion in this paragraph is being rendered pursuant to Section 2.03(b) of the General Resolution and Section 2.07(c) of the Fourth Consolidated Supplemental Resolution. We are of the opinion that: (i) the Fourth Consolidated Supplemental Resolution has been duly and lawfully adopted and is in full force and effect; (ii) the General Resolution has been duly and lawfully adopted and is valid and binding upon, and enforceable against the Commission (except to the extent that the enforceability thereof may be limited by the operation of bankruptcy, insolvency and similar laws affecting the rights and remedies of creditors); (iii) the General Resolution creates the valid pledge which it purports to create of the Revenues, and the funds deposited in the higher education improvement fund created under Chapter 29, Article 22, Section 18a of the Code of West Virginia, 1931, as amended, and moneys and securities on deposit in any of the Funds established thereunder subject to the application thereof to the purposes and on the conditions permitted by the General Resolution; and (iv) upon execution and delivery thereof, the 2007 Bonds will have been duly and validly authorized and issued in accordance with the General Resolution.

Very truly yours,



Spilman Thomas & Battle, PLLC



SPILMAN THOMAS & BATTLE, PLLC
ATTORNEYS AT LAW

April 17, 2007

West Virginia Higher Education Policy Commission
1018 Kanawha Boulevard, East, Suite 700
Charleston, West Virginia 25301

Re: \$25,915,000 State of West Virginia Higher Education Policy
Commission Revenue Refunding Bonds (Higher Education
Facilities) 2007 Series A

Ladies and Gentlemen:

We are acting as bond counsel in connection with the proposed issuance of the above-referenced Bonds (the "2007 Bonds") of the West Virginia Higher Education Policy Commission (the "Commission"), which are proposed to be issued pursuant to the Constitution and laws of the State, including particularly Chapter 18B, Articles 1, 1B, 2, 3 and 10, Chapter 18, Article 12B, and Chapter 13, Article 2G of the Code of West Virginia, 1931, as amended, (collectively, the "Act"). The 2007 Bonds are issued pursuant to the Act and other applicable laws, and in accordance with a General Resolution adopted by each of the Boards on September 9, 1992 (the "General Resolutions"), as amended and supplemented from time to time including the Fourth Consolidated Supplemental Resolution of the Commission adopted March 15, 2007 (the "Resolution").

In rendering this opinion, we reviewed records of the acts taken by the Commission in connection with the Resolution and such other documents and records as we have deemed necessary. Capitalized terms used and not otherwise defined herein have the respective meanings given them in the Resolution.

The opinion in this paragraph is being rendered pursuant to Section 10.06 of the General Resolution, with respect to the proposed adoption by the Commission of the Resolution. We are of the opinion that the adoption and subsequent execution and delivery of the Resolution is authorized under the General Resolution and the Act, and will not adversely affect the excludability from gross income of the recipients thereof of interest on the Tax-Exempt Bonds for federal income tax purposes.

Very truly yours,

Spilman Thomas & Battle, PLLC

469041



SPILMAN THOMAS & BATTLE, PLLC

ATTORNEYS AT LAW

April 17, 2007

West Virginia Higher Education Policy Commission
1018 Kanawha Boulevard, East, Suite 700
Charleston, West Virginia 25301

Bank of New York Trust Company, N.A.
One Oxford Centre, Suite 1100
301 Grant Street
Pittsburgh, PA 15219

Ambac Assurance Corporation
One State Street Plaza
New York, NY 10004

Citigroup Global Markets, Inc.
New York, New York

Crews & Associates, Inc.
Charleston, West Virginia

Ferris, Baker Watts, Incorporated
Charleston, West Virginia

Re: \$25,915,000 State of West Virginia Higher Education Policy
Commission Revenue Refunding Bonds (Higher Education
Facilities) 2007 Series A

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the West Virginia Higher Education Policy Commission (the "Commission") of its \$25,915,000 aggregate principal amount State of West Virginia Higher Education Policy Commission Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A, dated as of April 17, 2007 (the "2007 Bonds").

A portion of the 2007 Bonds maturing on April 1, 2008 through April 1, 2017, each inclusive, and April 1, 2027 (collectively, the "OIP Bonds"), whether at original issuance or otherwise, for an amount greater than the principal amount payable at maturity will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the OIP Bonds, the interest on which is excluded from gross income for



federal income tax purposes. However, the amount of tax exempt interest received, and a purchaser's basis in a OIP Bond, will be reduced by the amount of amortizable bond premium properly allocable to such purchaser. Owners of OIP Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Very truly yours,

A handwritten signature in cursive script that reads "Spilman Thomas & Battle, PLLC".

Spilman Thomas & Battle, PLLC



SPILMAN THOMAS & BATTLE, PLLC

ATTORNEYS AT LAW

April 17, 2007

West Virginia Higher Education Policy Commission
1018 Kanawha Boulevard, East, Suite 700
Charleston, West Virginia 25301

Bank of New York Trust Company, N.A.
One Oxford Centre, Suite 1100
301 Grant Street
Pittsburgh, PA 15219

Ambac Assurance Corporation
One State Street Plaza
New York, NY 10004

Citigroup Global Markets, Inc.
New York, New York

Crews & Associates, Inc.
Charleston, West Virginia

Ferris, Baker Watts, Incorporated
Charleston, West Virginia

Re: \$25,915,000 State of West Virginia Higher Education Policy
Commission Revenue Refunding Bonds (Higher Education
Facilities) 2007 Series A

Ladies and Gentlemen:

We have served as bond counsel with respect to the above-referenced bonds (the "Bonds"). The initial public offering price of certain of the Bonds maturing on April 1, 2018 through April 1, 2024 (the "Discount Bonds"), is less than that amount payable on the Discount Bonds at maturity. The difference between the initial public offering price at which the Discount Bonds were sold and the amount payable at maturity constitutes an original issue discount ("OID"). In the case of any original Holder of a Discount Bond, the amount of the OID which is treated as having accrued with respect to such Discount Bond is added to the cost basis of the Holder in determining, for federal income tax purposes, gain or loss upon its disposition (including its sale, redemption or payment at maturity). We are of the opinion that amounts received upon such disposition which are attributable to accrued OID will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.



SPILMAN THOMAS & BATTLE, PLLC
ATTORNEYS AT LAW

Very truly yours,

Spilman Thomas & Battle, PLLC

Spilman Thomas & Battle, PLLC

469046



SPILMAN THOMAS & BATTLE, PLLC
ATTORNEYS AT LAW

April 17, 2007

Citigroup Global Markets, Inc.
390 Greenwich Street, 2nd Floor
New York, New York 10013

Ferris, Baker Watts, Inc.
100 Laidley Towers
Charleston, West Virginia 25301

Crews & Associates, Inc.
300 Summers Street, Suite 930
Charleston, West Virginia 25301

Ambac Assurance Corporation
One State Street Plaza
New York, NY 10004

Re: \$25,915,000 State of West Virginia Higher Education Policy
Commission Revenue Refunding Bonds (Higher Education
Facilities) 2007 Series A

Ladies and Gentlemen:

We have delivered our opinions of even date herewith, copies of which are attached. You may rely upon these opinions as if specifically addressed to you.

Very truly yours,

Spilman Thomas & Battle, PLLC

469047



SPILMAN THOMAS & BATTLE, PLLC
ATTORNEYS AT LAW

April 17, 2007

West Virginia Higher Education Policy Commission
1018 Kanawha Boulevard, East, Suite 700
Charleston, West Virginia 25301

Municipal Bond Commission
8 Capitol Street, Suite 500
Charleston, West Virginia 25301

Ambac Assurance Corporation
One State Street Plaza
New York, NY 10004

Re: \$25,915,000 State of West Virginia Higher Education Policy
Commission Revenue Refunding Bonds (Higher Education
Facilities) 2007 Series A

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance of the above-referenced Bonds (the "2007 Bonds") of the West Virginia Higher Education Policy Commission (the "Commission"), issued pursuant to the Constitution and laws of the State, including particularly Chapter 18B, Articles 1, 1B, 2, 3 and 10, Chapter 18, Article 12B, and Chapter 13, Article 2G (collectively, the "Act"), in furtherance of the public purposes as found and determined by the Legislature of West Virginia as set forth in the Act. The 2007 Bonds are issued pursuant to the Act and other applicable laws, and in accordance with a General Resolution (the "University General Resolution") adopted on September 9, 1992, by the University of West Virginia Board of Trustees (the "Board of Trustees") and a General Resolution (the "College General Resolution" and together with the University General Resolution, the "General Resolution") adopted on September 9, 1992, by the Board of Directors of the State College System (the "Board of Directors"), predecessors to the Commission, as amended and supplemented from time to time including the Fourth Consolidated Supplemental Resolution of the Commission adopted March 15, 2007 (the "Fourth Consolidated Supplemental Resolution" and together with the General Resolutions, collectively the "Resolution"). We are rendering our final approving opinion of even date herewith in connection with the authorization, issuance and delivery of the 2007 Bonds to Citigroup Global Markets, Inc., Ferris, Baker Watts, Inc., and Crews & Associates, Inc., as the Underwriters named in the Bond Purchase Agreement dated as of April 4, 2007 (the "Bond Purchase Agreement"), relating to the 2007 Bonds.



This opinion is rendered to you in connection with the refunding of a portion of the (i) \$9,920,000 State College System Revenue Bonds (College Improvement Projects) 1997 Series A (the "1997 Series A College Bonds"), (ii) \$12,610,000 University System Revenue Bonds (University Improvement Projects) 1997 Series A (the "1997 Series A University Bonds"), and (iii) \$9,360,000 University System Revenue Bonds (Marshall University Medical Center) 2000 Series B, (the "2000 Series B Bonds" and together with the 1997 Series A College Bonds, the 1997 Series A University Bonds, the "Refunded Bonds").

In connection with this opinion, we have examined: (i) the Fourth Consolidated Supplemental Resolution; and (ii) the verification report of Causey Demgen & Moore Inc., Certified Public Accountants dated April 17, 2007; and (iii) such other instruments as we have believed necessary to render this opinion.

Based on the foregoing, we are of the opinion that the Refunded Bonds are deemed to have been paid within the meaning of Section 8.01 of the General Resolution and that such refunding will not adversely affect the exclusion of the interest on the Refunded Bonds for federal income taxation.

In rendering the foregoing opinion, we have assumed the due authorization, execution and delivery by and the binding effect upon and enforceability against the Municipal Bond Commission of the Escrow Agreement.

Respectfully submitted,


Spilman Thomas & Battle, PLLC

April 17, 2007

State of West Virginia Higher Education
Policy Commission
1018 Kanawha Boulevard, East
Charleston, WV 25301

Citigroup Global Markets, Inc.
1650 Market Street
Philadelphia, PA 19103

Lewis, Glasser, Casey & Rollins, PLLC
300 Summers Street
Charleston, WV 25326

Spilman Thomas & Battle, PLLC
300 Kanawha Boulevard East
Charleston, WV 25326

The Bank of New York Trust Company, N.A.
301 Grant Street
Pittsburgh, PA 15219

West Virginia Municipal
Bond Commission
8 Capitol Street
Charleston, WV 25301

Ladies and Gentlemen:

This opinion has been requested of the undersigned, a Vice President and an Assistant General Counsel of Ambac Assurance Corporation, a Wisconsin stock insurance corporation ("Ambac Assurance"), in connection with the issuance by Ambac Assurance of a certain Financial Guaranty Insurance Policy, effective as of the date hereof (the "Policy"), insuring \$25,915,000 in aggregate principal amount of State of West Virginia Higher Education Policy Commission (the "Obligor"), Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A, dated their date of delivery (the "Obligations").

In connection with my opinion herein, I have examined the Policy and such statutes, documents and proceedings as I have considered necessary or appropriate under the circumstances to render the following opinion, including, without limiting the generality of the foregoing, certain statements contained in the Official Statement of the Obligor dated April 4, 2007 relating to the Obligations (the "Official Statement") under the headings "BOND INSURANCE" and "APPENDIX H - SPECIMEN BOND INSURANCE POLICY".

Based upon the foregoing and having regard to legal considerations I deem relevant, I am of the opinion that:

1. Ambac Assurance is a stock insurance corporation duly organized and validly existing under the laws of the State of Wisconsin and duly qualified to conduct an insurance business in the State of West Virginia.
2. Ambac Assurance has full corporate power and authority to execute and deliver the Policy, and the Policy has been duly authorized, executed and delivered by Ambac Assurance and constitutes a legal, valid and binding obligation of Ambac Assurance enforceable in accordance with its terms, except to the extent that the enforceability (but not the validity) of such obligation may be limited by any applicable bankruptcy, insolvency, liquidation, rehabilitation or other similar law or enactment now or hereafter enacted affecting the enforcement of creditors' rights.

Ambac



3. The execution and delivery by Ambac Assurance of the Policy will not, and the consummation of the transactions contemplated thereby and the satisfaction of the terms thereof will not, conflict with or result in a breach of any of the terms, conditions or provisions of the Certificate of Authority, Articles of Incorporation or By-Laws of Ambac Assurance, or any restriction contained in any contract, agreement or instrument to which Ambac Assurance is a party or by which it is bound or constitute a default under any of the foregoing.
4. Proceedings legally required for the issuance of the Policy have been taken by Ambac Assurance and licenses, orders, consents or other authorizations or approvals of any governmental boards or bodies legally required for the enforceability of the Policy have been obtained; any proceedings not taken and any licenses, authorizations or approvals not obtained are not material to the enforceability of the Policy.
5. The statements contained in the Official Statement under the heading "BOND INSURANCE", insofar as such statements constitute summaries of the matters referred to therein, accurately reflect and fairly present the information purported to be shown and, insofar as such statements describe Ambac Financial Group, Inc. (the "Company") and Ambac Assurance, fairly and accurately describe the Company and Ambac Assurance.
6. The form of the Policy contained in the Official Statement under the heading "APPENDIX H – SPECIMEN BOND INSURANCE POLICY" is a true and complete copy of the form of the Policy.

The opinions expressed herein are solely for your benefit, and may not be relied upon by any other person.

Very truly yours,

A handwritten signature in black ink, appearing to read "Dwight Kwa".

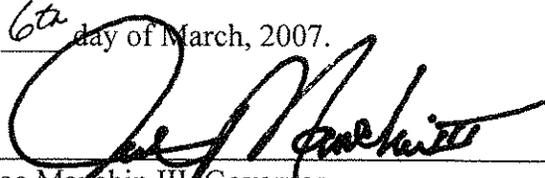
Dwight Kwa
Vice President and
Assistant General Counsel

**WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES)
2007 SERIES A**

CERTIFICATE OF GOVERNOR APPROVING ISSUANCE OF BONDS

Upon the basis of the documentation submitted to or by the West Virginia Higher Education Policy Commission (the "HEPC"), I, Joe Manchin III, as Governor of the State of West Virginia, at the request of the HEPC, pursuant to Chapter 5, Article 1, Section 28 of the Code of West Virginia of 1931, as amended (the "Act"), approve the issuance of the above-described bonds in an amount not to exceed \$30,000,000 (the "Bonds"), the proceeds of which are to be used for the purposes of refunding certain maturities of the State College System Revenue Bonds (College Improvement Projects) 1997 Series A, the Revenue Refunding Bonds (University Improvement Projects) 1997 Series A and the University System Revenue Bonds (Marshall University Medical Center) 2002 Series B, previously issued by the Authority or its predecessors and paying costs of issuance of the Refunding Bonds and other costs of such refunding, including the cost of the premium for the issuance of a bond insurance policy.

WITNESS my hand this 6th day of March, 2007.



Joe Manchin III, Governor
State of West Virginia

March 29, 2007

Lee O. Hill, Esq.
Spilman Thomas & Battle, PLLC
300 Kanawha Blvd. East
Charleston, WV 25301-0273

Ambac

RE: \$24,765,000* State of West Virginia Higher Education Policy Commission,
Revenue Refunding Bonds, (Higher Education Facilities), 2007 Series A, Dated
their Date of Delivery

Dear Mr. Hill:

Attached, please find the Commitment for Financial Guaranty Insurance, Commitment No. 31768 (the "Commitment"), relating to the above-captioned obligations (the "Obligations"). The Commitment should be delivered to, or held on behalf of, the Obligor of the Obligations, and if not exercised, should be discarded.

Our **Standard Package**, which contains the bond legend to appear on the Obligations and Ambac Assurance Corporation's ("Ambac") disclosure language to be inserted in the Official Statement, is enclosed with your commitment.

A camera-ready specimen of Ambac's Financial Guaranty Insurance Policy (the "Policy"), with any applicable endorsement, and our logo are also attached, with our **wire instructions**.

Upon the sale and final pricing of the issue sold with Ambac, proceed as follows:

1. **Please fax or e-mail your final debt service schedule and a distribution list** to our Commitment Coordinator (Anne Hall, Tel. 212-658-7585, Fax 212-208-3136, e-mail: ahall@ambac.com) who will confirm our premium. Please note that even if the premium is a flat fee, we still need a final debt service schedule, including P&I maturities, to input our system.
2. **As soon as you have a closing date**, please contact Yolanda Ortiz (Tel. 212-208-3553, Fax 212-208-3442), who will assign a Closing Coordinator and a policy number.
3. **Please fax or e-mail a final form of Preliminary Official Statement or Official Statement** to your Closing Coordinator as soon as possible for review and sign off.

THREE HARD COPIES of the final OFFICIAL STATEMENT must be sent to your CLOSING COORDINATOR as soon as available for prompt submission to the rating agencies.

