

**MINUTES OF MEETING OF
THE BOARD OF DIRECTORS OF
THE UNIVERSITY OF TEXAS
INVESTMENT MANAGEMENT COMPANY**

The Board of Directors of The University of Texas Investment Management Company (the "Corporation") convened in a special meeting on the 22nd day of May, 1998, by means of conference telephone enabling all persons participating in the meeting to hear each other, said meeting having been called by the Chairman, with notice provided to each Director in accordance with the Bylaws. Participating in the meeting were the following members of the Board of Directors:

Thomas O. Hicks, Chairman
Robert H. Allen
Susan M. Byrne
William H. Cunningham
J. Luther King, Jr.
Homer Luther
A. W. Riter, Jr.

thus, constituting a majority and quorum of the Board of Directors. Director Tom Loeffler was absent. Also participating in the meeting were Thomas G. Ricks, President of the Corporation; Jerry E. Turner, legal counsel for the Corporation; and Austin Long, Craig Nickels and Charles Preston of Corporation management. Mr. Hicks called the meeting to order at 10:05 a.m.

Approval of Proposed Commitment to American Securities Partners II, L.P.

Mr. Long briefly summarized the basis for the staff's recommendation to commit \$30 million of Permanent University Fund ("PUF") and Long Term Fund ("LTF") assets to American Securities Partners II, L.P. (the "Fund"). Mr. Long also introduced Messrs. Charles Klein and Michael Fisch, representatives of the general partner, American Securities Capital Partners, L.P., who presented additional information regarding the Fund from presentation materials previously distributed to each Director. Messrs. Klein and Fisch answered questions of the Directors and then disconnected from the meeting. There followed a brief discussion of the proposed investment. Upon motion duly made and seconded, the following resolutions were adopted unanimously:

WHEREAS, the Board has reviewed a Due Diligence Review & Recommendation dated May 22, 1998 prepared by the Corporation's management recommending that the Corporation enter into an investment agreement (the "Agreement") with American Securities Capital Partners, L.P. to invest \$30 million of PUF and LTF assets in American Securities Partners II, L.P.; and

WHEREAS, the Corporation has determined that the Agreement does not constitute an agreement or transaction entered into in violation of Subsection 66.08(i) of the Texas Education Code;

NOW, THEREFORE, BE IT RESOLVED, that the terms and provisions of the proposed investment as described in the Due Diligence Review & Recommendation dated May 22, 1998 be approved; and be it further

RESOLVED, that the President and any Managing Director or Vice President of this Corporation be, and each of them hereby is, authorized to make such further revisions to the terms and provisions as may be necessary or in the best interests of this Corporation, excluding an increase in the amount of the capital commitment to the American Securities Partners II, L.P.; and be it further

RESOLVED, that the President, any Managing Director or Vice President, and the Secretary of this Corporation be, and each of them hereby is, authorized and empowered (any one of them acting alone) to do or cause to be done all such acts or things and to sign and deliver, or cause to be signed and delivered, all such documents, instruments and certificates (including, without limitation, all notices and certificates required or permitted to be given or made under the terms of the Agreement), in the name and on behalf of the Corporation, or otherwise, as such officer of this Corporation may deem necessary, advisable or appropriate to effectuate or carry out the purposes and intent of the foregoing resolutions and to perform the obligations of this Corporation under the Agreement and the instruments referred to therein.

There being no further business to come before the Board of Directors, the meeting was adjourned at approximately 10:40 a.m.

Secretary: Cathy May

APPROVED: [Signature]
Chairman: