

February 9, 2000

MEMORANDUM

TO: The Investment Management Company:

William H. Goodwin, Jr., Chair  
A. Macdonald Caputo  
Christine P. Gustafson  
Donald Laing, III  
Timothy B. Robertson  
Leonard W. Sandridge, Jr.  
Matthew G. Thompson  
Henry L. Valentine, II  
James C. Wheat, III  
John P. Ackerly, III, Ex Officio

and

The Remaining Members of the Board:

Charles M. Caravati Jr., M.D.	Robert G. Schoenvogel
Champ Clark	Albert H. Small
William G. Crutchfield, Jr.	Elizabeth A. Twohy
T. Keister Greer	Walter F. Walker
Elsie Goodwyn Holland	Benjamin P.A. Warthen
Terence P. Ross	Joseph E. Wolfe

FROM: Alexander G. Gilliam, Jr.

SUBJECT: Minutes of a Meeting of the Board of Directors of the University of Virginia Investment Management Company on February 9, 2000

The Board of the University of Virginia Investment Management Company (UVIMCO) met at 10:00 a.m., Wednesday, February 9, 2000, in the offices of CCA, One James Center, in Richmond. The meeting was conducted in Open Session. William H. Goodwin, Jr., Chair, presided. John P. Ackerly, III, Donald Laing, III, Timothy B. Robertson, and Leonard W. Sandridge, Jr. were present; A. Macdonald Caputo, Ms. Christine P. Gustafson, Matthew G. Thompson, and Henry L. Valentine, II, participated by telephone.

Alexander G. Gilliam, Jr., Ms. Alice W. Handy, Rob Walker Freer, Donald Lindsey, and Ms. Elizabeth Snyder also were present.

At the Chair's request Ms. Handy began the meeting with a discussion of the University's positions in venture capital and their performance. Since the hedge was completed last month the value of these stocks has risen considerably. The main purpose of the meeting, Ms. Handy said, was to decide what to do with these and other profits. A result of the excellent performance of some of these investments is that it will be necessary to seek the approval of the Board of Visitors for another hedge at the next meeting of the Board of Visitors at the end of this month.

Ms. Handy and the Chair led the discussion to investments in private equity. After considering various options, the Board adopted three resolutions in this regard:

The following motions were adopted:

RESOLVED by the Board of the University of Virginia Investment Management Company that the President of UVIMCO is authorized to invest up to \$25 million in Integral Capital Partners V, L.P.

RESOLVED by the Board of the University of Virginia Investment Management Company that the President of UVIMCO is authorized to invest up to \$25 million with Sequoia.

RESOLVED by the Board of the University of Virginia Investment Management Company that the President of UVIMCO is authorized to invest up to \$25 million with Accel Partners V.

Ms. Snyder made a brief presentation on what the University's domestic equities portfolio should look like ultimately. Ms. Handy said there would be a more detailed discussion of this at the March meeting.

Mr. Robertson offered a resolution, which was adopted by the Board, approving the goals outlined by Ms. Snyder:

RESOLVED by the Board of the University of Virginia Investment Management Company that it approves the framework of the domestic equities program when new managers to be presented to the Board are identified.

The Board then discussed possible investments in hedge funds and adopted the following resolutions:

RESOLVED by the Board of the University of Virginia Investment Management Company that the President of UVIMCO is authorized to invest up to \$25 million with the Healthcare/Biotech manager, pending the approval of the appropriate Board sub-committee.

RESOLVED by the Board of the University of Virginia Investment Management Company that the President of UVIMCO is authorized to invest \$25 million in the Sloane Robinson International Fund by the end of February, 2000.

RESOLVED by the Board of the University of Virginia Investment Management Company that the President of UVIMCO is authorized to invest \$10 million with Pequot Technology Fund and with Raptor Global Fund.

The next meeting of the Board will be held March 22<sup>nd</sup> in Charlottesville.

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On motion, the meeting was adjourned at 12:20 p.m.

AGG:lah

- Copies to: Mr. John T. Casteen, III  
Mr. Gene D. Block  
Dr. Robert W. Cantrell  
Ms. Louise Dudley  
Mr. Ernest H. Ern  
Mr. Paul J. Forch  
Mr. William W. Harmon  
Mr. Terry Holland  
Mr. L. Jay Lemons  
Mr. Peter W. Low  
Dr. Robert E. Reynolds  
Mr. Leonard W. Sandridge, Jr.  
Ms. Colette Sheehy  
Mr. Robert D. Sweeney  
Ms. Alice W. Handy