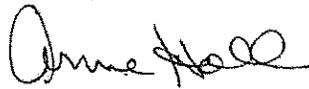
* Subject to change, with Ambac's approval.

Ambac

4. An opinion of Ambac's counsel regarding (a) the validity and enforceability of the Policy and (b) the fairness and accuracy of the language included in the Official Statement describing Ambac and the Policy, will be delivered at closing. The delivery of such opinion is dependent upon the prior review of such official statement by our legal department. A Certificate of Bond Insurer will also be delivered. The forms of these documents are included in the Standard Package.
5. Please refer to this Commitment for conditions which must be satisfied prior to Ambac's release of its Policy. **Final form of documents requested by your closing coordinator should be sent to his/her attention prior to the day of closing.**
6. In addition, as noted in the Commitment, the rating agencies assess separate fees in connection with the issuance of the rating letters. All questions regarding the payment of such fees must be addressed to the applicable agency.
7. On the morning of closing, bond counsel should call the closing coordinator with a wire reference number for the Ambac premium. Upon receipt of the wire number and the documents requested, the closing coordinator will release the Ambac Policy.
8. Lastly, **TWO** final transcripts, either on CD-ROM or printed material, as applicable, must be sent to the attention of Ambac's CORPORATE RECORDS department as soon as possible after closing.

If you have any questions, please do not hesitate to contact your **closing coordinator**.

Sincerely,



Anne Hall
Commitment Coordinator

Kate Hackett, Ambac's Credit Underwriter

Enclosures

cc: Jessica Donnelly
Citigroup Global Markets Inc.
One Liberty Place
1650 Market Street, 45th Floor
Philadelphia, PA 19102

Steven F. Luby
Lewis, Glasser, Casey & Rollins, PLLC
300 Summers Street, Suite 700
Charleston, WV 25326-1746

Ambac Assurance Corporation
One State Street Plaza
New York, NY 10004
212.668.0340

A member of Ambac Financial Group, Inc.

COMMITMENT FOR FINANCIAL GUARANTY INSURANCE

Obligor: STATE OF WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION

Commitment Number: 31768

Commitment Date: March 29, 2007

Expiration Date: June 27, 2007

Obligations: \$24,765,000* Revenue Refunding Bonds (Higher Education Facilities), 2007 Series A, Dated their Date of Delivery and maturing on April 1 in the years 2008 through 2027, both inclusive

Insurance premium: 0.198% of the total principal and interest due on the Obligations (Fitch Ratings, Moody's Investors Service and Standard & Poor's Credit Markets Services assess separate rating fees which are payable directly to them. Each rating agency will bill separately and all questions regarding the payment of such fees must be addressed to the applicable agency.)

Ambac Assurance Corporation ("Ambac"), a Wisconsin Stock Insurance Corporation,

hereby commits to issue a Financial Guaranty Insurance Policy (the "Policy") relating to the above-described debt obligations (the "Obligations"), substantially in the form imprinted in this Commitment, subject to the terms and conditions contained herein or added hereto (see conditions set forth herein).

To keep this Commitment in effect after the expiration date set forth above, a request for renewal must be submitted to Ambac prior to such expiration date. Ambac reserves the right to refuse wholly or in part to grant a renewal.

The Financial Guaranty Insurance Policy shall be issued if the following conditions are satisfied:

1. The documents to be executed and delivered in connection with the issuance and sale of the Obligations shall not contain any untrue or misleading statement of a material fact and shall not fail to state a material fact necessary in order to make the information contained therein not misleading.
2. No event shall occur which would permit any purchaser of the Obligations, otherwise required, not to be required to purchase the Obligations on the date scheduled for the issuance and delivery thereof.
3. There shall be no material change in or affecting the Obligations (including, without limitation, the security for the Obligations or the proposed debt service structure for the Obligations) or the financing documents or the official statement (or any similar disclosure document) to be executed and delivered in connection with the issuance and sale of the Obligations from the descriptions or schedules thereof heretofore provided to Ambac.
4. The Obligations shall contain no reference to Ambac, the Policy or the financial guaranty insurance evidenced thereby except as may be approved by Ambac.

* Subject to change, with Ambac's approval.

5. Ambac shall be provided with:
 - (a) Executed copies of all financing documents, the official statement (or any similar disclosure document) and the various legal opinions delivered in connection with the issuance and sale of the Obligations, including, without limitation, the unqualified approving opinion of bond counsel rendered by a law firm acceptable to Ambac. The form of Bond Counsel's approving opinion shall also indicate, if applicable, that the Obligations are exempt from federal income taxation, that the Obligor must comply with certain covenants under and pursuant to the Internal Revenue Code and that the Obligor has the legal power to comply with such covenants. Such opinion of bond counsel shall be addressed to Ambac or, in lieu thereof, a letter shall be provided to Ambac to the effect that Ambac may rely on such opinion as if it were addressed to Ambac.
 - (b) Evidence of a wire transfer in an amount equal to the insurance premium at the time of the issuance and delivery of the Obligations.
6. Unless expressly waived in whole or in part by Ambac, the financing documents and the Official Statement shall contain (a) the terms and provisions provided in Ambac's STANDARD PACKAGE transmitted herewith, and (b) any additional oral or written provisions or comments submitted by Ambac.
7. Ambac shall receive a copy of any insurance policy, surety bond, guaranty or indemnification or any other policy, contract or agreement which provides for payment of all or any portion of the debt, the costs of reconstruction, the loss of business income or in any way secures, ensures or enhances the income stream anticipated to pay the Obligations.
8. Any provisions or requirements of the Purchase Contract or Bond Purchase Agreement referencing Ambac must be sent to the attention of our Closing Coordinator not less than five (5) business days prior to closing. If such provisions or requirements are not received within that time, compliance may not be possible.

REFUNDING CONDITIONS:

9. Review and approval by Ambac at least 5 days prior to the closing of the Escrow Agreement for the defeasance of the applicable Obligations (the "Prior Obligations").
10. Prior to closing, Ambac must receive certification by an accounting firm acceptable to Ambac that the securities invested are sufficient to pay the Prior Obligations. Upon receipt of this commitment Ambac should be notified which firm will be providing certification.
11. Receipt of an acceptable opinion of counsel addressed to Ambac that the Prior Obligations have been legally defeased.
12. Receipt of an acceptable opinion of counsel addressed to Ambac with regard to the validity and enforceability of the Escrow Agreement.
13. If a forward supply contract is used:
 - (a) Securities delivered to the escrow agreement must be non-callable U.S. Government obligations, which do not mature later than the date needed to pay debt service on the refunded Obligations.
 - (b) The CPA verification must be in form and substance satisfactory to Ambac and must opine that the escrow is sufficient to defease the refunded Obligations whether or not the forward supply contract provider delivers securities to the escrow.
 - (c) The forward supply contract must specify that (i) the purchase price of the securities delivered to the escrow must not exceed the amount of cash received from maturing securities in the escrow, as specified in the verification, and (ii) the maturity value of the securities delivered to the escrow must not be less than the purchase price paid for such securities.
 - (d) The forward supply contract provider shall have no recourse to the escrow upon any failure of the Obligor or escrow agent to perform its obligations under the forward supply contract. Other than the payment of the purchase price for the securities to be delivered pursuant to the forward supply

contract, no payments of any other kind may be made from the escrow in respect of the forward supply contract.

- (c) The forward supply contract provider must be rated at least A by a nationally recognized rating agency.
- (f) The forward supply contract shall be in form and substance satisfactory to Ambac.



Authorized Officer

Ambac

Ambac Assurance Corporation
One State Street Plaza, 15th Floor
New York, New York 10004
Telephone: (212) 668-0340

Financial Guaranty Insurance Policy

Obligor: STATE OF WEST VIRGINIA HIGHER
EDUCATION POLICY COMMISSION

Policy Number: 26458BE

Obligations: \$25,915,000 Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A, dated their date of delivery and consisting of: Premium: \$77,898.70

(AS FURTHER DESCRIBED ON THE REVERSE HEREOF)

Ambac Assurance Corporation (Ambac), a Wisconsin stock insurance corporation, in consideration of the payment of the premium and subject to the terms of this Policy, hereby agrees to pay to The Bank of New York, as trustee, or its successor (the "Insurance Trustee"), for the benefit of the Holders, that portion of the principal of and interest on the above-described obligations (the "Obligations") which shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Obligor.

Ambac will make such payments to the Insurance Trustee within one (1) business day following written notification to Ambac of Nonpayment. Upon a Holder's presentation and surrender to the Insurance Trustee of such unpaid Obligations or related coupons, uncanceled and in bearer form and free of any adverse claim, the Insurance Trustee will disburse to the Holder the amount of principal and interest which is then Due for Payment but is unpaid. Upon such disbursement, Ambac shall become the owner of the surrendered Obligations and/or coupons and shall be fully subrogated to all of the Holder's rights to payment thereon.

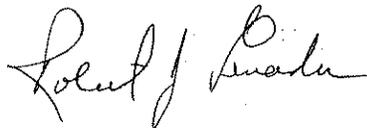
In cases where the Obligations are issued in registered form, the Insurance Trustee shall disburse principal to a Holder only upon presentation and surrender to the Insurance Trustee of the unpaid Obligation, uncanceled and free of any adverse claim, together with an instrument of assignment, in form satisfactory to Ambac and the Insurance Trustee duly executed by the Holder or such Holder's duly authorized representative, so as to permit ownership of such Obligation to be registered in the name of Ambac or its nominee. The Insurance Trustee shall disburse interest to a Holder of a registered Obligation only upon presentation to the Insurance Trustee of proof that the claimant is the person entitled to the payment of interest on the Obligation and delivery to the Insurance Trustee of an instrument of assignment, in form satisfactory to Ambac and the Insurance Trustee, duly executed by the Holder or such Holder's duly authorized representative, transferring to Ambac all rights under such Obligation to receive the interest in respect of which the insurance disbursement was made. Ambac shall be subrogated to all of the Holders' rights to payment on registered Obligations to the extent of any insurance disbursements so made.

In the event that a trustee or paying agent for the Obligations has notice that any payment of principal of or interest on an Obligation which has become Due for Payment and which is made to a Holder by or on behalf of the Obligor has been deemed a preferential transfer and theretofore recovered from the Holder pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court of competent jurisdiction, such Holder will be entitled to payment from Ambac to the extent of such recovery if sufficient funds are not otherwise available.

As used herein, the term "Holder" means any person other than (i) the Obligor or (ii) any person whose obligations constitute the underlying security or source of payment for the Obligations who, at the time of Nonpayment, is the owner of an Obligation or of a coupon relating to an Obligation. As used herein, "Due for Payment", when referring to the principal of Obligations, is when the scheduled maturity date or mandatory redemption date for the application of a required sinking fund installment has been reached and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by application of required sinking fund installments), acceleration or other advancement of maturity; and, when referring to interest on the Obligations, is when the scheduled date for payment of interest has been reached. As used herein, "Nonpayment" means the failure of the Obligor to have provided sufficient funds to the trustee or paying agent for payment in full of all principal of and interest on the Obligations which are Due for Payment.

This Policy is noncancelable. The premium on this Policy is not refundable for any reason, including payment of the Obligations prior to maturity. This Policy does not insure against loss of any prepayment or other acceleration payment which at any time may become due in respect of any Obligation, other than at the sole option of Ambac, nor against any risk other than Nonpayment.

In witness whereof, Ambac has caused this Policy to be affixed with a facsimile of its corporate seal and to be signed by its duly authorized officers in facsimile to become effective as its original seal and signatures and binding upon Ambac by virtue of the countersignature of its duly authorized representative.

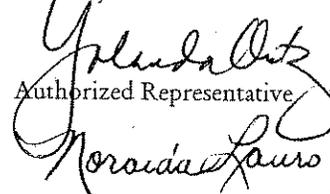


President



Secretary

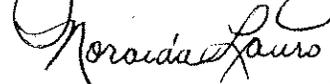
Effective Date: April 17, 2007



Authorized Representative

THE BANK OF NEW YORK acknowledges that it has agreed to perform the duties of Insurance Trustee under this Policy.

Form No.: 2B-0012 (1/01)



Authorized Officer of Insurance Trustee

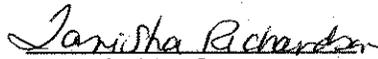
A- 11095

Obligations: \$21,355,000 in aggregate principal amount of Bonds maturing on April 1 in the years 2008 through 2024, both inclusive; and

\$4,560,000 in aggregate principal amount of Term Bonds maturing on April 1, 2027.

The Paying Agent is The West Virginia Municipal Bond Commission, Charleston, West Virginia.

The undersigned hereby certifies that this document is a true and correct copy of the Financial Guaranty Insurance Policy. Policy No. 26458BE issued by AMBAC ASSURANCE CORPORATION.


Assistant Secretary

Date: April 13, 2007

The Depository Trust Company

A subsidiary of The Depository Trust & Clearing Corporation

BLANKET ISSUER LETTER OF REPRESENTATIONS

[To be Completed by Issuer]

West Virginia Higher Education Policy Commission

[Name of Issuer]

July 29, 2003
[Date]

[For Municipal Issues:
Underwriting Department—Eligibility; 50th Floor]

[For Corporate Issues:
General Counsel's Office; 49th Floor]

The Depository Trust Company
55 Water Street
New York, NY 10041-0099

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request be made eligible for deposit by The Depository Trust Company ("DTC").

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that Issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Very truly yours,

West Virginia Higher Education Policy Commission
(Issuer)

By: James A. Winter
(Authorized Officer's Signature)

James A. Winter, Director of Finance & Facilities
(Print Name)

Received and Accepted:
THE DEPOSITORY TRUST COMPANY

By: Denise Russo

1018 Kanawha Boulevard, East, Suite 700
(Street Address)

Charleston, WV 25301
(City) (State) (Country) (Zip Code)

(304) 558-0281
(Phone Number)

winter@hepc.wvnet.edu
(E-mail Address)



**The Depository Trust &
Clearing Corporation**

(To Blanket Issuer Letter of Representations)

**SAMPLE OFFERING DOCUMENT LANGUAGE
DESCRIBING BOOK-ENTRY-ONLY ISSUANCE**

(Prepared by DTC—bracketed material may be applicable only to certain issues)

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity

of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]

[6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.]

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC [nor its nominee], Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

[9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.]

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.



REPORT OF PROPOSED DEBT ISSUANCE

West Virginia State Treasurer's Office

State Capitol Complex, Suite E-145

Charleston, WV 25305

(304) 558-5000

Completion and timely submittal of this form to the West Virginia State Treasurer's Office at the above address will assure your compliance with existing West Virginia State law and will assist in the maintenance of a complete data base. Additionally, please enclose a copy of the preliminary official statement (or offering circular) with this form or when it becomes available. Thank you for your cooperation.¹

NAME OF ISSUER: West Virginia Higher Education Policy Commission

ADDRESS OF ISSUER: 1018 Kanawha Blvd East, Suite 700, Charleston, WV 25301

PROPOSED SALE DATE: March 29, 2007

TYPE OF SALE: Competitive Negotiated

PROPOSED PRINCIPAL TO BE SOLD: Not to exceed \$30,000,000

IS THE INTEREST ON THE DEBT EXEMPT FROM TAXATION?

Under State law: NO (taxable)

YES (tax-exempt)

Under Federal law: NO (taxable)

YES (tax-exempt) If the issue is Federally tax-exempt, is interest a specific preference item for the purpose of alternative minimum tax?

Yes, preference item No, not a preference item

IS ANY PORTION OF THE DEBT FOR REFUNDING?

No Yes, proposed amount for refunding is \$25,000,000

TYPE OF DEBT INSTRUMENT:

NOTE

- Tax anticipation
- Tax and revenue anticipation
- Revenue anticipation
- Bond anticipation
- Grant anticipation
- Tax allocation
- Other note (Please specify below.)
- FINANCING LEASE
- CERTIFICATES OF PARTICIPATION

BOND

- General obligation
- Limited tax obligation
- Revenue (Public enterprise)
- Conduit revenue (Private obligor)
- Special assessment
- Tax allocation
- Other bond (Please specify below.)
- COMMERCIAL PAPER
- OTHER (Please specify below.)

2007 FEB 21 AM 11:18
STATE TREASURER'S OFFICE
CHARLESTON, WV

Please specify if "Other note/Other bond/OTHER" was checked:

SOURCE(S) OF REPAYMENT:

- Public enterprise revenues
- Private obligor payments
- Bond proceeds
- Grants
- Intergovernmental transfers other than grants
- Other (Please specify.): Pledged Revenues
- Tax-increment
- Special assessments
- Special tax revenues
- Property tax revenues

¹ §12-6A-6(2) of the West Virginia Code requires the issuer of any proposed new State debt issue to give written notice of the proposed sale to the Treasurer no later than 30 days prior to the sale.

