

**MINUTES OF MEETING OF  
THE LIQUIDITY COMMITTEE OF  
THE UNIVERSITY OF TEXAS INVESTMENT MANAGEMENT COMPANY**

The Liquidity Committee (the "Committee") of The University of Texas Investment Management Company (the "Corporation") convened in open session on **March 11, 2005**, by means of conference telephone enabling all persons participating in the meeting to hear each other, at the offices of the Corporation, 221 W. 6<sup>th</sup> Street, Suite 1700, Austin, Texas 78701, said meeting having been called by the Committee Chair, with notice provided to each member in accordance with the Corporation's Bylaws. The audio portion of the meeting was electronically recorded. Participating in the meeting were the following members of the Committee:

H. Scott Caven, Chair  
J. Phillip Ferguson  
Woody L. Hunt

thus, constituting a majority and quorum of the Committee. Also attending the meeting were Bob Boldt, President of the Corporation; Christy Wallace, Assistant Secretary of the Corporation; Bill Edwards, Managing Director – Information Technology; Sara McMahon and Trey Thompson, Co-Managing Directors – Non-Marketable Alternative Investments; Debbie Childers, Manager – Portfolio Accounting and Operations; Jerry Turner, legal counsel for the Corporation; Cathy Swain of UT System. Chairman Caven called the meeting to order at 10:32 a.m. Copies of materials supporting the Committee meeting agenda were previously furnished to each Director.

**Minutes**

The first matter to come before the Committee was approval of the minutes of the meeting of the Liquidity Committee held on January 18, 2005. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the minutes of the meeting of the Liquidity Committee held on January 18, 2005, be, and are hereby, approved.

**Liquidity Profiles**

The next item on the agenda was the report on Liquidity Profiles as of the end of January 2005. The PUF and GEF profile reports included certification signatures by the Risk Manager, Chief Compliance Officer, and President of the Corporation. All Managing Directors' signatures were provided certifying the January 31, 2005 reports and supporting documentation. There was discussion of liquidity profiles, actual liquidity classifications, and pro-forma liquidity profile. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the Liquidity Profiles for January 2005, are hereby approved in

k:\files\utimcomatters\board\committee\meetings\riskcommittee\2005\2005-06-16riskmtg\tab\_1\_minutet\050311liquidityminutes.doc

the forms submitted to the Committee.

**Liquidity Threshold**

The next matter to come before the Committee was a recommendation to approve the pro-forma combined illiquid allocation of approximately 21.9% of the combined PUF and GEF illiquid portfolio value, which includes \$21,659,452 of proposed Non-Marketable Alternative Investment in Knightsbridge Venture Capital VI, L.P. Separate Account, Morgenthaler Partners VII, L.P., and Morgenthaler Partners VIII, L.P., and \$85,000,000 of proposed Marketable Alternative Investments in Moon Capital Global Equity Fund, Ltd. and OZ Europe Overseas Fund, Ltd. Subject to final due diligence, the proposed investments may be made by the Corporation's Staff as provided in the Delegation of Authority Policy. Mr. Caven announced that he holds an interest in a "qualified plan" that in turn invests in a hedge fund managed by the same management company that manages OZ Europe Overseas Fund, Ltd. Further, Mr. Caven stated that he preferred not to participate in the discussion and vote related to the OZ Europe Overseas Fund, Ltd. During the discussion of the recommendations, Mr. Boldt, Ms. McMahon and Mr. Thompson answered the Directors' questions. Upon motion duly made and seconded, with Mr. Caven abstaining, the following resolution was adopted:

RESOLVED, that the Liquidity Committee has reviewed proposed investments in Knightsbridge Venture Capital VI, L.P. (Separate Account), Moon Capital Global Equity Offshore Fund, Ltd., Morgenthaler Partners VII, L.P., Morgenthaler Partners VIII, L.P., and OZ European Overseas Fund, Ltd., to determine their impact on the liquidity of the combined PUF and GEF illiquid portfolio value.

These investments would increase the pro forma illiquid allocation to approximately 21.9%, and the Liquidity Committee has no objection to the increase.

There being no further business to come before the Liquidity Committee, the meeting was adjourned at approximately 10:45 a.m.

Assistant Secretary:   
Christy W. Wallace

Approved:   
H. Scott Caven, Chair  
Liquidity Committee  
of the Board of Directors of  
The University of Texas Investment  
Management Company

Date: 6/16/05