

The West Virginia Economic Development Authority (WVEDA) was formed in 1962 as a public corporation and government instrumentality under Chapter 31, Article 15, of the West Virginia Code (the Act). WVEDA is administered by a nine-member Board of Directors comprised of the Governor, Tax Commissioner and seven at-large members appointed by the Governor. WVEDA has statutory authority to borrow funds from the West Virginia Board of Investments to loan to borrowers.

Under the Act, WVEDA is charged with the responsibility to develop and advance the business prosperity and economic welfare of the State of West Virginia by providing financial assistance in the form of loans and direct financing and operating leases to industrial development agencies and enterprises for the promotion and retention of new and existing commercial and industrial development. WVEDA is empowered to borrow money and issue bonds, notes, commercial paper and other debt instruments and to furnish money, credit, or credit enhancement for the promotion of business development projects. Credit enhancement is available through WVEDA's loan guarantee programs, which were created to insure payment or repayment of bonds and notes issued by WVEDA and certain other public bodies, or other types of debt instruments entered into by an enterprise or state public body with a financial institution.

WVEDA loans are secured by deeds of trust on property, security interests in equipment, promissory notes, and in certain cases, have supplemental collateral comprised of letters of credit, lease assignments and/or personal guarantees. WVEDA's loan terms are set by its Board of Directors (the Board), whose members periodically review market conditions. The amount WVEDA may lend for projects varies depending upon the nature of the project and form of lending, as prescribed by the Board.