PURPOSE(S) OF FINANCING:

- Cash flow, interim financing
- Single-family housing
- Multifamily housing
- College/university housing
- Hospital
- Health care facilities
- Other/multiple health care purposes (equipment, etc.)
- K-12 school facility
- College/university facility
- Student loans
- Other/multiple educational uses (equipment, etc.)
- Redevelopment, multiple uses
- Pollution control
- Commercial development
- Industrial development
- Airport
- Ports and marinas
- Recreation and sports facilities
- Parks/open space
- Power generation/transmission
- Parking
- Convention center
- Solid waste recovery facilities
- Equipment
- Flood control/storm drainage
- Water supply/storage/distribution
- Wastewater collection and treatment
- Public transit
- Bridges and highways
- Public building
- Street construction and improvements
- Prisons/jails/correctional facilities
- Multiple capital improvements and public works
- Other capital improvements and public works
- Other than listed above

Please specify type/name of project: State of West Virginia Higher Education Policy Commission Revenue Refunding and Improvement Bonds (University Facilities)

PARTIES INVOLVED

Bond Counsel: Spilman Thomas & Battle, PLLC Tax Counsel: _____
 Trustee: _____ Financial Advisor: _____
 Auditor: _____
 Lead Underwriter: Citigroup, Inc.
 (or PURCHASER: _____ or PLACEMENT AGENT: _____)

Name of individual (representing Bond Counsel, Issuer, Financial Advisor, or Lead Underwriter) who completed this form and may be contacted for information:

Name: Lee O. Hill, Esq.
 Firm/Agency: Spilman Thomas & Battle, PLLC
 Address: PO Box 273, Charleston, WV 25321-0273
 Phone: (304) 340-3802 Date of Completion: February 20, 2007

Contact person at issuing agency, if different from above:
 Name: Dr. Brian Noland
 Title: Chancellor, West Virginia Higher Education Policy Commission
 Address: 1018 Kanawha Blvd, East, Suite 700 Charleston, WV 25301
 Phone: (304) 558-2101

**Preliminary Subject To Change*

REPORT OF FINAL SALE
 West Virginia State Treasurer's Office
 State Capitol Complex, Suite E-145
 Charleston, WV 25305
 (304) 558-5000

WEST VIRGINIA TREASURY

2007 APR 24 P 2:01

Completion of this form is requested to provide information which was not available when the "Report of Proposed Debt Issuance" was filed with the Treasurer's Office or to verify information which was reported as "proposed." **Additionally, please send a copy of the official statement (or offering circular) with this form to the Treasurer's Office.**

GENERAL INFORMATION

NAME AND ADDRESS

OF ISSUER: West Virginia Higher Education Policy Commission
1080 Kanawha Blvd, East, Suite 700
Charleston, WV 25301

ISSUE NAME: \$25,915,000 State of West Virginia Higher Education Policy Commission Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A

DATED : April 17, 2007 PRINCIPAL AMOUNT SOLD \$25,915,000

INTEREST COST: 4.335978% (Please provide True Interest Cost)

Variable (Please specify)

OFFICIAL STATEMENT: Enclosed To be sent None available

COMPLETE TRANSCRIPT: Enclosed To be sent None available

UNDERWRITER OR PURCHASER: Citigroup Global Markets Inc., Ferris, Baker Watts, Incorporated and Crews & Associates, Inc.

IS THE INTEREST ON THE DEBT EXEMPT FROM TAXATION?

Under State law: NO (taxable) YES (tax-exempt)

Under Federal law: NO (taxable) YES (tax-exempt)

If the issue is Federally tax-exempt, is interest a specific preference item for the purpose of alternative minimum tax?

Yes, preference item No, not a preference item

IS ANY PORTION OF THE DEBT FOR REFUNDING?

No Yes, to advance refund a portion of the (i) \$9,920,000 State College System Revenue Bonds (College Improvement Projects) 1997 Series A, (ii) \$12,610,000 University System Revenue Bonds (University Improvement Projects) 1997 Series A, and (iii) \$9,360,000 University System Revenue Bonds (Marshall University Medical Center) 2000 Series B.

ISSUANCE COSTS

Please indicate the parties involved and the applicable fees. An attachment may be provided in lieu of this form.

Bond Counsel.....\$33,000.00
 Underwriter's Counsel.....\$43,000.00
 Trustee.....\$500.00
 Verification Agent.....\$3,190.00
 Rating Agency #1 (S&P).....\$24,000.00
 Rating Agency #2 (Moody's).....\$19,250.00
 POS/OS Publication Costs.....\$4,850.79
 Auditor.....\$12,000.00
 Miscellaneous.....\$4,500.00

CREDIT RATING

INDICATE CREDIT RATING: (For example, "AAA" or "Aaa")

RATED
 Standard & Poor's: AAA Fitch:
 Moody's: A1 Other:

NOT RATED

CREDIT ENHANCEMENT

WAS THE ISSUE INSURED OR GUARANTEED? No Bond insurance Letter(s) of credit
 Other

GUARANTOR'S NAME: Ambac Assurance Corporation

DISCOUNT/PREMIUM

The Bond was sold at: Par A Discount A Premium

If Bond was sold at a Premium, please indicate amount: \$14,710,000.00

If Bond was sold at a Discount, please indicate: Original Issue Discount \$11,205,000.00

Underwriter's Discount \$105,196.89

MATURITY SCHEDULE

Please attach a maturity schedule for the bond issue if an official statement is not submitted with this form.

Provide the following information:

1) Maturity Date

2) Principal Amount

3) Interest Rate

OTHER INFORMATION

SOURCE OF FUNDS UTILIZED FOR REPAYMENT OF THE ISSUE: Revenues from the West Virginia Higher Education Policy Commission.

Name of individual (representing Bond Counsel, Issuer, Financial Advisor, or Lead Underwriter) who completed this form and may be contacted for information:

Name: Lee O. Hill

Firm/Agency: Spilman Thomas & Battle, PLLC

Address: P.O. Box 273, Charleston, WV 25321

Phone: (304) 340-3802

Date of Completion: April 17, 2007

Contact person at issuing agency, if different from above:

Name: Dr. Brian Noland

Title: Chancellor

Address: 1080 Kanawha Blvd, East, Suite 700, Charleston, WV 25301

Phone: (304) 558-2021



**STANDARD
& POOR'S**

55 Water Street, 38th Floor
New York, NY 10041-0003
tel 212 438-2074
reference no.: 40185490

April 13, 2007

Ambac Assurance Corporation
One State Street Plaza 15th FL
New York, NY 10004
Attention: Ms. Yolanda Ortiz, Insurance Coordinator

Re: *\$25,915,000 State of West Virginia Higher Education Policy Commission, Revenue Refunding Bonds (Higher Education Facilities), 2007 Series A, dated: Date of Delivery, consisting of: \$21,355,000 Bonds due: April 1, 2008-2024; \$4,560,000 Term Bonds due: April 1, 2027, (POLICY #26458BE)*

Dear Ms. Ortiz:

Standard & Poor's has reviewed the rating on the above-referenced obligations. After such review, we have changed the rating to "AAA" from "A+". The rating reflects our assessment of the likelihood of repayment of principal and interest based on the bond insurance policy your company is providing. Therefore, rating adjustments may result from changes in the financial position of your company or from alterations in the documents governing the issue.

The rating is not investment, financial, or other advice and you should not and cannot rely upon the rating as such. The rating is based on information supplied to us by you but does not represent an audit. We undertake no duty of due diligence or independent verification of any information. The assignment of a rating does not create a fiduciary relationship between us and you or between us and other recipients of the rating. We have not consented to and will not consent to being named an "expert" under the applicable securities laws, including without limitation, Section 7 of the Securities Act of 1933. The rating is not a "market rating" nor is it a recommendation to buy, hold, or sell the obligations.

This letter constitutes Standard & Poor's permission to you to disseminate the above-assigned rating to interested parties. Standard & Poor's reserves the right to inform its own clients, subscribers, and the public of the rating.

Standard & Poor's relies on the issuer and its counsel, accountants, and other experts for the accuracy and completeness of the information submitted in connection with the rating. This rating is based on financial information and documents we received prior to the issuance of this letter. Standard & Poor's assumes that the documents you have provided to us are final. If any subsequent changes were made in the final documents, you must notify us of such changes by sending us the revised final documents with the changes clearly marked.

STANDARD
& POOR'S

Ms. Yolanda Ortiz
Page 2
April 13, 2007

Standard & Poor's is pleased to be of service to you. For more information please visit our website at www.standardandpoors.com. If we can be of help in any other way, please contact us. Thank you for choosing Standard & Poor's and we look forward to working with you again.

Sincerely yours,

Standard & Poor's Ratings Services
a division of The McGraw-Hill Companies, Inc.

A handwritten signature in black ink that reads "Standard and Poor's" followed by a stylized monogram or initials.

ak



Moody's Investors Service

99 Church Street
New York, NY

April 16, 2007

Ambac
One State Street Plaza
New York, NY 10004

To Whom It May Concern:

Moody's Investors Service has assigned the rating of **Aaa** (Ambac Insured - Policy No. **26458BE**) to the **\$25,915,000.00, State of West Virginia Higher Education Policy Commission - Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A**, dated April 17, 2007 which sold through negotiation on April 2, 2007. The rating is based upon an insurance policy provided by Ambac.

Should you have any questions regarding the above, please do not hesitate to contact Karen Malkowski at (201) 395-6370.

Sincerely yours,

Joann Hempel

Joann Hempel
Vice President / Senior Credit

Officer

JH / PS

\$167,260,000
STATE OF WEST VIRGINIA
HIGHER EDUCATION POLICY COMMISSION
REVENUE BONDS (HIGHER EDUCATION FACILITIES)
2004 SERIES B

MEMORANDUM OF UNDERSTANDING

The Treasurer hereby agrees, in order to provide security to the holders of revenue bonds (the "Bonds") issued by the Higher Education Policy Commission and the predecessors thereto under the General Resolution adopted September 9, 1992 by the Board of Trustees of the University of West Virginia and the General Resolution adopted September 9, 1992 by the Board of Directors of the State College System (as amended and supplemented from time to time, the "General Resolutions"), and payable from (a) the tuition and registration fees, and (b) educational and general capital fees comprising tuition and registration fees in effect as of March 21, 2004, paid by students at West Virginia State Institutions of Higher Education (each an "Institution") pursuant to West Virginia Code § 18-12B and West Virginia Code § 18B-1, 2, 3 and 10, and pledged to the payment of Bonds pursuant to the General Resolutions (the "Pledged Fees"), to prohibit any withdrawals from the capital improvement funds into which such Pledged Fees are deposited held by the Treasurer on behalf of each Institution after each September 1 and February 1, beginning on September 1, 2004, until the amounts on deposit in such funds on and after each such September 1 and February 1 equal one-half of the debt service on the Bonds for the 12-month period beginning on such September 1 of each year (a "Bond Year") allocable to such Institution and will only release funds for such Institution's use in excess of the Institution's allocable amount of such debt service.

The Director of the State Lottery Commission agrees to commence transferring the excess lottery proceeds allocated to the higher education improvement fund by W.Va. Code Section 29-22-18a (the "Excess Lottery Act") to the aforementioned capital improvement funds held by the Treasurer on a monthly basis on July 28, 2004 (or as soon thereafter as the determination described in the last sentence of the following paragraph has been made) and on the 28th day of each month thereafter until the amount required by the "Excess Lottery Act", to be deposited therein in each fiscal year has been deposited to the capital improvement funds.

The Treasurer agrees to continue to disburse the amounts retained as debt service on the Bonds to the Municipal Bond Commission and the Trustee for the Bonds, as the case may be, at the times heretofore or hereafter provided by the General Resolutions for making such debt service transfers. The Higher Education Policy Commission agrees to furnish the Treasurer with the allocable amount payable by each Institution as debt service on the Bonds for each ensuing Bond Year prior to September 1 of such Bond Year. The Higher Education Policy Commission further agrees to certify annually the amounts required for debt service and coverage requirements on Bonds issued by it on or after July 1, 2004, on or before the April 1 of the year next preceding the Bond Year in which such debt service is to be paid, provided however, that with respect to Bonds issued in the Bond Year ending June 30, 2005, such certification shall be

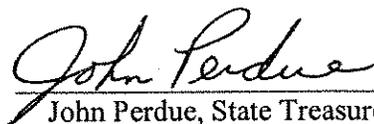
made immediately upon the determination by the Higher Education Policy Commission of the debt service and coverage requirements on such Bonds.

This Memorandum of Understanding is supplemental to that certain Memorandum of Understanding endorsed by the signatories hereto (other than the Lottery Commission) relating to the 2003 Bonds issued by the Higher Education Policy Commission.

WEST VIRGINIA HIGHER EDUCATION
POLICY COMMISSION

By: 
Mary Claire Eros, Chairman

STATE OF WEST VIRGINIA

By: 
John Perdue, State Treasurer

MUNICIPAL BOND COMMISSION

By: _____
Sara Boardman Acting Executive Director

WEST VIRGINIA LOTTERY COMMISSION

By: _____
John C. Musgrave, Director

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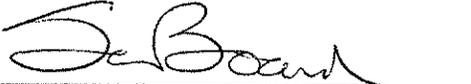
WEST VIRGINIA HIGHER EDUCATION
POLICY COMMISSION

By: _____
Mary Claire Eros, Chairman

STATE OF WEST VIRGINIA

By: _____
John Perdue, State Treasurer

MUNICIPAL BOND COMMISSION

By:  _____
Sara Boardman Acting Executive Director

WEST VIRGINIA LOTTERY COMMISSION

By: _____
John C. Musgrave, Director

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WEST VIRGINIA HIGHER EDUCATION
POLICY COMMISSION

By: _____
Mary Claire Eros, Chairman

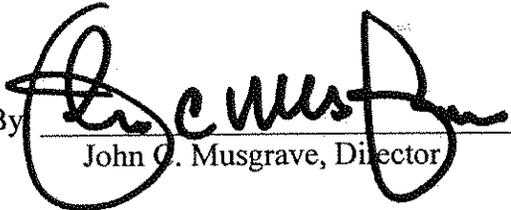
STATE OF WEST VIRGINIA

By: _____
John Perdue, State Treasurer

MUNICIPAL BOND COMMISSION

By: _____
Sara Boardman Acting Executive Director

WEST VIRGINIA LOTTERY COMMISSION

By:  _____
John C. Musgrave, Director

**STATE OF WEST VIRGINIA
HIGHER EDUCATION POLICY COMMISSION**

**REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES), 2007 SERIES A**

CAUSEY DEMGEN & MOORE INC.

Certified Public Accountants and Consultants

Suite 4650
1801 California Street
Denver, Colorado 80202-2681
Telephone: (303) 296-2229
Facsimile: (303) 296-3731
www.cdmcpa.com

April 17, 2007

West Virginia Higher Education Policy
Commission
1018 Kanawha Boulevard, East, Suite 700
Charleston, West Virginia 25301

Spilman Thomas & Battle, PLLC
300 Kanawha Boulevard, East
Charleston, West Virginia 25301

Citigroup Global Markets Inc.
390 Greenwich Street, 2nd Floor
New York, New York 10013

Ambac Assurance Corporation
One State Street Plaza
New York, New York 10004

We have completed our engagement to verify the mathematical accuracy of (a) the computations relating to the adequacy of cash plus U.S. Treasury Securities to be held in escrow to pay the debt service requirements of the following bonds (herein collectively referred to as the "Refunded Bonds") issued by the State of West Virginia Higher Education Policy Commission (herein referred to as the "Issuer"):

- University System Revenue Bonds (University Improvement Projects), 1997 Series A (only those bonds maturing on April 1, 2009 and thereafter as described in Exhibit B-4) (herein referred to as the "Refunded 1997 Univ Bonds"),
- State College System Revenue Bonds (College Improvement Projects), 1997 Series A (only those bonds maturing on April 1, 2009 and thereafter as described in Exhibit B-5) (herein referred to as the "Refunded 1997 Coll Bonds"),
- University System Revenue Bonds (Marshall University Medical Center), 2000 Series B (only those bonds maturing on April 1, 2011 and thereafter as described in Exhibit B-6) (herein referred to as the "Refunded 2000B Bonds"),

(b) the computations supporting the conclusion of Bond Counsel that the Revenue Refunding Bonds (Higher Education Facilities), 2007 Series A (herein referred to as the "Refunding Bonds") are not "arbitrage bonds" under Section 148 of the Internal Revenue Code of 1986, as amended, and (c) the present value savings associated with the transaction described herein. We express no opinion on the attainability of the assumptions underlying the computations or the tax-exempt status of the Refunding Bonds. Our verification was performed solely on the information contained in certain schedules of proposed transactions provided by Citigroup Global Markets Inc. (herein referred to as the "Underwriter"). In the course of our engagement to verify the mathematical accuracy of the computations in the schedules provided to us, we prepared Exhibits A through E attached hereto and made a part hereof.

CDM

The scope of our engagement consisted of performing the procedures described herein. These procedures were performed in a manner that we deem to be appropriate.

The accompanying exhibits of proposed transactions were prepared on the basis of assumptions underlying the computations and in accordance with the procedures described herein. We did not independently confirm the information used with outside parties.

OUR UNDERSTANDING OF THE TRANSACTION

The Refunding Bonds are to be issued on April 17, 2007 to advance refund the Refunded Bonds. A portion of the proceeds of the Refunding Bonds will be used to purchase U.S. Treasury Securities and to provide cash which will be placed into an escrow account to advance refund the Refunded Bonds.

The Escrow Agent will pay the debt service requirements of the Refunded 1997 Univ Bonds on each scheduled payment date through and including April 1, 2008 and will redeem the Refunded 1997 Univ Bonds, at a redemption price equal to 102% of par, on April 1, 2008, which is the first optional redemption date for these bonds.

The Escrow Agent will pay the debt service requirements of the Refunded 1997 Coll Bonds on each scheduled payment date through and including April 1, 2008 and will redeem the Refunded 1997 Coll Bonds, at a redemption price equal to 102% of par, on April 1, 2008, which is the first optional redemption date for these bonds.

The Escrow Agent will pay the debt service requirements of the Refunded 2000B Bonds on each scheduled payment date through and including April 1, 2010 and will redeem the Refunded 2000B Bonds, at a redemption price equal to 101% of par, on April 1, 2010, which is the first optional redemption date for these bonds.

