

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

The Board of Directors (the "Board") of The University of Texas Investment Management Company (the "Corporation") convened in an open meeting on the 22nd day of April, 2002, at the offices of the Corporation, Town Lake Conference Room, 221 West 6th Street, Austin, Texas, 78701, said meeting having been called by the Chairman, A. W. "Dub" Riter, Jr., with notice provided to each member in accordance with the Bylaws.

Participating in the meeting were the following members of the Board:

A.W. "Dub" Riter, Jr., Chairman
J. Luther King, Jr., Vice-Chairman
R. D. Burck
Susan M. Byrne
Rita C. Clements
Woody L. Hunt
L. Lowry Mays
John D. McStay
R. H. (Steve) Stevens, Jr.

thus, constituting a majority and quorum of the Board. Also, participating in the meeting was Bob Boldt, President, Chief Executive Officer and Chief Investment Officer of the Corporation; Cathy Iberg, Secretary of the Corporation; Christy Wallace, Assistant Secretary of the Corporation; and Jerry Turner, legal counsel for the Corporation. Mr. Riter called the meeting to order at 10:27 a.m. Copies of materials supporting the Board meeting agenda were previously furnished to each Director or distributed at the meeting.

Minutes

The first matter to come before the Board was approval of the minutes of the meeting of the Board of Directors held on February 19, 2002. Mr. McStay asked that the minutes include revised language to reflect his request for a formal process whereby directors could request certain reports from the Corporation staff, and this information then be included in the agenda for the following meeting. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the minutes of the Meeting of the Board of Directors held on February 19, 2002, be and are hereby approved, subject to revision as requested by the Board; and

RESOLVED, FURTHER, that the President and the Secretary of the Corporation be and they are hereby authorized and directed to revise the minutes and to take such other action to accomplish the purposes of the foregoing resolution.

RESOLVED, that the following persons are hereby appointed to the respective office or offices of the Corporation set forth opposite their names, to serve until the next Annual Meeting of the Corporation or until their resignation or removal:

<u>Name</u>	<u>Office or Offices</u>
A. W. "Dub" Riter, Jr.	Chairman
J. Luther King, Jr.	Vice-Chairman
Bob L. Boldt	President
Cathy A. Iberg	Treasurer and Secretary
Christy W. Wallace	Assistant Secretary

AND RESOLVED, as required by the Corporation's Code of Ethics, the Board hereby designates by position the following key employees of the Corporation:

Bob L. Boldt	President, Chief Executive Officer and Chief Investment Officer
Cathy Iberg	Managing Director
Greg Cox	Portfolio Manager – Equity Investments
J. Russell Kampfe	Senior Portfolio Manager – Fixed Income Investments
Harland B. Doak	Portfolio Manager – Fixed Income Investments
Sara J. Skone	Investment Officer – Private Markets
Trey Thompson	Investment Officer – Private Markets
Joan Moeller	Director of Accounting and Operations
Bill Edwards	Manager – Information Technology Services
Christy Wallace	Office Manager

AND FURTHER RESOLVED, that the following employees be designated as the Plan Administrative Committee, responsible for general administration of 403(b) Tax Sheltered Annuity Plan of the Corporation:

Bob L. Boldt	President, Chief Executive Officer and Chief Investment Officer
Cathy Iberg	Managing Director
Christy Wallace	Office Manager

Approval of Restatement of UTIMCO 403(b) Plan

Next, the Directors reviewed an Amended and Restated UTIMCO 403(b) Tax Sheltered Annuity Plan, copies of which had previously been furnished to each Director. After discussion, upon motion duly made and seconded, the following resolutions were unanimously adopted:

WHEREAS, The University of Texas Investment Management Company ("UTIMCO") established, effective March 1, 1996, the UTIMCO 403(b) Tax Sheltered Annuity Plan (the "Plan") for the benefit of eligible employees; and

WHEREAS, the Plan was amended and restated in its entirety, effective August 1, 1997; and

WHEREAS, pursuant to the terms of the Plan, UTIMCO, by action of the Board of Directors, may amend the Plan at any time; and

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WHEREAS, UTIMCO wishes to amend and restate the Plan in its entirety, in the form of the document executed on February 28, 2002, and effective as of January 1, 2002, to take into account changes in the law required or permitted by the Uruguay Round Agreements Act, the Uniformed Services Employment and Reemployment Rights Act of 1994, the Small Business Job Protection Act of 1996, the Taxpayer Relief Act of 1997, the Internal Revenue Service Restructuring and Reform Act of 1998, and the Community Renewal Relief Act of 2000 and to make certain other changes to the Plan;

