

**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 23, 2004**, by means of conference telephone enabling all persons participating in the meeting to hear each other, at the offices of the Corporation, 221 W. 6th Street, Suite 1700, Town Lake Conference Room, Austin, Texas 78701, said meeting having been called by the Committee Chair, with notice provided to each member in accordance with the Bylaws. Participating in the meeting were the following members of the Committee:

I. Craig Hester, Chair
Susan M. Byrne
J. Philip Ferguson
James R. Huffines
Woody L. Hunt

thus, constituting a majority and quorum of the Committee. Also attending the meeting were Bob Boldt, President and CEO of the Corporation; Joan Moeller, Secretary of the Corporation; Christy Wallace, Assistant Secretary of the Corporation; Jerry Turner, legal counsel for the Corporation; and Charlie Chaffin representing The University of Texas System (the "UT System") Audit Office.

Chairman Hester called the meeting to order at 10:05 a.m. Copies of materials supporting the Committee meeting agenda were previously furnished to each Director.

Liquidity Committee and Policy

Mr. Hester stated that this was the first meeting of the Liquidity Committee. The Committee was formed and members designated by resolution at the meeting of the Corporation's Board held on November 20, 2003. The Corporation's Liquidity Policy was approved on December 4, 2003, with the effective date of December 19, 2003. Mr. Hester went over highlights of the policy with the Committee members. He asked Mr. Boldt and Ms. Moeller to review the policy, and the documentation and control process followed in preparing the monthly Liquidity Report. Currently, a Liquidity Report is prepared monthly, and has been distributed for each Board Meeting. Mr. Huffines stated that it would be helpful for the Liquidity Report to be distributed monthly. Mr. Boldt agreed and will include the information in his future monthly newsletters.

Liquidity Report

Mr. Hester presented the Liquidity Report for the month of February. He recommended that the Committee approve the report as presented. Ms. Moeller explained the report and outlined the procedures of preparing the report. Ms. Byrne suggested that each Managing Director sign off on the detailed report for their respective areas each month. Following more discussion and questions by the Committee, it was

agreed that the supporting documentation for the Liquidity Report will include a certified agreement with liquidity classifications signed by each Managing Director. In addition, the Risk Manager, Chief Compliance Officer, and President of the Corporation will certify their review and agreement of the liquidity classifications on the final Liquidity Report. A page will be added to the Liquidity Report that lists illiquid investments approved or delegated since the prior report. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the Liquidity Report for February 2004, is hereby approved in the form submitted to the Committee.

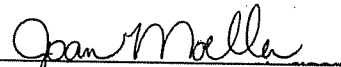
Charter of the Liquidity Committee

Mr. Hester next presented the proposed Charter of the Liquidity Committee. After discussion by the Committee, a decision was made for the Committee to meet at least quarterly, and more often as necessary. Upon motion duly made and seconded, the following resolution was unanimously adopted:

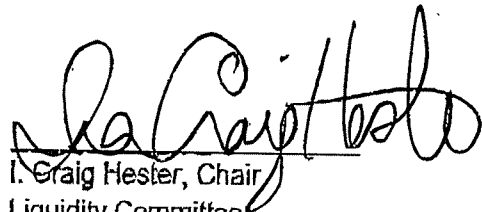
RESOLVED, that the Charter of the Liquidity Committee as recommended be, and is hereby approved in the form submitted to the Committee, subject to approval of the Corporation's Board of Directors.

There being no further business to come before the Liquidity Committee, the meeting was adjourned at approximately 10:35 a.m.

Secretary:


John Moeller

Approved:


I. Craig Hester, Chair
Liquidity Committee
of the Board of Directors of
The University of Texas Investment
Management Company

Date: May 21, 2004