ESCROW ACCOUNT TRANSACTIONS

We verified the mathematical accuracy of the accompanying calculations of the escrow account transactions proposed to advance refund the Refunded Bonds.

The presently outstanding debt service requirements of the Refunded Bonds will be satisfied by the purchase of U.S. Treasury Securities (as described in Exhibit A-2) plus \$7.62 in cash. The securities and cash will be placed in an irrevocable escrow account and held therein until the Refunded Bonds are redeemed as previously described.

We read copies of the Official Statement for the Refunded Bonds insofar as the obligations are described with respect to principal outstanding, interest rates, maturity dates, and redemption provisions. We assumed these documents to be accurate and all debt service payments on the Refunded Bonds to be current as of April 17, 2007. We compared the above information set forth in such documents with the related information contained in the schedules provided to us and found the information to be consistent.

We compared the subscribed interest rates of the U.S. Treasury Securities (State and Local Government Series) to be purchased and placed in escrow with the maximum allowable interest rates as published in the SLGS Securities Daily Rate Table by the Bureau of the Public Debt for April 4, 2007 and found the subscribed rates to be less than or equal to the maximum allowable rates that were in effect on the subscription date for each respective maturity date.

Based on the procedures and information set forth above, the computations provided to us and represented in Exhibits A through B-3, which indicate that the cash and securities proposed to be placed in escrow by the Issuer will produce the amounts necessary to provide for the timely payment of the proposed debt payment schedule on the Refunded Bonds, are mathematically correct.

YIELD ON THE REFUNDING BONDS

We verified the mathematical accuracy of the accompanying computations of the yield on the Refunding Bonds as of April 17, 2007. For purposes of this calculation, yield is defined as the rate of interest which, using the assumptions and procedures set forth herein, discounts the payments to be made on the Refunding Bonds to an amount equal to the target purchase price of the Refunding Bonds. The computations were made using a 360-day year with interest compounded semi-annually and treated \$163,818.75 as the net original issue premium and \$77,898.70 as the bond insurance premium (which results in a target purchase price of \$26,000,920.05).

In conducting our verification, we assumed that the re-offering prices of the Refunding Bonds are as described in Exhibit C-1, that the Refunding Bonds stated to mature on or before April 1, 2017 are not optionally callable, and that the Refunding Bonds stated to mature on and after April 1, 2018 are optionally callable at par on and after April 1, 2017. We tested to determine whether any combination of optional redemptions of the Refunding Bonds stated to mature on April 1, 2025 through and including April 1, 2027 (which represent the only callable maturities with reoffering prices in excess of the safe harbor limit of 102.25%) (herein referred to as the "Callable Premium Bonds") would result in a lower yield on the Refunding Bonds than that realized by assuming that such bonds are retired on their stated maturity dates. We assumed that all other maturities of the Refunding Bonds would be retired on the dates and in the amounts set forth in Exhibit C-1.

Based upon the procedures and information set forth above, the computations provided to us and represented in Exhibits C and C-1, which indicate that the yield on the Refunding Bonds, assuming the Callable Premium Bonds are redeemed at par on April 1, 2017, is 4.21631%, are mathematically correct. It is our opinion that computing the aforementioned yield on the Refunding Bonds by treating the Callable Premium Bonds as redeemed at par on April 1, 2017 results in the lowest yield on the Refunding Bonds of all possible payment permutations thereon.

YIELD ON THE INVESTMENT IN THE ESCROWED OBLIGATIONS PURCHASED WITH REFUNDING BOND PROCEEDS

We verified the mathematical accuracy of the accompanying computation of the yield on the investment in the escrowed U.S. Treasury Securities purchased with Refunding Bond proceeds based on an assumed settlement date of April 17, 2007 and a purchase price of \$25,750,056.00. For purposes of this calculation, yield is defined as the rate of interest which, using the assumptions and procedures set forth herein, discounts the cash receipts from the escrowed securities to an amount equal to the purchase price of the escrowed securities. The computations were made using a 360-day year with interest compounded semi-annually and were based on the dates the funds are to be received in the escrow account, net of reinvestments in zero-coupon SLGs as described in Exhibit A, and assume that all other cash balances are not reinvested.

Based upon the procedures and information set forth above, the computations provided to us and represented in Exhibit D, which indicate that the yield on the escrowed securities purchased with Refunding Bond proceeds is 4.21623% (which is less than the yield on the Refunding Bonds), are mathematically correct.

PRESENT VALUE SAVINGS

We verified the mathematical accuracy of the accompanying computation of the present value savings resulting from the advance refunding of the Refunded Bonds based on an assumed settlement date of April 17, 2007. The computation was made using a 360-day year with interest compounded semi-annually. The computation was based on the assumptions that (1) the debt service requirements of the Refunded Bonds would have been paid on the regularly scheduled payment dates, without optional redemption prior to maturity, (2) the debt service requirements of the Refunding Bonds will be paid on the regularly scheduled payment dates, without optional redemption prior to maturity, (3) the Issuer will receive cash on the settlement date in the amount of \$2,719.54, and (4) the annual discount rate for purposes of this calculation is 4.21631%.

Based on the procedures and information set forth above, the computations in Exhibit E, which indicate that the present value savings associated with this refunding transaction is \$1,253,170.72, are mathematically correct.

USE OF THIS REPORT

It is understood that this report is solely for the information of and assistance to the addressees hereof in connection with the issuance of the Refunding Bonds and is not to be used, relied upon, circulated, quoted or otherwise referred to for any other purpose without our written consent, except that (i) reference may be made to the report in the Official Statement for the Refunding Bonds in the section captioned "Verification of Mathematical Computations," (ii) reference may be made to the report in the purchase contract or in any closing documents pertaining to the issuance of the Refunding Bonds, (iii) the report may be used in its entirety as an exhibit to the escrow agreement for the Refunded Bonds, (iv) the report may be included in the transcripts pertaining to the issuance of the Refunding Bonds, (v) the report may be relied upon by Bond Counsel in connection with its

West Virginia Higher Education Policy Commission
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opinions concerning the Refunded Bonds and the Refunding Bonds, (vi) the report may be relied upon by any rating agency or bond insurer that shall have rated or insured or that will rate or insure the Refunded Bonds or the Refunding Bonds, and (vii) the report may be relied upon by the Escrow Agent for the Refunded Bonds.

* * * * *

The scope of our engagement is deemed by the addressees hereto to be sufficient to assist such parties in evaluating the mathematical accuracy of the various computations cited above. The sufficiency of this scope is solely the responsibility of the specified users of this report and should not be taken to supplant any additional inquiries or procedures that the users would undertake in their consideration of the issuance of the bonds related to the transaction described herein. We make no representation regarding the sufficiency of the scope of this engagement. This report should not be used by any party who does not agree to the scope set forth herein and who does not take responsibility for the sufficiency and appropriateness of such scope for their purposes.

We have no obligation to update this report because of events, circumstances, or transactions occurring subsequent to the date of this report.

Very truly yours,

Carsey Dungen & Moore Inc.

EXHIBIT A

STATE OF WEST VIRGINIA
HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES), 2007 SERIES A

ESCROW ACCOUNT CASH FLOW
AS OF APRIL 17, 2007

Date	Total Cash Receipts From U.S. Treasury Securities (Exhibit A-1)	Reinvestment In Zero-Coupon U.S. Treasury SLGS		Adjusted Cash Receipts From U.S. Treasury Securities	Cash Disbursements From Escrow (Exhibit B)	Cash Balance
		(Investments)	Maturities			
Beginning Balance:						\$7.62
01-Oct-07	\$5,672,249.72	(\$5,009,412.00)		\$662,837.72	\$662,838.13	7.21
01-Apr-08	13,855,324.35		\$5,009,412.00	18,864,736.35	18,864,738.13	5.43
01-Oct-08	205,331.58			205,331.58	205,331.25	5.76
01-Apr-09	205,330.74			205,330.74	205,331.25	5.25
01-Oct-09	3,457,296.46	(3,251,965.00)		205,331.46	205,331.25	5.46
01-Apr-10	3,993,065.78		3,251,965.00	7,245,030.78	7,245,031.25	4.99
	<u>\$27,388,598.63</u>	<u>(\$8,261,377.00)</u>	<u>\$8,261,377.00</u>	<u>\$27,388,598.63</u>	<u>\$27,388,601.26</u>	

EXHIBIT A-1

STATE OF WEST VIRGINIA
 HIGHER EDUCATION POLICY COMMISSION
 REVENUE REFUNDING BONDS
 (HIGHER EDUCATION FACILITIES), 2007 SERIES A

CASH RECEIPTS FROM THE ESCROWED SECURITIES
 AS OF APRIL 17, 2007

Payment Date	SLGS (1)	SLGS (1)	SLGS (2)	SLGS (2)	SLGS (2)	SLGS (2)	Total Cash Receipts
	01-Oct-07	01-Apr-08	01-Oct-08	01-Apr-09	01-Oct-09	01-Apr-10	
	\$5,396,804.00	\$13,073,672.00	\$40,035.00	\$40,999.00	\$3,293,920.00	\$3,904,626.00	
	5.060000%	4.930000%	4.820000%	4.660000%	4.550000%	4.530000%	
	SLGS (1)	SLGS (1)	SLGS (2)	SLGS (2)	SLGS (2)	SLGS (2)	
	01-Oct-07	01-Apr-08	01-Oct-08	01-Apr-09	01-Oct-09	01-Apr-10	
	\$5,521,405.29	\$13,690,027.77	\$880.49	\$871.76	\$68,384.84	\$80,707.34	\$5,672,249.72
01-Apr-08			964.84	955.28	74,936.68	88,439.78	13,855,324.35
01-Oct-08			40,999.84	955.28	74,936.68	88,439.78	205,331.58
01-Apr-09				41,954.28	74,936.68	88,439.78	205,330.74
01-Oct-09					3,368,856.68	88,439.78	3,457,296.46
01-Apr-10						3,993,065.78	3,993,065.78
	\$5,521,405.29	\$13,690,027.77	\$42,845.17	\$44,736.60	\$3,662,051.56	\$4,427,532.24	\$27,388,598.63

(1) U.S. Treasury Certificate of Indebtedness (State and Local Government Series).

(2) U.S. Treasury Note or Bond (State and Local Government Series).

STATE OF WEST VIRGINIA
 HIGHER EDUCATION POLICY COMMISSION
 REVENUE REFUNDING BONDS
 (HIGHER EDUCATION FACILITIES), 2007 SERIES A

DESCRIPTION OF THE ESCROWED SECURITIES
 AS OF APRIL 17, 2007

Type	Settlement Date	Maturity Date	Par Amount	Coupon Rate	Price	Total Cost
SLGS	17-Apr-07	01-Oct-07	\$5,396,804.00	5.060%	100.000000%	\$5,396,804.00
SLGS	17-Apr-07	01-Apr-08	13,073,672.00	4.930%	100.000000%	13,073,672.00
SLGS	17-Apr-07	01-Oct-08	40,035.00	4.820%	100.000000%	40,035.00
SLGS	17-Apr-07	01-Apr-09	40,999.00	4.660%	100.000000%	40,999.00
SLGS	17-Apr-07	01-Oct-09	3,293,920.00	4.550%	100.000000%	3,293,920.00
SLGS	17-Apr-07	01-Apr-10	3,904,626.00	4.530%	100.000000%	3,904,626.00
			<u>\$25,750,056.00</u>			<u>\$25,750,056.00</u>

EXHIBIT B

STATE OF WEST VIRGINIA
 HIGHER EDUCATION POLICY COMMISSION
 REVENUE REFUNDING BONDS
 (HIGHER EDUCATION FACILITIES), 2007 SERIES A

COMBINED ESCROW ACCOUNT DISBURSEMENT
 REQUIREMENTS FOR THE REFUNDED BONDS
 AS OF APRIL 17, 2007

Payment Date	Debt Payment For			Total Debt Payment
	Refunded 1997 Univ Bonds (Exhibit B-1)	Refunded 1997 Coll Bonds (Exhibit B-2)	Refunded 2000B Bonds (Exhibit B-3)	
01-Oct-07	\$256,118.75	\$201,388.13	\$205,331.25	\$662,838.13
01-Apr-08	10,445,918.75	8,213,488.13	205,331.25	18,864,738.13
01-Oct-08			205,331.25	205,331.25
01-Apr-09			205,331.25	205,331.25
01-Oct-09			205,331.25	205,331.25
01-Apr-10			7,245,031.25	7,245,031.25
	<u>\$10,702,037.50</u>	<u>\$8,414,876.26</u>	<u>\$8,271,687.50</u>	<u>\$27,388,601.26</u>

STATE OF WEST VIRGINIA
 HIGHER EDUCATION POLICY COMMISSION
 REVENUE REFUNDING BONDS
 (HIGHER EDUCATION FACILITIES), 2007 SERIES A

ESCROW ACCOUNT DISBURSEMENT REQUIREMENTS
 FOR THE REFUNDED 1997 UNIV BONDS
 AS OF APRIL 17, 2007

Payment Date	Rate	Payment For			Total
		Principal Redeemed	Interest	Premium	
01-Oct-07			\$256,118.75		\$256,118.75
01-Apr-08	Various	\$9,990,000.00	256,118.75	\$199,800.00	10,445,918.75
		<u>\$9,990,000.00</u>	<u>\$512,237.50</u>	<u>\$199,800.00</u>	<u>\$10,702,037.50</u>

STATE OF WEST VIRGINIA
 HIGHER EDUCATION POLICY COMMISSION
 REVENUE REFUNDING BONDS
 (HIGHER EDUCATION FACILITIES), 2007 SERIES A

ESCROW ACCOUNT DISBURSEMENT REQUIREMENTS
 FOR THE REFUNDED 1997 COLL BONDS
 AS OF APRIL 17, 2007

Payment Date	Rate	Payment For			Total
		Principal Redeemed	Interest	Premium	
01-Oct-07			\$201,388.13		\$201,388.13
01-Apr-08	Various	\$7,855,000.00	201,388.13	\$157,100.00	8,213,488.13
		\$7,855,000.00	\$402,776.26	\$157,100.00	\$8,414,876.26

STATE OF WEST VIRGINIA
 HIGHER EDUCATION POLICY COMMISSION
 REVENUE REFUNDING BONDS
 (HIGHER EDUCATION FACILITIES), 2007 SERIES A

ESCROW ACCOUNT DISBURSEMENT REQUIREMENTS
 FOR THE REFUNDED 2000B BONDS
 AS OF APRIL 17, 2007

Payment Date	Rate	Payment For			Total
		Principal Redeemed	Interest	Premium	
01-Oct-07			\$205,331.25		\$205,331.25
01-Apr-08			205,331.25		205,331.25
01-Oct-08			205,331.25		205,331.25
01-Apr-09			205,331.25		205,331.25
01-Oct-09			205,331.25		205,331.25
01-Apr-10	Various	\$6,970,000.00	205,331.25	\$69,700.00	7,245,031.25
		<u>\$6,970,000.00</u>	<u>\$1,231,987.50</u>	<u>\$69,700.00</u>	<u>\$8,271,687.50</u>

STATE OF WEST VIRGINIA
HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES), 2007 SERIES A

DEBT SERVICE REQUIREMENTS FOR THE REFUNDED 1997 UNIV BONDS
ASSUMING NO OPTIONAL REDEMPTIONS PRIOR TO MATURITY
AS OF APRIL 17, 2007

(FOR INFORMATIONAL PURPOSES ONLY)

Payment Date	Rate	Payment For		Total Debt Payment
		Principal	Interest	
01-Oct-07			\$256,118.75	\$256,118.75
01-Apr-08			256,118.75	256,118.75
01-Oct-08			256,118.75	256,118.75
01-Apr-09	4.900%	\$325,000.00	256,118.75	581,118.75
01-Oct-09			248,156.25	248,156.25
01-Apr-10	5.000%	340,000.00	248,156.25	588,156.25
01-Oct-10			239,656.25	239,656.25
01-Apr-11	5.250%	355,000.00	239,656.25	594,656.25
01-Oct-11			230,337.50	230,337.50
01-Apr-12	5.250%	375,000.00	230,337.50	605,337.50
01-Oct-12			220,493.75	220,493.75
01-Apr-13	5.250%	395,000.00	220,493.75	615,493.75
01-Oct-13			210,125.00	210,125.00
01-Apr-14	5.125%	415,000.00	210,125.00	625,125.00
01-Oct-14			199,490.63	199,490.63
01-Apr-15	5.125%	435,000.00	199,490.63	634,490.63
01-Oct-15			188,343.75	188,343.75
01-Apr-16	5.125%	460,000.00	188,343.75	648,343.75
01-Oct-16			176,556.25	176,556.25
01-Apr-17	5.125%	480,000.00	176,556.25	656,556.25
01-Oct-17			164,256.25	164,256.25
01-Apr-18	5.125%	505,000.00	164,256.25	669,256.25
01-Oct-18			151,315.63	151,315.63
01-Apr-19	5.125%	530,000.00	151,315.63	681,315.63
01-Oct-19			137,734.38	137,734.38
01-Apr-20	5.125%	560,000.00	137,734.38	697,734.38
01-Oct-20			123,384.38	123,384.38
01-Apr-21	5.125%	590,000.00	123,384.38	713,384.38
01-Oct-21			108,265.63	108,265.63
01-Apr-22	5.125%	620,000.00	108,265.63	728,265.63
01-Oct-22			92,378.13	92,378.13
01-Apr-23	5.125%	650,000.00	92,378.13	742,378.13
01-Oct-23			75,721.88	75,721.88
01-Apr-24	5.125%	685,000.00	75,721.88	760,721.88
01-Oct-24			58,168.75	58,168.75
01-Apr-25	5.125%	720,000.00	58,168.75	778,168.75
01-Oct-25			39,718.75	39,718.75
01-Apr-26	5.125%	755,000.00	39,718.75	794,718.75
01-Oct-26			20,371.88	20,371.88
01-Apr-27	5.125%	795,000.00	20,371.88	815,371.88
		\$9,990,000.00	\$6,393,425.08	\$16,383,425.08