NOW, THEREFORE, be it:

RESOLVED, that the restatement of the Plan in the form of the "UTIMCO 403(b) Tax Sheltered Annuity Plan" executed on February 28, 2002, a copy of which is attached hereto and which is directed to be marked for identification and filed with the records of UTIMCO, is hereby approved and adopted, effective as of January 1, 2002; and

FINALLY RESOLVED, that the appropriate officers of UTIMCO be, and they hereby are, authorized and directed to do and perform all such acts and things, to execute all documents and instruments, and to take all other steps as they or any of them may deem necessary, advisable, convenient, or proper to effectuate the same and accomplish the purpose of the foregoing resolution, and to comply with all applicable provisions of all related documents and all applicable law, and any and all such actions heretofore taken shall be, and they hereby are, ratified and approved.

Asset Allocation Review

At this time, Mr. Riter turned the meeting over to Mr. Boldt to discuss asset allocation. Mr. Boldt reviewed the PUF and GEF asset allocation as of March 31, 2002, Actual vs. Policy. Mr. Boldt then answered the Directors' questions.

Performance Review

Mr. Boldt continued with reporting on the performance of the assets under the Corporation's management for the periods ended March 31, 2002. The net performance for the three-month period ended March 31, 2002, for the Permanent University Fund (PUF), Permanent Health Fund (PHF) and Long Term Fund (LTF) were 1.80%, 1.78%, and 1.80%, respectively. The net performance for fiscal year-to-date ended March 31, 2002, for the PUF, PHF and LTF were 1.33%, 1.94%, and 2.04%, respectively, versus a benchmark of 3.46%. The Short Intermediate Term Fund's (SITF) performance was 0.42% versus a benchmark of 0.10% for the three-month period ended March 31, 2002. Performance for the Short Term Fund (STF) was 0.51% versus 0.43% for its benchmark for the three-month period ended March 31, 2002. Also reviewed were the PUF's and the General Endowment Fund's (GEF) performance attribution for the three-month period ended March 31, 2002. Mr. McStay requested that for each period that performance is reported, the Corporation also include percentile rankings against various peer groups and universe comparisons and an updated report on the Corporation's ratings of the

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alternative nonmarketable managers. After the report, Mr. Boldt and Ms. Iberg answered the director's questions.

Investment Manager History

The next item presented to the Board of Directors was an update regarding the performance history of the Corporation's investment managers. Mr. Boldt reviewed the performance summary and answered the Directors' questions.

Current State of UTIMCO

Mr. Riter asked Mr. Boldt to give the Board of Directors an overview of the operations and functions of UTIMCO. Mr. Boldt reported that there are no notable areas of concern in the operations of the Corporation. Mr. Boldt will give a more detailed presentation at the June Board of Directors meeting with respect to future objectives of the Corporation. Mr. Boldt reported on each area of the Corporation: investments, accounting and operations, information technology and communications. Mr. Burck asked that UTIMCO increase communication with each of the component institutions and Mr. Boldt stated that the staff would take a proactive approach via personal visits or video conferencing. After discussion of the overall view of UTIMCO, Mr. Boldt answered the directors' questions. At this time, Ms. Byrne and Mr. Hunt left the meeting.

PIMCO Presentation

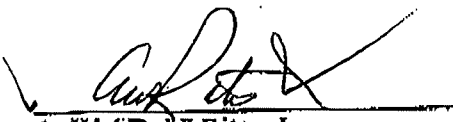
The next item was an introduction by Ms. Iberg of Mr. Steven Goldman, Ms. Kristen Monson and Mr. Brent Holden of PIMCO. Mr. Holden reviewed PIMCO's background, investment team, and history of the PIMCO/UTIMCO relationship. The three team members discussed PIMCO's investment strategy, investment process and economic outlook. They answered the Directors' questions and then Mr. Goldman, Ms. Monson and Mr. Holden left the meeting.

There being no further business to come before the Board of Directors, the meeting was adjourned at approximately at 1:40 p.m.

Interim Secretary:


Christy W. Wallace

Approved:


A. W. "Dub" Riter, Jr.
Chairman, Board of Directors of
The University of Texas Investment
Management Company

Date:

7/09/02