WEST VIRGINIA CODE: §12-6E-5

§12-6E-5. Powers and duties of Investment Committee; disclosure of interests; standard of care.

(a) The Investment Committee shall have the authority to (1) appoint the managing director of the Mountaineer Impact Office, (2) approve or disapprove project proposals, (3) approve or disapprove the negotiated terms of any proposed investment of funds held by the Investment Committee in any final project, (4) approve or disapprove of the managing director's appointment of employees and retention of consultants to carry out the duties of the Mountaineer Impact Office, (5) initiate the formation of legal entities with their own governance structure to facilitate the development of projects; and (6) participate in the formation of legal entities with their own governance structure to facilitate the development of projects.

(b) The Investment Committee shall approve or disapprove project proposals and the negotiated terms of a proposed investment in any final project solely pursuant to its determination of whether the projects or the negotiated terms of the proposed investment in the final project meet the goal prescribed in §12-6E-3 of this code.

(c) The Investment Committee may, in its own right or through the Mountaineer Impact Office:

(1) Adopt and use a common seal and alter it at pleasure;

(2) Sue and be sued;

(3) Enter into contracts and execute and deliver instruments;

(4) Acquire (by purchase, gift or otherwise), hold, use and dispose of real and personal property, deeds, mortgages, and other instruments;

(5) Notwithstanding any other provision of law, retain and employ legal, accounting, financial and investment advisors, and consultants;

(6) Maintain accounts with banks, securities dealers, and financial institutions both within and outside this state;

(7) Exercise all powers generally granted to and exercised by the holders of investment securities with respect to management of the investment securities;

(8) Contract with one or more banking institutions in or outside the state for the custody, safekeeping and management of securities held by the committee;

(9) Make and, from time to time, amend and repeal bylaws, rules and procedures

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consistent with the provisions of this article;

(10) Hire its own employees, consultants, managers, and advisors as it considers necessary and fix their compensation and prescribe their duties;

(11) Develop, implement and maintain its own banking accounts and investments; and

(12) Do all things necessary to implement and operate the Investment Committee and the Mountaineer Impact Office and carry out the intent of this article.

(d) *Disclosure of interests*. — If a member of the Investment Committee acquires, owns, or controls an interest, direct or indirect, in any final project in which West Virginia Impact Fund assets are invested or proposed to be invested, the member shall immediately disclose the interest to the Investment Committee and shall be recused from voting on the matter in accordance with the provisions of the West Virginia Governmental Ethics Act. The disclosure is a matter of public record and shall be included in the minutes of the Investment Committee meeting next following the disclosure.

(e) *Standard of care*. — When making decisions, the Investment Committee shall exercise the judgment and care under the circumstances then prevailing that an institutional investor of ordinary prudence, discretion, and intelligence exercises in the designation and management of large investments entrusted to it, not in regard to speculation, but in regard to the permanent disposition of funds, considering preservation of the purchasing power of the West Virginia Impact Fund over time, while maximizing the expected total return from both income and the appreciation of capital and accomplishing the goal of the West Virginia Impact Fund as set forth in §12-6E-3 of this code.

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