EXHIBIT B-5

STATE OF WEST VIRGINIA
HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES), 2007 SERIES A

DEBT SERVICE REQUIREMENTS FOR THE REFUNDED 1997 COLL BONDS
ASSUMING NO OPTIONAL REDEMPTIONS PRIOR TO MATURITY
AS OF APRIL 17, 2007

(FOR INFORMATIONAL PURPOSES ONLY)

Payment Date	Rate	Payment For		Total Debt Payment
		Principal	Interest	
01-Oct-07			\$201,388.13	\$201,388.13
01-Apr-08			201,388.13	201,388.13
01-Oct-08			201,388.13	201,388.13
01-Apr-09	4.900%	\$255,000.00	201,388.13	456,388.13
01-Oct-09			195,140.63	195,140.63
01-Apr-10	5.000%	265,000.00	195,140.63	460,140.63
01-Oct-10			188,515.63	188,515.63
01-Apr-11	5.250%	285,000.00	188,515.63	473,515.63
01-Oct-11			181,034.38	181,034.38
01-Apr-12	5.250%	295,000.00	181,034.38	476,034.38
01-Oct-12			173,290.63	173,290.63
01-Apr-13	5.250%	310,000.00	173,290.63	483,290.63
01-Oct-13			165,153.13	165,153.13
01-Apr-14	5.125%	325,000.00	165,153.13	490,153.13
01-Oct-14			156,825.00	156,825.00
01-Apr-15	5.125%	340,000.00	156,825.00	496,825.00
01-Oct-15			148,112.50	148,112.50
01-Apr-16	5.125%	360,000.00	148,112.50	508,112.50
01-Oct-16			138,887.50	138,887.50
01-Apr-17	5.125%	380,000.00	138,887.50	518,887.50
01-Oct-17			129,150.00	129,150.00
01-Apr-18	5.125%	400,000.00	129,150.00	529,150.00
01-Oct-18			118,900.00	118,900.00
01-Apr-19	5.125%	420,000.00	118,900.00	538,900.00
01-Oct-19			108,137.50	108,137.50
01-Apr-20	5.125%	440,000.00	108,137.50	548,137.50
01-Oct-20			96,862.50	96,862.50
01-Apr-21	5.125%	460,000.00	96,862.50	556,862.50
01-Oct-21			85,075.00	85,075.00
01-Apr-22	5.125%	485,000.00	85,075.00	570,075.00
01-Oct-22			72,646.88	72,646.88
01-Apr-23	5.125%	515,000.00	72,646.88	587,646.88
01-Oct-23			59,450.00	59,450.00
01-Apr-24	5.125%	535,000.00	59,450.00	594,450.00
01-Oct-24			45,740.63	45,740.63
01-Apr-25	5.125%	565,000.00	45,740.63	610,740.63
01-Oct-25			31,262.50	31,262.50
01-Apr-26	5.125%	595,000.00	31,262.50	626,262.50
01-Oct-26			16,015.63	16,015.63
01-Apr-27	5.125%	625,000.00	16,015.63	641,015.63
		<u>\$7,855,000.00</u>	<u>\$5,025,952.60</u>	<u>\$12,880,952.60</u>

STATE OF WEST VIRGINIA
HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES), 2007 SERIES A

DEBT SERVICE REQUIREMENTS FOR THE REFUNDED 2000B BONDS
ASSUMING NO OPTIONAL REDEMPTIONS PRIOR TO MATURITY
AS OF APRIL 17, 2007

(FOR INFORMATIONAL PURPOSES ONLY)

Payment Date	Rate	Payment For		Total Debt Payment
		Principal	Interest	
01-Oct-07			\$205,331.25	\$205,331.25
01-Apr-08			205,331.25	205,331.25
01-Oct-08			205,331.25	205,331.25
01-Apr-09			205,331.25	205,331.25
01-Oct-09			205,331.25	205,331.25
01-Apr-10			205,331.25	205,331.25
01-Oct-10			205,331.25	205,331.25
01-Apr-11	6.000%	\$300,000.00	205,331.25	505,331.25
01-Oct-11			196,331.25	196,331.25
01-Apr-12	6.000%	320,000.00	196,331.25	516,331.25
01-Oct-12			186,731.25	186,731.25
01-Apr-13	6.000%	335,000.00	186,731.25	521,731.25
01-Oct-13			176,681.25	176,681.25
01-Apr-14	6.000%	360,000.00	176,681.25	536,681.25
01-Oct-14			165,881.25	165,881.25
01-Apr-15	6.000%	380,000.00	165,881.25	545,881.25
01-Oct-15			154,481.25	154,481.25
01-Apr-16	6.000%	400,000.00	154,481.25	554,481.25
01-Oct-16			142,481.25	142,481.25
01-Apr-17	6.000%	425,000.00	142,481.25	567,481.25
01-Oct-17			129,731.25	129,731.25
01-Apr-18	6.000%	450,000.00	129,731.25	579,731.25
01-Oct-18			116,231.25	116,231.25
01-Apr-19	6.000%	480,000.00	116,231.25	596,231.25
01-Oct-19			101,831.25	101,831.25
01-Apr-20	6.000%	505,000.00	101,831.25	606,831.25
01-Oct-20			86,681.25	86,681.25
01-Apr-21	5.750%	540,000.00	86,681.25	626,681.25
01-Oct-21			71,156.25	71,156.25
01-Apr-22	5.750%	570,000.00	71,156.25	641,156.25
01-Oct-22			54,768.75	54,768.75
01-Apr-23	5.750%	600,000.00	54,768.75	654,768.75
01-Oct-23			37,518.75	37,518.75
01-Apr-24	5.750%	635,000.00	37,518.75	672,518.75
01-Oct-24			19,262.50	19,262.50
01-Apr-25	5.750%	670,000.00	19,262.50	689,262.50
		<u>\$6,970,000.00</u>	<u>\$4,922,187.50</u>	<u>\$11,892,187.50</u>

STATE OF WEST VIRGINIA
HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES), 2007 SERIES A

YIELD ON THE REFUNDING BONDS
AS OF APRIL 17, 2007

Payment Date	Total Debt Payment (Exhibit C-1)	Callable Premium Bond Adjustments	Net Debt Payment	Present Value at April 17, 2007 Using a Semi-Annually Compounded Yield of 4.21631%
01-Oct-07	\$499,824.17		\$499,824.17	\$490,413.25
01-Apr-08	733,587.50		733,587.50	704,914.48
01-Oct-08	544,887.50		544,887.50	512,779.82
01-Apr-09	1,264,887.50		1,264,887.50	1,165,777.17
01-Oct-09	530,487.50		530,487.50	478,826.71
01-Apr-10	1,275,487.50		1,275,487.50	1,127,506.34
01-Oct-10	515,587.50		515,587.50	446,359.45
01-Apr-11	1,600,587.50		1,600,587.50	1,357,067.17
01-Oct-11	493,887.50		493,887.50	410,099.77
01-Apr-12	1,613,887.50		1,613,887.50	1,312,424.47
01-Oct-12	471,487.50		471,487.50	375,500.75
01-Apr-13	1,631,487.50		1,631,487.50	1,272,518.04
01-Oct-13	448,287.50		448,287.50	342,433.62
01-Apr-14	1,658,287.50		1,658,287.50	1,240,563.97
01-Oct-14	424,087.50		424,087.50	310,709.39
01-Apr-15	1,679,087.50		1,679,087.50	1,204,791.24
01-Oct-15	398,987.50		398,987.50	280,373.74
01-Apr-16	1,703,987.50		1,703,987.50	1,172,692.14
01-Oct-16	372,887.50		372,887.50	251,324.60
01-Apr-17	1,737,887.50	\$4,560,000.00	6,297,887.50	4,157,111.25
01-Oct-17	345,587.50	(114,000.00)	231,587.50	149,710.21
01-Apr-18	1,760,587.50	(114,000.00)	1,646,587.50	1,042,463.12
01-Oct-18	317,287.50	(114,000.00)	203,287.50	126,045.15
01-Apr-19	1,792,287.50	(114,000.00)	1,678,287.50	1,019,110.75
01-Oct-19	287,787.50	(114,000.00)	173,787.50	103,350.63
01-Apr-20	1,817,787.50	(114,000.00)	1,703,787.50	992,315.08
01-Oct-20	257,187.50	(114,000.00)	143,187.50	81,673.06
01-Apr-21	1,847,187.50	(114,000.00)	1,733,187.50	968,186.11
01-Oct-21	224,393.75	(114,000.00)	110,393.75	60,394.50
01-Apr-22	1,884,393.75	(114,000.00)	1,770,393.75	948,554.54
01-Oct-22	189,118.75	(114,000.00)	75,118.75	39,416.71
01-Apr-23	1,919,118.75	(114,000.00)	1,805,118.75	927,635.48
01-Oct-23	152,356.25	(114,000.00)	38,356.25	19,304.00
01-Apr-24	1,957,356.25	(114,000.00)	1,843,356.25	908,573.34
01-Oct-24	114,000.00	(114,000.00)		
01-Apr-25	1,994,000.00	(1,994,000.00)		
01-Oct-25	67,000.00	(67,000.00)		
01-Apr-26	1,372,000.00	(1,372,000.00)		
01-Oct-26	34,375.00	(34,375.00)		
01-Apr-27	1,409,375.00	(1,409,375.00)		
	<u>\$39,342,774.17</u>	<u>(\$2,026,750.00)</u>	<u>\$37,316,024.17</u>	<u>\$26,000,920.05</u>

Dated Date: 17-Apr-07
Delivery Date: 17-Apr-07

The above aggregate present value of the future payments equals the following:

Par Value of the Issue	\$25,915,000.00
Net Original Issue Premium	163,818.75
Bond Insurance Premium	(77,898.70)
Proceeds on Delivery Date	<u>\$26,000,920.05</u>

STATE OF WEST VIRGINIA
HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES), 2007 SERIES A

REFUNDING BOND DEBT SERVICE REQUIREMENTS AND PRODUCTION
AS OF APRIL 17, 2007

Payment Date	Rate	Payment For		Total Debt Payment	Reoffering Price	Original Issue Premium/ (Discount)	Total Production
		Principal	Interest				
01-Oct-07			\$499,824.17	\$499,824.17			
01-Apr-08	4.000%	\$185,000.00	548,587.50	733,587.50	100.389%	\$719.65	\$185,719.65
01-Oct-08			544,887.50	544,887.50			
01-Apr-09	4.000%	720,000.00	544,887.50	1,264,887.50	100.747%	5,378.40	725,378.40
01-Oct-09			530,487.50	530,487.50			
01-Apr-10	4.000%	745,000.00	530,487.50	1,275,487.50	101.054%	7,852.30	752,852.30
01-Oct-10			515,587.50	515,587.50			
01-Apr-11	4.000%	1,085,000.00	515,587.50	1,600,587.50	101.276%	13,844.60	1,098,844.60
01-Oct-11			493,887.50	493,887.50			
01-Apr-12	4.000%	1,120,000.00	493,887.50	1,613,887.50	101.390%	15,568.00	1,135,568.00
01-Oct-12			471,487.50	471,487.50			
01-Apr-13	4.000%	1,160,000.00	471,487.50	1,631,487.50	101.321%	15,323.60	1,175,323.60
01-Oct-13			448,287.50	448,287.50			
01-Apr-14	4.000%	1,210,000.00	448,287.50	1,658,287.50	101.210%	14,641.00	1,224,641.00
01-Oct-14			424,087.50	424,087.50			
01-Apr-15	4.000%	1,255,000.00	424,087.50	1,679,087.50	100.881%	11,056.55	1,266,056.55
01-Oct-15			398,987.50	398,987.50			
01-Apr-16	4.000%	1,305,000.00	398,987.50	1,703,987.50	100.522%	6,812.10	1,311,812.10
01-Oct-16			372,887.50	372,887.50			
01-Apr-17	4.000%	1,365,000.00	372,887.50	1,737,887.50	100.079%	1,078.35	1,366,078.35
01-Oct-17			345,587.50	345,587.50			
01-Apr-18	4.000%	1,415,000.00	345,587.50	1,760,587.50	99.210%	(11,178.50)	1,403,821.50
01-Oct-18			317,287.50	317,287.50			
01-Apr-19	4.000%	1,475,000.00	317,287.50	1,792,287.50	98.318%	(24,809.50)	1,450,190.50
01-Oct-19			287,787.50	287,787.50			
01-Apr-20	4.000%	1,530,000.00	287,787.50	1,817,787.50	97.527%	(37,836.90)	1,492,163.10
01-Oct-20			257,187.50	257,187.50			
01-Apr-21	4.125%	1,590,000.00	257,187.50	1,847,187.50	97.970%	(32,277.00)	1,557,723.00
01-Oct-21			224,393.75	224,393.75			
01-Apr-22	4.250%	1,660,000.00	224,393.75	1,884,393.75	98.367%	(27,107.80)	1,632,892.20
01-Oct-22			189,118.75	189,118.75			
01-Apr-23	4.250%	1,730,000.00	189,118.75	1,919,118.75	98.178%	(31,520.60)	1,698,479.40
01-Oct-23			152,356.25	152,356.25			
01-Apr-24	4.250%	1,805,000.00	152,356.25	1,957,356.25	97.634%	(42,706.30)	1,762,293.70
01-Oct-24			114,000.00	114,000.00			
01-Apr-25	5.000%	1,880,000.00	114,000.00	1,994,000.00	106.118%	115,018.40	1,995,018.40
01-Oct-25			67,000.00	67,000.00			
01-Apr-26	5.000%	1,305,000.00	67,000.00	1,372,000.00	106.118%	79,839.90	1,384,839.90
01-Oct-26			34,375.00	34,375.00			
01-Apr-27	5.000%	1,375,000.00	34,375.00	1,409,375.00	106.118%	84,122.50	1,459,122.50
		<u>\$25,915,000.00</u>	<u>\$13,427,774.17</u>	<u>\$39,342,774.17</u>		<u>\$163,818.75</u>	<u>\$26,078,818.75</u>

EXHIBIT D

STATE OF WEST VIRGINIA
HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES), 2007 SERIES A

ESCROW YIELD CALCULATION
AS OF APRIL 17, 2007

Date	Adjusted Cash Receipts From U.S. Treasury Securities (Exhibit A)	Present Value at April 17, 2007 Using a Semi-Annually Compounded Yield of 4.21623%
01-Oct-07	\$662,837.72	\$650,357.76
01-Apr-08	18,864,736.35	18,127,403.68
01-Oct-08	205,331.58	193,232.59
01-Apr-09	205,330.74	189,242.36
01-Oct-09	205,331.46	185,335.93
01-Apr-10	7,245,030.78	6,404,483.68
	<u>\$27,388,598.63</u>	<u>\$25,750,056.00</u>

Total Cost of Securities \$25,750,056.00

STATE OF WEST VIRGINIA
HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES), 2007 SERIES A

