

**MINUTES OF THE MEETING OF JOINT MEETING BETWEEN THE UNIVERSITY OF TEXAS SYSTEM BOARD
OF REGENTS AND THE BOARD OF DIRECTORS OF
THE UNIVERSITY OF TEXAS INVESTMENT MANAGEMENT COMPANY**

The first annual joint meeting between The University of Texas System Board of Regents and the Board of Directors (the "Board") of The University of Texas Investment Management Company (the "Corporation") convened in an open meeting at 10:54 a.m. on the **8th day of July 2005**, at 201 West 7th Street, Austin, Texas, 78701, said meeting having been called by both Chairmen, James R. Huffines and Woody L. Hunt, with notice provided to each member in accordance with the Bylaws. The meeting was electronically recorded by UT System.

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

Woody L. Hunt, Chairman
H. Scott Caven, Jr., Vice Chairman
Mark G. Yudof, Vice Chairman for Policy
Clint D. Carlson
Erle Nye
Robert B. Rowling
Charles W. Tate

thus, constituting a majority and quorum of the Board. Director J. Philip Ferguson was not present at the meeting. Also attending the meeting were UT System Regents; Bob Boldt, President, Chief Executive Officer and Chief Investment Officer of the Corporation; Joan Moeller, Secretary and Treasurer of the Corporation; Christy Wallace, Assistant Secretary of the Corporation; Bill Edwards, Managing Director of Information Technology; Larry Goldsmith, Managing Director of Public Markets; Andrea Reed, Risk Manager; Sara McMahon and Trey Thompson, Co-Managing Directors – Non-Marketable Alternative Investments of the Corporation; Greg Lee, Manager – Finance and Administration; several staff members of the Corporation; Jerry Turner, legal counsel for the Corporation; Keith Brown of the McCombs School of Business at UT Austin; numerous staff members from UT System Administration; Ricky Richter of Ernst and Young; Bruce Myers, Matthew Lincoln, Hamilton Lee and Shannon Thomas of Cambridge Associates; and Stephen Voss and Michael Sebastian of EnnisKnupp. Mr. Huffines and Mr. Hunt called the meeting to order at 10:54 a.m. Copies of materials supporting the Board meeting agenda were previously furnished to each Director or distributed at the meeting.

Organization

Mr. Hunt gave a historical background of the Corporation since its formation in 1996. He provided biographical information on the independent board members of the Corporation. He also presented resolutions of appreciation to Regent Barnhill and Regent Clements for their past service on the UTIMCO Board of Directors. He then asked Mr. Boldt to provide a current chart regarding the Corporation's competitiveness factor against peer organizations. Mr. Boldt also presented the Corporation's organization structure, its mission statement, and strategic objectives. Mr. Boldt included information regarding the future returns environment and how the asset allocation has changed over the past ten years and introduced the management team of the Corporation.

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Asset Allocation

Mr. Michael Sebastian of Ennis Knupp presented a Discussion of Asset Allocation. Following Mr. Sebastian, Mr. Bruce Myers of Cambridge Associates provided an Asset Allocation Review. Mr. Myers answered the Board of Regents' questions. Mr. Hunt asked Mr. Boldt to present an overview of the Asset Allocation Policy Review Process that the Board had followed over the past few months. Mr. Boldt then provided the 2005 Asset Allocation Policy recommended by the Board, including targets, ranges and benchmarks for approval, with the exception of benchmarks for hedge funds, commodities and fixed income, which will be discussed and considered pending a review from Cambridge Associates. Mr. Boldt stated that the 2005 Asset Allocation Policy would be put forth for final approval of the benchmarks to be considered by the Board at its next meeting on July 21, 2005, with recommendation of final approval by The UT System Board of Regents at their meeting to be held in August 2005. Mr. Boldt answered the Regents' questions.

Mr. Huffines closed by summarizing the positive changes that have been made from the working group suggestions and thanked both boards for attending the meeting and acknowledged that they made history by being part of the first joint meeting of The UT System Board of Regents and the Corporation's Board of Directors.

There being no further business to come before the Board of Directors, the joint meeting was adjourned at approximately 12:25 p.m.

Secretary:


Joan Mceller

Approved:



Date:

7/25/05

Woody L. Hunt
Chairman, Board of Directors of
The University of Texas Investment
Management Company