PRESENT VALUE SAVINGS (COST)
AS OF APRIL 17, 2007

Date	Refunding Bond Debt Service (Exhibit C-1)	Refunded 1997 Univ Bond Debt Service (Exhibit B-4)	Refunded 1997 Coll Bond Debt Service (Exhibit B-5)	Refunded 2000B Bond Debt Service (Exhibit B-6)	Total Refunded Bond Debt Service	Savings (Cost)	Annual Savings (Cost)	Present Value of Savings (Cost) at April 17, 2007 4.21631%
01-Oct-07	\$499,824.17	\$256,118.75	\$201,388.13	\$205,331.25	\$662,838.13	\$163,013.96		\$159,944.66
01-Apr-08	733,587.50	256,118.75	201,388.13	205,331.25	662,838.13	(70,749.37)	\$92,264.59	(67,984.06)
01-Oct-08	544,887.50	256,118.75	201,388.13	205,331.25	662,838.13	117,950.63		111,000.35
01-Apr-09	1,264,887.50	581,118.75	456,388.13	205,331.25	1,242,838.13	(22,049.37)	95,901.26	(20,321.69)
01-Oct-09	530,487.50	248,156.25	195,140.63	205,331.25	648,628.13	118,140.63		106,635.67
01-Apr-10	1,275,487.50	588,156.25	460,140.63	205,331.25	1,253,628.13	(21,859.37)	96,281.26	(19,323.26)
01-Oct-10	515,587.50	239,656.25	188,515.63	205,331.25	633,503.13	117,915.63		102,083.07
01-Apr-11	1,600,587.50	594,656.25	473,515.63	505,331.25	1,573,503.13	(27,084.37)	90,831.26	(22,963.64)
01-Oct-11	493,887.50	230,337.50	181,034.38	196,331.25	607,703.13	113,815.63		94,506.87
01-Apr-12	1,613,887.50	605,337.50	476,034.38	516,331.25	1,597,703.13	(16,184.37)	97,631.26	(13,161.24)
01-Oct-12	471,487.50	220,493.75	173,290.63	186,731.25	580,515.63	109,028.13		86,831.88
01-Apr-13	1,631,487.50	615,493.75	483,290.63	521,731.25	1,620,515.63	(10,971.87)	98,056.26	(8,557.77)
01-Oct-13	448,287.50	210,125.00	165,153.13	176,681.25	551,959.38	103,671.88		79,191.90
01-Apr-14	1,658,287.50	625,125.00	490,153.13	536,681.25	1,651,959.38	(6,328.12)	97,343.76	(4,734.06)
01-Oct-14	424,087.50	199,490.63	156,825.00	165,881.25	522,196.88	98,109.38		71,880.23
01-Apr-15	1,679,087.50	634,490.63	496,825.00	545,881.25	1,677,196.88	(1,890.62)	96,218.76	(1,356.57)
01-Oct-15	398,887.50	188,343.75	148,112.50	154,481.25	490,937.50	91,950.00		64,614.47
01-Apr-16	1,703,987.50	648,343.75	508,112.50	554,481.25	1,710,937.50	6,950.00	98,900.00	4,783.02
01-Oct-16	372,887.50	176,556.25	138,887.50	142,481.25	457,925.00	85,037.50		57,314.92
01-Apr-17	1,737,887.50	656,556.25	518,887.50	567,481.25	1,742,925.00	5,037.50	90,075.00	3,325.15
01-Oct-17	345,587.50	164,256.25	129,150.00	129,731.25	423,137.50	77,550.00		50,132.36
01-Apr-18	1,760,587.50	669,256.25	529,150.00	579,731.25	1,778,137.50	17,550.00	95,100.00	11,111.00
01-Oct-18	317,287.50	151,315.63	118,900.00	116,231.25	386,446.88	69,159.38		42,881.16
01-Apr-19	1,792,287.50	681,315.63	538,900.00	596,231.25	1,816,446.88	24,159.38	93,318.76	14,670.36
01-Oct-19	287,787.50	137,734.38	108,137.50	101,831.25	347,703.13	59,915.63		35,631.55
01-Apr-20	1,817,787.50	697,734.38	548,137.50	606,831.25	1,852,703.13	34,915.63	94,831.26	20,335.46
01-Oct-20	257,187.50	123,384.38	96,862.50	86,681.25	306,928.13	49,740.63		28,371.68
01-Apr-21	1,847,187.50	713,384.38	556,862.50	626,681.25	1,896,928.13	49,740.63	99,481.26	27,785.91
01-Oct-21	224,393.75	108,265.63	85,075.00	71,156.25	264,496.88	40,103.13		21,939.72
01-Apr-22	1,884,393.75	728,265.63	570,075.00	641,156.25	1,939,496.88	55,103.13	95,206.26	29,523.56
01-Oct-22	189,118.75	92,378.13	72,646.88	54,768.75	219,793.76	30,675.01		16,095.95
01-Apr-23	1,919,118.75	742,378.13	587,646.88	654,768.75	1,984,793.76	65,675.01	96,350.02	33,749.84
01-Oct-23	152,356.25	75,721.88	59,450.00	37,518.75	172,690.63	20,334.38		10,233.92
01-Apr-24	1,957,356.25	760,721.88	594,450.00	672,518.75	2,027,690.63	70,334.38	90,668.76	34,667.17
01-Oct-24	114,000.00	58,168.75	45,740.63	19,262.50	123,171.88	9,171.88		4,427.40
01-Apr-25	1,994,000.00	778,168.75	610,740.63	689,262.50	2,078,171.88	84,171.88	93,343.76	39,792.10
01-Oct-25	67,000.00	39,718.75	31,262.50		70,981.25	3,981.25		1,843.27
01-Apr-26	1,372,000.00	794,718.75	626,262.50		1,420,981.25	48,981.25	52,962.50	22,209.50
01-Oct-26	34,375.00	20,371.88	16,015.63		36,387.51	2,012.51		893.69
01-Apr-27	1,409,375.00	815,371.88	641,015.63		1,456,387.51	47,012.51	49,025.02	20,445.68
Total	\$39,342,774.17	\$16,383,425.08	\$12,880,952.60	\$11,892,187.50	\$41,156,565.18	1,813,791.01	1,813,791.01	1,250,451.18
Contingency						2,719.54	2,719.54	2,719.54
Net Total						<u>\$1,816,510.55</u>		<u>\$1,253,170.72</u>

EXHIBIT F

STATE OF WEST VIRGINIA
HIGHER EDUCATION POLICY COMMISSION
REVENUE REFUNDING BONDS
(HIGHER EDUCATION FACILITIES), 2007 SERIES A

ESTIMATED SOURCES AND USES OF FUNDS
AS OF APRIL 17, 2007

Sources of Funds:

Par Value of Bonds	\$25,915,000.00
Net Original Issue Premium	163,818.75
Total Sources of Funds	<u>\$26,078,818.75</u>

Uses of Funds:

Beginning Escrow Account Cash Balance	\$7.62
Cost of the Escrowed Securities	25,750,056.00
Bond Insurance Premium	77,898.70
Underwriter's Discount	105,196.89
Issuance Costs	142,940.00
Contingency	2,719.54
Total Uses of Funds	<u>\$26,078,818.75</u>

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WV MUNICIPAL BOND COMMISSION
8 Capitol Street, 5th Floor
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: April 17, 2007

FILED

ISSUE: \$25,915,000 State of West Virginia Higher Education Policy Commission Revenue Refunding Bonds (Higher Education Facilities) 2007 Series A

ADDRESS: 1080 Kanawha Blvd, East, Suite 700, Charleston, WV 25301 COUNTY: Kanawha

PURPOSE OF ISSUE: New Money: _____
Refunding: X

REFUND ISSUE(S) DATED: April 17, 2007

ISSUE DATE: April 17, 2007

CLOSING DATE: April 17, 2007

ISSUE AMOUNT: \$25,915,000

YIELD: 4.2163%

1ST DEBT SERVICE DUE: 10/1/2007

1ST PRINCIPAL DUE: 4/1/2008

1ST DEBT SERVICE AMOUNT: \$499,824.17 PAYING AGENT: Municipal Bond Commission

BOND

COUNSEL: Spilman Thomas & Battle, PLLC
Contact Person: Lee O. Hill, Esq.
Phone: 304.340.3802

UNDERWRITERS

COUNSEL: Lewis, Glasser, Casey & Rollins, PLLC
Contact Person: Steven F. Luby, Esq.
Phone: 304.414.9005

CLOSING BANK: Bank of New York Trust Company, NA
Contact Person: Joe Progar
Phone: 412.291.2037

ESCROW TRUSTEE: Municipal Bond Commission
Contact Person: Sara Boardman
Phone: 304.558.3971

KNOWLEDGEABLE ISSUER CONTACT

Contact Person: Dr. Brian Noland
Position: Chancellor
Phone: 304.558.0699

OTHER: _____

Contact Person: _____
Function: _____
Phone: _____

DEPOSITS TO MBC AT CLOSE: _____
By: x Wire _____
_____ Check _____
x Escrow Fund: \$25,750,063.62
_____ Capitalized Interest: \$ _____
_____ Reserve Account: \$ _____
_____ Other: \$ _____

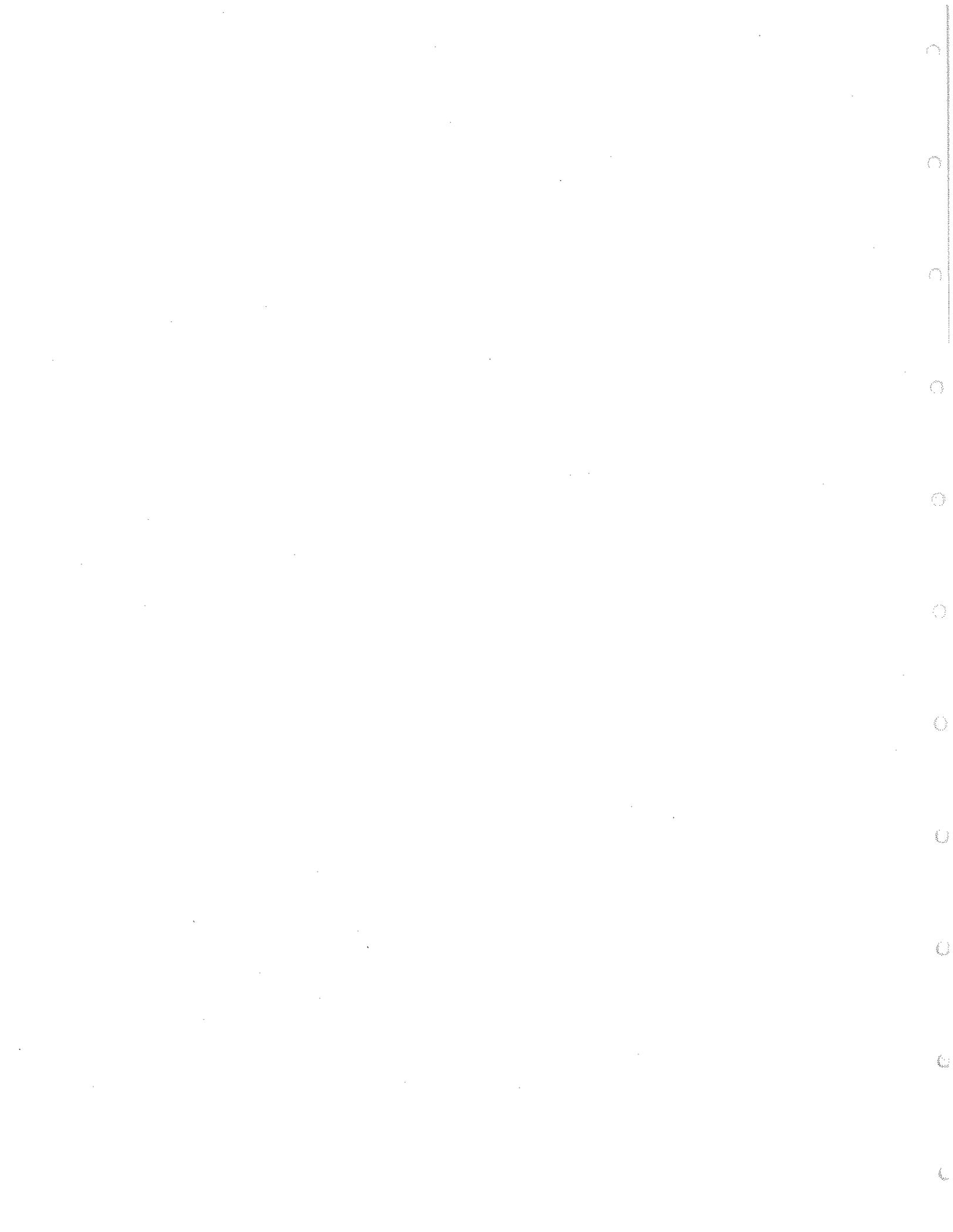
REFUNDS & TRANSFERS BY MBC AT CLOSE:

By: _____ Wire _____
_____ Check _____
_____ IGT _____
_____ To Accrued Interest: \$ _____
_____ To Issuer: \$ _____
_____ To Cons. Invest. Fund: \$ _____
_____ To Other: \$ _____

NOTES: _____

FOR MUNICIPAL BOND COMMISSION USE ONLY:

DOCUMENTS REQUIRED: _____
TRANSFERS REQUIRED: _____





Lewis Glasser
Casey & Rollins
PLLC
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March 30, 2007

BLUE SKY MEMORANDUM

State of West Virginia
Higher Education Policy Commission
Revenue Refunding and Improvement Bonds
(Higher Education Facilities)
2007 Series A

Citigroup Global Markets, Inc.,
as Representative of the Underwriters
listed on the cover page of the
Preliminary Official Statement

Ladies and Gentlemen:

This Memorandum relates to the requirements of the securities or "Blue Sky" laws of the jurisdictions listed herein with respect to the offer and sale of the Bonds described above (the "Bonds") to the public in the jurisdictions referred to herein by persons registered or licensed as brokers or dealers under the securities laws of such jurisdictions and to selected classes of persons in such jurisdictions by persons not registered therein as brokers or dealers.

This Memorandum is based upon an examination of Section 18 of the Securities Act of 1933, as amended, statements contained in the Preliminary Official Statement and the securities laws of the several jurisdictions and the rules and regulations, where published, of the authorities administering such laws, all as set forth in the CCH Blue Sky Law Reporter or upon informal interpretive advice or "no-action" letters obtained from certain securities commissions or their representatives relating to the Bonds or similar securities. It is noted, however, that the securities laws of certain jurisdictions provide that the burden of claiming an exemption is upon the person claiming the exemption and that informal interpretive advice and "no-action" letters are not necessarily binding upon a court of law.

We are attorneys admitted to practice in West Virginia and we have obtained neither opinions of counsel in other jurisdictions nor formal rulings from state regulatory commissions, departments or other administrative bodies or officials. Statements made or conclusions expressed in this Memorandum are subject to change upon exercise of broad discretionary

Lewis Glasser
Casey & Rollins
PLLC

Citigroup Global Markets, Inc.

March 30, 2007

Page 2

powers vested in administrative authorities authorizing them, among other things, to withdraw exemptions, to impose additional requirements, to refuse registrations or to issue stop orders.

In view of the foregoing limitations, this Memorandum is furnished only for your general information and is not to be relied upon as an opinion of counsel.

This Memorandum does not purport to cover the requirements under any of the laws of the jurisdictions enumerated herein with respect to the registration or licensing of dealers, brokers, salesmen, the form or substance of advertising, the legality of investments in the Bonds by any institutional investor which is subject to statutory or other restrictions as to its investments or any resale of the Bonds by any person who may purchase them in the present offering.

SECTION I

SALES TO THE PUBLIC

A. Jurisdictions Where Action Is Not Required

It is believed that offers and sales of the Bonds may be made in any amount to anyone in the following jurisdictions without registration of the Bonds or any filing being made with the local securities law administrator. Such offers and sales may be made only by sellers who are registered or licensed appropriately as dealers, brokers, salespersons or sales agents within the applicable jurisdictions or who are properly exempted from such jurisdiction's sellers' registration or licensing requirements.

Alabama	Kentucky	North Dakota
Alaska	Louisiana	Ohio
Arizona	Maine	Oklahoma
Arkansas	Maryland	Oregon
California	Massachusetts	Pennsylvania
Colorado	Michigan	Puerto Rico
Connecticut	Minnesota	Rhode Island
Delaware	Mississippi	South Carolina
District of Columbia	Missouri	South Dakota
Florida	Montana	Tennessee
Georgia	Nebraska	Texas
Hawaii	Nevada	Utah
Idaho	New Hampshire	Vermont
Illinois	New Jersey	Virginia
Indiana	New Mexico	Washington
Iowa	New York	West Virginia
Kansas	North Carolina	Wisconsin
		Wyoming

B. Jurisdictions Where Action Is Required

It is believed that offers and sales of the Bonds may be made in any amount to anyone in the following jurisdictions *only after* certain filings have been made, certain state fees have been paid or information sufficient to support a claim of exemption has been obtained.

None

SECTION II

Sales to Specified Institutions and Dealers

It is assumed in this Section that the person who offers for sale or sells the Bonds in the jurisdiction is not registered or licensed as a dealer or broker therein. In the following jurisdictions, it is believed that no action need be taken to qualify the Bonds and the seller need not be registered or licensed as a dealer or broker to offer for sale or sell the Bonds to the persons and institutions described below, as well as to dealers or brokers registered or licensed in such jurisdictions, subject to the conditions, if any, set forth below:

Alabama:

Any bank, savings institution, credit union, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or in some fiduciary capacity.

Alaska:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, whether the purchaser is acting for itself or in some fiduciary capacity; *provided*, that any seller who is not registered as a dealer or broker-dealer in the state has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers.

Arizona:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or in some fiduciary capacity.

Arkansas:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or in some fiduciary capacity; *provided*, that any seller who is not registered as a dealer or broker-dealer in the state has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers.

California:

Any bank, savings and loan association, trust company, insurance company, investment company registered under the Investment Company Act of 1940, pension or profit-sharing trust (other than a pension or profit-sharing trust of the issuer, self employed individual retirement plan or individual retirement account), or such other institutional investor or governmental agency or instrumentality as the Commissioner of Corporations may designate by rule, whether the purchaser is acting for itself or as trustee (the other institutional investors and governmental agencies or instrumentalities designated by the Commissioner by rule being any organization described in Section 501(c)(3) of the Internal Revenue Code, as amended December 29, 1981, which has total assets, including endowment, annuity and life income funds, of not less than \$5,000,000 according to its most recent audited financial statement, any corporation with a consolidated net worth of not less than \$14,000,000 according to its most recent audited financial statement, and any wholly-owned subsidiary of any such institutional investor, the federal government, any agency or instrumentality thereof, any corporation wholly-owned by the federal government, any state, city, city and county, or county, or any agency or instrumentality of a state, city, city and county, or county, or any state university or state college, and any retirement system for the benefit of employees of any of the foregoing public agencies); *provided*, that the purchaser represents that it is purchasing for its own account (or for such trust account) for investment and not with a view to or for sale in connection with any distribution of the security (any offer to resell or resale made in compliance with Rule 144A (17 CFR 230.144A) of the Securities and Exchange Commission being considered as not in connection with a distribution for this purpose); provided further, as to all of the foregoing, that any seller not registered as a broker-dealer in California has no place of business in California and either effects transactions exclusively with a broker-dealer or is a broker-dealer registered under the Securities Exchange Act of 1934 who has not previously had any certificate denied or revoked under the California Corporate Securities Law of 1968 or any predecessor statute and does not direct offers to sell or buy into California other than to broker-dealers and the institutional investors or governmental agencies or instrumentalities listed above, or any offer to resell or resale of restricted securities made in compliance with Rule 144A (17 CFR 230.144A) of the Securities and Exchange Commission.

Colorado:

Any broker-dealers licensed or exempt from licensing under the Colorado Securities Act (except when the seller is acting as a clearing broker-dealer for such broker-dealers); financial or institutional investors ("*financial or institutional investor*" means any of the following: a depository institution ("*depository institution*" means any of the following: a person that is organized or chartered, or is doing business or holds an authorization certificate, under the laws of a state or of the United States which authorize the person to receive deposits, including deposits in savings, share, certificate, or other deposit accounts, and that is supervised and examined for the protection of depositors by an official or agency of a state or the United States;

and a trust company or other institution that is authorized by federal or state law to exercise fiduciary powers of the type a national bank is permitted to exercise under the authority of the comptroller of the currency and is supervised and examined by an official or agency of a state or the United States); an insurance company; a separate account of an insurance company; an investment company registered under the federal Investment Company Act of 1940; a business development company as defined in the federal Investment Company Act of 1940; any private business development company as defined in the federal Investment Advisers Act of 1940; an employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of five million dollars or its investment decisions are made by a named fiduciary, as defined in the federal Employee Retirement Income Security Act of 1974, that is a broker-dealer registered under the federal Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the federal Investment Advisers Act of 1940, a depository institution, or an insurance company; an entity, but not an individual, a substantial part of whose business activities consist of investing, purchasing, selling, or trading in securities of more than one issuer and not of its own issue and that has total assets in excess of five million dollars as of the end of its latest fiscal year; a small business investment company licensed by the federal small business administration under the federal Small Business Investment Act of 1958; and any other institutional buyer); provided, seller is registered as a broker-dealer under the federal Securities Exchange Act of 1934 and has no place of business in this state and the business transacted in this state as a broker-dealer is exclusively with the foregoing entities and institutions.

Connecticut:

Any state bank and trust company, national banking association, savings bank, savings and loan association, federal savings and loan association, federal savings bank, credit union, federal credit union, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, as amended, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or as a trustee; *provided*, that any seller who is not registered as a broker-dealer in Connecticut has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers.

Delaware:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer (*"institutional buyer"* includes: an "accredited investor" as defined in SEC Rule 501(a) (1)-(4), (7) and (8) excluding any self directed employee benefit plan with investment decisions made solely by person that are individual accredited investors as defined in Rule 501 (5)-(6); a "qualified institutional buyer" as defined in SEC Rule 144A; and a corporation, partnership, trust, estate, or other entity (excluding individuals) having a net worth of not less than \$5 million or a wholly-owned subsidiary of such entity, so long as the entity was not formed for the purpose of acquiring the specific securities), whether the

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purchaser is acting for itself or in some fiduciary capacity; *provided*, that any seller who is not registered as a dealer or broker-dealer in the state has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers.

District of Columbia:

Any financial or institutional investor ("*financial or institutional investor*" means any of the following, whether acting for itself or others in a fiduciary capacity: a depository institution ("*depository institution*" means: a person that is organized, chartered, or holding an authorization certificate under the laws of a state or of the United States to receive deposits, including a savings, share, certificate or deposit account, and that is supervised and examined for the protection of depositors by an official or agency of a state or the United States; a trust company or other institution that is authorized by federal or state law to exercise fiduciary powers of the type a national bank is permitted to exercise under the authority of the Comptroller of the Currency and is supervised and examined by an official or agency of a state or the United States; and "*depository institution*" does not include an insurance company or other organization primarily engaged in the insurance business, or a Morris Plan bank, industrial loan company, or a similar bank or company unless its deposits are insured by a federal agency); an insurance company; a separate account of an insurance company; an investment company registered under the Investment Company Act of 1940; a business development company as defined in the Investment Company Act of 1940; an employee pension, profit-sharing or benefit plan if the plan has total assets in excess of \$5 million, or if investment decisions are made by a named fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is either a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, a depository institution, or an insurance company; a "qualified institutional buyer" as defined in SEC Rule 144A; a broker-dealer; an accredited investor as defined in SEC Rule 501(a); a limited liability company with net assets of at least \$500,000; and any other financial institution or institutional buyer; *provided*, that the seller has no place of business in the District of Columbia and effects transactions therein exclusively with the foregoing classes of purchasers.

Florida:

Any bank or trust company, savings institution, insurance company, investment company as defined by the Investment Company Act of 1940, or pension plan or profit-sharing trust, or qualified institutional buyer as defined by rule of the Department of Banking and Finance in accordance with Securities and Exchange Commission Rule 144A (17 C.F.R. 230.144(A)(a)), whether any of such entities is acting in its individual or fiduciary capacity; *provided* that such offer or sale of securities is not for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of the Florida Securities and Investor Protection Act.

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Georgia:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, as now or hereafter amended, real estate investment trust, small business investment corporation, pension or profit-sharing plan or trust, or other financial institution, whether the purchaser is acting for itself or in some fiduciary capacity.

Hawaii:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or in some fiduciary capacity; *provided*, that any seller who is not registered as a dealer or broker-dealer in the state has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers. The term "institutional buyer" includes any organization within the scope of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

Idaho:

Any institutional investor; *provided*, that any seller who is not registered as a broker-dealer in the state has no place of business there and effects transactions therein exclusively with an institutional investor.

"Institutional investor" means any of the following, whether acting for itself or for others in a fiduciary capacity: (a) a depository institution or international banking institution, (b) an insurance company, (c) a separate account of an insurance company, (d) an investment company as defined in the Investment Company Act of 1940, (e) a broker-dealer registered under the Securities Exchange Act of 1934, (f) an employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of ten million dollars or its investment decisions are made by a named fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under the state's uniform securities act, a depository institution, or an insurance company, (g) a plan established and maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or a political subdivision of a state for the benefit of its employees, if the plan has total assets in excess of ten million dollars or its investment decisions are made by a duly designated public official or by a named fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under the state's uniform securities act, a depository institution, or an insurance company, (h) a trust, if it has total

assets in excess of ten million dollars, its trustee is a depository institution, and its participants are exclusively plans of the types identified in clause (f) or (g) of this paragraph, regardless of the size of their assets, except a trust that includes as participants self-directed individual retirement accounts or similar self-directed plans, (i) an organization described in Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. Section 501(c)(3)), a corporation, Massachusetts trust or similar business trust, a limited liability company, or a partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of ten million dollars, (j) a small business investment company licensed by the Small Business Administration under Section 301(c) of the Small Business Investment Act of 1958 (15 U.S.C. Section 681(c)) with total assets in excess of ten million dollars, (k) a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-2(a)(22)) with total assets in excess of ten million dollars, (l) a federal covered investment adviser acting for its own account, (m) a "qualified institutional buyer" as defined in Rule 144A(a)(1), other than Rule 144A(a)(1)(i)(H), adopted under the Securities Act of 1933 (17 C.F.R. 230.144A), (n) a "major U.S. institutional investor" as defined in Rule 15a-6(b)(4)(i) adopted under the Securities Exchange Act of 1934 (17 C.F.R. 240.15a-6), (o) any other person, other than an individual, of institutional character with total assets in excess of ten million dollars not organized for the specific purpose of evading the state's uniform securities act, or (p) any other person specified by rule adopted or order issued under the state's uniform securities act.

"Depository institution" means: (a) a bank, or (b) a savings institution, trust company, credit union, or similar institution that is organized or chartered under the laws of a state or of the United States, authorized to receive deposits, and supervised and examined by an official or agency of a state or the United States if its deposits or share accounts are insured to the maximum amount authorized by statute by the Federal Deposit Insurance Corporation, the National Credit Union Share Insurance Fund, or a successor authorized by federal law. The term does not include: (i) an insurance company or other organization primarily engaged in the business of insurance, (ii) a Morris Plan bank, or (iii) an industrial loan company.

"Bank" means: (a) banking institution organized under the laws of the United States; (b) a member bank of the Federal Reserve System; (c) a banking institution, whether incorporated or not, doing business under the laws of a state or of the United States, a substantial portion of the business of which consists of receiving deposits or exercising fiduciary powers similar to those permitted to be exercised by national banks under the authority of the Comptroller of the Currency pursuant to Section 1 of United States Public Law 87-722, 12 United States Code, Section 92a, and that is supervised and examined by a state or federal agency having supervision over banks and that is not operated for the purpose of the state's Uniform Securities Act; and (d) a receiver, conservator or other liquidating agent of any institution or firm described in the foregoing clauses (a), (b) or (c).

“Federal covered investment adviser” means a person registered under the Investment Advisers Act of 1940.

“Insurance company” means a company organized as an insurer whose primary business is writing insurance or reinsuring risks underwritten by insurance companies and that are subject to supervision by the insurance commissioner or a similar official or agency of a state.

Illinois:

Any corporation, bank, savings bank, savings institution, savings and loan association, trust company, insurance company, building and loan association, pension fund or pension trust, employees’ profit-sharing trust, other financial institution (including, but not limited to, a manager of investment accounts on behalf of other than natural persons who, with affiliates, exercises sole investment discretion with respect to such accounts; *provided*, that such accounts exceed 10 in number and have a fair market value of not less than \$10,000,000 at the end of the calendar month preceding the offering of the securities) or institutional investor (including, but not limited to, any investment company, university, or other organization whose primary purpose is to invest its own assets or those held in trust by it for others; trust accounts and individual or group retirement accounts in which a bank, trust company, insurance company or savings and loan institution acts in a fiduciary capacity; and foundations and endowment funds exempt from taxation under the Internal Revenue Code, a principal business function of which is to invest funds to produce income in order to carry out the purpose of the foundation or fund), any government or political subdivision or instrumentality thereof, whether the purchaser is acting for itself or in some fiduciary capacity; or any partnership or other association engaged as a substantial part of its business or operations in purchasing or holding securities, or any trust in respect of which a bank or trust company is trustee or co-trustee; or any employee benefit plan within the meaning of Title I of ERISA if (i) the investment decision is made by a plan fiduciary as defined in Section 3(21) of ERISA and such plan fiduciary is either a bank, savings and loan association, insurance company, registered investment adviser or an investment adviser registered under the Investment Advisers Act of 1940 or (ii) the plan has total assets in excess of \$5,000,000 or (iii) in the case of a self-directed plan, investment decisions are made solely by persons that are described in this paragraph; any entity in which at least 90% of the equity is owned by (i) persons described above, (ii) any natural person who has, or is reasonably believed to have, a net worth or joint net worth with that person’s spouse, at the time of the offer, sale or issuance, in excess of \$1,000,000 or any natural person who had, or is reasonably believed to have had, an individual income or joint income with that person’s spouse, in excess of \$200,000 in the current year or any entity that is not a natural person and in which at least 90% of the equity interest is owned by natural persons described in this clause (ii), and (iii) directors, executive officers or general partners of the issuer of the securities being sold; or any plan established and maintained by, and for the benefit of the employees of, any state or political subdivision or agency or instrumentality thereof if such plan has total assets in excess of \$5,000,000; or any organization described in Section 501(c)(3) of the Internal Revenue Code of

1986, any Massachusetts or similar business trust, or any partnership, if such organization, trust, or partnership has total assets in excess of \$5,000,000.

Indiana:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or in some fiduciary capacity; *provided*, that any seller who is not registered as a dealer or broker-dealer in the state has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers.

Iowa:

Any institutional investor; *provided*, that any seller who is not registered as a broker-dealer in the state has no place of business there and effects transactions therein exclusively with an institutional investor.

“Institutional investor” means any of the following, whether acting for itself or for others in a fiduciary capacity: (a) a depository institution or international banking institution, (b) an insurance company, (c) a separate account of an insurance company, (d) an investment company as defined in the Investment Company Act of 1940, (e) a broker-dealer registered under the Securities Exchange Act of 1934, (f) an employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of five million dollars or its investment decisions are made by a named fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under the Iowa Uniform Securities Act, a depository institution, or an insurance company, (g) a plan established and maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or a political subdivision of a state for the benefit of its employees, if the plan has total assets in excess of five million dollars or its investment decisions are made by a duly designated public official or by a named fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under the Iowa Uniform Securities Act, a depository institution, or an insurance company, (h) a trust, if it has total assets in excess of five million dollars, its trustee is a depository institution, and its participants are exclusively plans of the types identified in clause (f) or (g) of this paragraph, regardless of the size of their assets, except a trust that includes as participants self-directed individual retirement accounts or similar self-directed plans, (i) an organization described in Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. Section 501(c)(3)), a corporation, Massachusetts trust or similar business trust, a limited liability company, or a partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of

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five million dollars, (j) a small business investment company licensed by the Small Business Administration under Section 301(c) of the Small Business Investment Act of 1958 (15 U.S.C. Section 681(c)) with total assets in excess of five million dollars, (k) a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-2(a)(22)) with total assets in excess of five million dollars, (l) a federal covered investment adviser acting for its own account, (m) a "qualified institutional buyer" as defined in Rule 144A(a)(1), other than Rule 144A(a)(1)(i)(H), adopted under the Securities Act of 1933 (17 C.F.R. 230.144A), (n) a "major U.S. institutional investor" as defined in Rule 15a-6(b)(4)(i) adopted under the Securities Exchange Act of 1934 (17 C.F.R. 240.15a-6), (o) any other person, other than an individual, of institutional character with total assets in excess of five million dollars not organized for the specific purpose of evading the Iowa Uniform Securities Act, or (p) any other person specified by rule adopted or order issued under the Iowa Uniform Securities Act.

"Depository institution" means: (a) a bank, or (b) a savings institution, trust company, credit union, or similar institution that is organized or chartered under the laws of a state or of the United States, authorized to receive deposits, and supervised and examined by an official or agency of a state or the United States if its deposits or share accounts are insured to the maximum amount authorized by statute by the Federal Deposit Insurance Corporation, the National Credit Union Share Insurance Fund, or a successor authorized by federal law. The term does not include: (i) an insurance company or other organization primarily engaged in the business of insurance, (ii) a Morris Plan bank, or (iii) an industrial loan company.

"Bank" means: (a) banking institution organized under the laws of the United States; (b) a member bank of the Federal Reserve System; (c) a banking institution, whether incorporated or not, doing business under the laws of a state or of the United States, a substantial portion of the business of which consists of receiving deposits or exercising fiduciary powers similar to those permitted to be exercised by national banks under the authority of the Comptroller of the Currency pursuant to Section 1 of United States Public Law 87-722, 12 United States Code, Section 92a, and that is supervised and examined by a state or federal agency having supervision over banks and that is not operated for the purpose of the state's Uniform Securities Act; and (d) a receiver, conservator or other liquidating agent of any institution or firm described in the foregoing clauses (a), (b) or (c).

"Federal covered investment adviser" means a person registered under the Investment Advisers Act of 1940.

"Insurance company" means a company organized as an insurance company whose primary business is writing insurance or reinsuring risks underwritten by insurance companies and that are subject to supervision by the insurance commissioner or a similar official or agency of a state.

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Kansas:

See Idaho, above.

Kentucky:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, qualified institutional buyer under SEC Rule 144A, or other financial institution or institutional buyer, whether the purchaser is acting for itself or in some fiduciary capacity.

Louisiana:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, as now or hereafter amended, real estate investment trust, small business investment corporation, pension or profit-sharing plan or trust, qualified institutional buyer in compliance with SEC Rule 144 or Rule 144A, or other financial institution, whether the purchaser is acting for itself or in some fiduciary capacity.

Maine:

See Idaho above, except that in clauses (j) and (k) of the definition of "institutional investor" the amount of ten million dollars should be changed to read five million dollars.

Maryland:

An investment company as defined in the Investment Company Act of 1940, an investment adviser with assets under management of not less than \$1,000,000, a broker-dealer, bank, trust company, savings and loan association, insurance company, employee benefit plan with assets of not less than \$1,000,000, or governmental agency or instrumentality whether acting for itself or other financial institution or institutional buyer, whether the purchaser is acting for itself or as a trustee or a fiduciary with investment control or other institutional investor designated by rule or order, *provided*, that any seller who is not registered as a dealer or broker in the state has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers. "Institutional investor" is designated as an accredited investor under Rule 501(a)(1)-(3), (7) or (8) or a qualified institutional buyer under SEC Rule 144A.

Massachusetts:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer ("*Institutional Buyer*" includes, but is not limited to, the following: (1) a Small Business Investment Company licensed by the U.S. Small Business Administration under the Small Business Investment Act of 1958, as amended; (2) a private

business development company as defined in s.202(a)(22) of the Investment Advisors Act of 1940, as amended; (3) a Business Development Company as defined in s.2(a)(48) of the Investment Company Act of 1940, as amended; (4) an entity with total assets in excess of \$5 million and which is either: (a) a company (whether a corporation, a Massachusetts or similar business trust or a partnership) not formed for the specific purpose of acquiring the securities offered; a substantial part of whose business activities consists of investing, purchasing, selling or trading in securities issued by others and whose investment decisions made by persons who are reasonably believed by the seller to have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investment; or (b) an organization described in Section 501(c)(3) of the Internal Revenue Code; and (5) a Qualified Institutional Buyer as defined in 17 CFR 230.144A(a)), whether the purchaser is acting for itself or in some fiduciary capacity; *provided*, that any seller who is not registered as a dealer or broker-dealer in the state has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers.

Michigan:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, the federal national mortgage association, the federal home loan mortgage corporation, or the government national mortgage association, pension or profit-sharing trust, the assets of which are managed by an institutional manager, the treasurer of the State of Michigan, other financial institution, broker dealer, whether the purchaser is acting for itself or in some fiduciary capacity, or a lender approved by the federal housing administration and who has satisfied any additional requirements established by the administrator by rule or order; *provided*, that any seller who is not registered as a dealer or broker-dealer in the state has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers.

Minnesota:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, or other financial institution or institutional buyer ("*financial institution or institutional buyer*" includes, but is not limited to: (1) any corporation with a class of equity securities registered under Section 12(b) or 12(g) of the Securities Exchange Act of 1934, as amended, and (2) any "*qualified institutional buyer*" within the meaning of Rule 144A, and any person who is an "*accredited investor*" within the meaning of Rule 501(a), adopted by the Securities and Exchange Commission under the Securities Act of 1933, as amended) whether the purchaser is acting for itself or in some fiduciary capacity; *provided*, that any seller who is not registered as a broker-dealer in Minnesota has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers.

Mississippi:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or in some fiduciary capacity; *provided*, that any seller who is not registered as a dealer or broker-dealer in the state has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers.

Missouri:

See Idaho, above.

Montana:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, qualified institutional buyer under SEC Rule 144A, or other financial institution or institutional buyer, whether the purchaser is acting for itself or in some fiduciary capacity.

Nebraska:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust ("*pension or profit-sharing trust*" means an employee benefit plan, as defined in Title I of the Employee Retirement Income Security Act of 1974 ("*ERISA*"), if (i) the investment decisions are made by a "*plan fiduciary*," as defined in Section 3(21) of ERISA, which is either a bank, insurance company or registered investment adviser or (ii) the employee benefit plan has total assets in excess of \$5,000,000) or other financial institution or institutional buyer ("*financial institution or institutional buyer*" meaning (i) any bank as defined in Section 3(a)(2) of the Securities Act of 1933, whether acting in its individual or fiduciary capacity; (ii) any insurance company as defined in Section 2(13) of the Securities Act of 1933; (iii) any business development company as defined in Section 2(a)(48) of the Investment Company Act of 1940; and (iv) any small business investment company licensed by the United States Small Business Administration, pursuant to Section 301(c) or (d) of the Small Business Investment Company Act of 1958), or to an individual accredited investor ("*individual accredited investor*" includes (i) any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his or her purchase, exceeds one million dollars, or (ii) any natural person who had an individual income in excess of two hundred thousand dollars in each of the two most recent years or joint income with that person's spouse in excess of three hundred thousand dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year) or to a broker dealer whether the purchaser is acting for itself or in some fiduciary capacity.

Nevada:

Any financial or institutional investor (*“financial or institutional investor”* means a depository institution; insurance company; a separate account of an insurance company; an investment company as defined in the Investment Company Act of 1940; an employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of \$5,000,000 or its investment decisions are made by a named fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is either a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser under the Investment Advisers Act of 1940, a depository institution, or an insurance company, and any other institutional buyer, whether the purchaser is acting for itself or others in a fiduciary capacity other than as an agent); *provided*, that the seller either is registered or is not required to be registered as a broker-dealer under the Securities Exchange Act of 1934 and has no place of business in Nevada and effects transactions therein exclusively with the foregoing classes of purchasers.

New Hampshire:

Any offer or sale to a bank savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit sharing trust, or other financial institution or institutional buyer, or to a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity; *provided*, that any seller who is not registered as a broker-dealer in the state has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers. *“Institutional buyer”* means an organization or person with a net worth of more than \$25,000,000, but excluding from the calculation of net worth certain intangible and other assets as provided by administrative order of the New Hampshire Bureau of Securities Regulation.

New Jersey:

Any bank, savings institution (*“savings institution”* means any savings and loan association or building and loan association operating pursuant to the Savings and Loan Act of New Jersey, and any federal savings and loan association and any association or credit union organized under the laws of the United States or of any state whose accounts are insured by a federal corporation or agency), trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or in some fiduciary capacity; *provided*, that any seller who is not registered as a broker-dealer in New Jersey effects transactions exclusively with or through the foregoing classes of purchasers.

New Mexico:

Any broker-dealer licensed or exempt under the New Mexico Securities Act, or financial or institutional investor (*“financial or institutional investor”* includes a depository institution,

insurance company, separate account of an insurance company, investment company as defined in the Investment Company Act of 1940, a business development company as defined by the Investment Company Act of 1940, a small business investment company licensed by the United States Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958, or employee pension, profit-sharing or benefit plan, *provided*, that the plan has total assets in excess of \$5,000,000, or, investment decisions are made by a plan fiduciary, as defined in the Employee Retirement Income Security Act of 1974, which is either a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisors Act of 1940, a depository institution or an insurance company, whether acting for itself or others in a fiduciary capacity, other than as an agent); *provided*, that any seller who is not registered as a broker-dealer in New Mexico is registered as a broker-dealer under the Securities Exchange Act of 1934, has no place of business in New Mexico and effects transactions therein exclusively with or through the foregoing classes of purchasers.

New York:

Any bank ("*bank*" means a state or national bank, trust company or savings institution incorporated under the laws and subject to the examination, supervision and control of any state or of the United States or of any insular possession thereof), syndicate, corporation or group formed for the specific purpose of acquiring such securities for resale to the public directly or through other syndicates or groups, or any person purchasing such securities on the floor of any securities exchange registered as a national securities exchange under the Securities Exchange Act of 1934; and, *as part of a private placement*, any bank, corporation, savings institution, trust company, insurance company, investment company, as defined in the federal investment company act of nineteen hundred forty, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for himself or itself or in some fiduciary capacity.

North Carolina:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or in some fiduciary capacity; *provided*, that any seller who is not registered as a dealer or broker-dealer in the state has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers.

North Dakota:

A bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust or similar benefit plan, or other financial institution or qualified institutional buyer, or to a dealer, or any government or

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political subdivision or instrumentality thereof, whether the purchaser is acting for itself or in some fiduciary capacity.

Ohio:

An unlicensed Ohio dealer may sell to any licensed Ohio dealer. In addition, a licensed Ohio dealer may sell to the issuer, a dealer or an institutional investor. "*Institutional investor*" means any corporation, bank (defined to include any bank, trust company, savings and loan association, savings bank or credit union organized under the laws of the United States or any state), insurance company, pension fund or pension fund trust, employees' profit sharing fund or employees' profit sharing trust, any association engaged, as a substantial part of its business or operations, in purchasing or holding securities, or any trust in respect of which a bank is trustee or co-trustee.

Oklahoma:

See Idaho, above.

Oregon:

Any bank, savings institution, trust company, insurance company, investment company, pension or profit-sharing trust, or other financial institution or institutional buyer (including, but not limited to, qualified institutional buyer under SEC Rule 144A, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the United States Veterans Administration and the Government National Mortgage Association), or to a mortgage broker or a mortgage banker, whether the purchaser is acting for itself or in a fiduciary capacity when the purchaser has discretionary authority to make investment decisions.

Pennsylvania:

Any institutional investor ("*institutional investor*" means any bank, insurance company, pension or profit-sharing plan or trust (except a municipal pension plan or system), investment company as defined in the Investment Company Act of 1940, other financial institution or any person, other than an individual, which controls any of the foregoing, the Federal government, any state, or any agency or political subdivision thereof or any person so designated by regulation of the Pennsylvania Securities Commission. "*Municipal pension plan or system*" means a pension plan or system provided by a municipality as those terms are defined in section 102 of the Pennsylvania Municipal Pension Plan Funding Standard and Recover[y] Act. The other institutional investors designated by regulation of such commission are (1) any corporation or business trust or wholly-owned subsidiary of such person (a) which has a tangible net worth, which shall include net worth less the amount of all items of goodwill, pre-operating, deferred and development expenses, patents, trademarks, licenses or other similar accounts, on a

consolidated basis of not less than \$10,000,000, as reflected on its most recent audited financial statements (“most recent” audited financial statements meaning audited financial statements dated not more than 16 months prior to the date of the transaction in which such person proposes to purchase securities), and (b) which has been in existence for 18 months; (2) any college, university or other public or private institution which has received exempt status under Section 501(c)(3) of the Internal Revenue Code of 1954 and which has total endowment or trust funds, including annuity and life income funds, of not less than \$5,000,000 according to its most recently audited financial statements; *provided*, that the aggregate dollar amount of the securities being sold to such person shall not exceed 5% of such endowment or trust funds; (3) a wholly-owned subsidiary of any bank (“bank” means any bank, banking and trust company, savings bank, trust company or private bank, as defined in the Banking Code of 1965, or any savings and loan association, as defined in the Savings Association Code of 1967 or any successor statutes thereto, or any banking institution, trust company or savings and loan institution organized under the laws of the United States, or of any state, territory or the District of Columbia, or a receiver, conservator or other liquidating agent of any of the foregoing); (4) a person, except an individual or an entity whose security holders consist entirely of one individual or group of individuals who are related, which is organized primarily for the purpose of purchasing, in nonpublic offerings, securities of corporations or issuers engaged in research and development activities in conjunction with a corporation and which complies with certain conditions; (5) a Small Business Investment Company as defined in Section 103 of the Small Business Investment Act of 1958 which meets certain conditions; (6) a Seed Capital Fund, as defined in Section 2 and authorized in Section 6 of the Small Business Incubators Act; (7) a Business Development Credit Corporation, as authorized by the Business Development Credit Corporation Law; (8) a person whose security holders consist solely of institutional investors or broker-dealers; (9) a person as to which the issuer reasonably believed qualified as an institutional investor at the time of the offer or sale of the securities on the basis of written representations made by the purchaser to the issuer), whether the buyer is acting for itself or in some fiduciary capacity; and (10) a qualified institutional buyer as that term is defined in Rule 144A under the Securities Act of 1933, or any successor rule thereto, *provided*, that any seller who is not registered as a broker-dealer in Pennsylvania has no place of business there, and effects transactions therein exclusively with or through the foregoing classes of purchasers.

Puerto Rico:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Companies Act of Puerto Rico, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or in some fiduciary capacity; *provided*, that any seller who is not registered as a broker-dealer in Puerto Rico has no place of business there and effects transactions exclusively with or through the foregoing classes of purchasers.

Rhode Island:

Any registered or exempt broker-dealer or financial or institutional investor ("*financial or institutional investor*") means any of the following, whether acting for itself or another in a fiduciary capacity: a depository institution ("*depository institution*" means: a person which is organized, chartered, or holding an authorization certificate under the laws of a state or of the United States which authorizes the person to receive deposits, including a savings, share, certificate or deposit account, and which is supervised and examined for the protection of depositors by an official or agency of a state or the United States; a trust company or other institution that is authorized by federal or state law to exercise fiduciary powers of the type a national bank is permitted to exercise under the authority of the comptroller of the currency and is supervised and examined by an official or agency of a state or the United States; and "*depository institution*" does not include an insurance company or other organization primarily engaged in the insurance business, or a Morris plan bank, industrial loan company, or a similar bank or company unless its deposits are insured by a federal agency); an insurance company; a separate account of an insurance company; an investment company as defined in the Investment Company Act of 1940; an employee pension, profit sharing or benefit plan if the plan has total assets in excess of five million dollars (\$5,000,000), or if investment decisions are made by a plan fiduciary, as defined in the Employee Retirement Income Security Act of 1974, which is either a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, a depository institution, or an insurance company; and any other institutional buyer ("*Institutional buyer*" includes qualified institutional buyers under SEC Rule 144A); *provided*, that the seller either is registered or is not required to be registered as a broker-dealer under the Securities Exchange Act of 1934 and has no place of business in Rhode Island and effects transactions therein exclusively with the foregoing classes of purchasers.

South Carolina:

See Idaho, above.

South Dakota:

See Idaho, above.

Tennessee:

Any institutional investor ("*institutional investor*") means any bank, trust company, insurance company, investment company registered under the Investment Company Act of 1940, as amended, a holding company which controls any of the foregoing, a trust or fund over which any of the foregoing has or shares investment discretion, or any other person engaged as a substantial part of its business in investing in securities, unless such other person is within the definition of a broker-dealer, in each case having a net worth in excess of \$1,000,000); *provided*, that any seller

who is not registered as a broker-dealer in Tennessee has no place of business there, is registered as a broker-dealer with the Securities and Exchange Commission or the National Association of Securities Dealers, and effects transactions in Tennessee exclusively with or through the foregoing classes of purchasers.

Texas:

Any registered dealer actually engaged in buying and selling securities; any bank, trust company, building and loan association, insurance company, surety or guaranty company, savings institution (including any federally chartered credit union or savings and loan association or federal savings bank, and any credit union or savings and loan association chartered under the laws of any state of the United States); investment company as defined in the Investment Company Act of 1940; small business investment company as defined in the Small Business Investment Act of 1958, as amended; an accredited investor under SEC Rule 501(a)(1)-(4), (7) and (8), excluding, however, any self-directed employee benefit plan with investment decisions made solely by persons that are accredited investors under SEC Rule 501(a)(5)-(6); any qualified institutional buyer under SEC Rule 144A; or any corporation, partnership, trust, estate, or other entity (excluding individuals) having net worth of not less than \$5 million or a wholly-owned subsidiary of such entity, as long as the entity was not formed for the purpose of acquiring the Bonds; *provided*, that such financial institutions or other institutional investors are acting for their own account or as a bona fide trustee of a trust organized and existing other than for the purpose of acquiring the Bonds.

Utah:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or in some fiduciary capacity; *provided*, that any seller who is not registered as a dealer or broker-dealer in the state has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers.

Vermont:

See Idaho, above.

Virginia:

Any corporation, investment company, or pension or profit-sharing trust.

Washington:

Any bank, savings institution, trust company, insurance company, investment company as

defined in the Investment Company Act of 1940, pension or profit-sharing trust, qualified institutional buyer under SEC Rule 144A, or other financial institution or institutional buyer, whether the purchaser is acting for itself or in some fiduciary capacity. (The Administrator has interpreted the term "*institutional buyer*" to mean: (1) a corporation, business trust, or a partnership or wholly owned subsidiary of such an entity, which has been operating for at least 12 months and which has a net worth on a consolidated basis of at least \$10,000,000 as determined by the entity's most recent audited financial statements, such statements to be dated within 16 months of the transaction made in reliance upon this exemption; (2) any entity which has been granted exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986 and which has a total endowment or trust funds of \$5,000,000 or more according to its most recent audited financial statements, such statements to be dated within 16 months of the transaction made in reliance upon this exemption; or (3) any wholly owned subsidiary of a bank, savings, institution, insurance company or investment company as defined in the Investment Company Act of 1940. The Administrator has further found that the term "*institutional buyer*" does not include a natural person, individual retirement account (IRA), Keogh account or other self-directed pension plan.)

West Virginia:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or in some fiduciary capacity; *provided*, that any seller who is not registered as a dealer or broker-dealer in the state has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers.

Wisconsin:

Any bank, savings institution, savings bank, credit union, trust company, insurer, broker-dealer, investment adviser or savings and loan association, *provided* that the purchaser or prospective purchaser is acting for itself or as trustee with investment control; any investment company as defined in the Investment Company Act of 1940, or pension or profit-sharing trust (*provided* that such trust is administered by a bank, savings institution, savings bank, credit union, trust company, insurer, broker-dealer, investment adviser or savings and loan association that has investment control); the State of Wisconsin or any of its agencies or political subdivisions; the federal government or any of its agencies or instrumentalities; or any other financial institution or institutional investor designated by rule or order of the Wisconsin Securities Commissioner ("*financial institution or institutional investor*" includes any endowment or trust fund of a charitable organization specified in section 170(b)(1)(A) of the Internal Revenue Code; any issuer which has a class of securities registered under section 12 of the Securities Exchange Act of 1934 and any wholly owned subsidiary thereof; any other corporation, partnership or association operating a small business investment company licensed under the Small Business Investment Act of 1958 or a corporation, partnership or association whose net assets exceed

Lewis Glasser
Casey & Rollins
PLLC

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\$1,000,000 and either whose principal purpose as stated in its articles, by-laws or other organizational instrument is investing in securities or whose primary business is investing in developmental stage companies or eligible small business companies as defined in the regulations of the Small Business Administration at 13 CFR 108.2; any "qualified institutional buyer" as defined and listed in Section 230.144A under the Securities Act of 1933 as amended inclusive to October 22, 1992, whether acting for its own account or the accounts of other qualified institutional buyers that in the aggregate owns and invests on a discretionary basis at least \$100 million in securities of issuers that are not affiliated with the qualified institutional buyer; any entity, all of the equity owners of which are persons or institutions described herein, acting for its own account or the accounts of other persons designated herein; or any "accredited investor" as listed in Section 230.501(a)(1),(2),(3) or (7) under Regulation D under Sections 3(b) and 4(2) of the Securities Act of 1933), *provided* that any seller who is not registered as a broker-dealer in the state effects transactions in the state exclusively for the account of or exclusively in offers to sell or sales to the foregoing classes of purchasers.

Wyoming:

Any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or in some fiduciary capacity; *provided*, that any seller who is not registered as a dealer or broker-dealer in the state has no place of business there and effects transactions therein exclusively with or through the foregoing classes of purchasers.

LEWIS, GLASSER, CASEY & ROLLINS, PLLC

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April 17, 2007

SUPPLEMENTAL BLUE SKY MEMORANDUM

State of West Virginia
Higher Education Policy Commission
Revenue Refunding and Improvement Bonds
(Higher Education Facilities)
2007 Series A

Citigroup Global Markets, Inc.,
as Representative of the Underwriters
listed on the cover page of the
Official Statement

Ladies and Gentlemen:

We hereby confirm as of the date hereof the views expressed in our Blue Sky Memorandum dated March 30, 2007 with respect to the Bonds described above.

Very truly yours,

Lewis, Glasser, Casey & Rollins, PLLC

