

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Received by the Regents

July 16, 2009

ITEM FOR INFORMATION

Subject: Alternative Asset Commitment

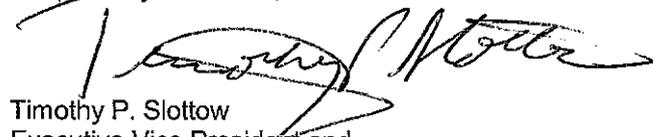
Background and Summary: Under a May 1994 Request for Action, the University may commit to follow-on investments in a new fund sponsored by a previously approved partnership provided the fund has the same investment strategy and core investment personnel as the prior fund.

Pursuant to that policy, this item reports on the University's follow-on investment with the previously approved private equity partnership listed below.

TA XI, L.P. is a private equity fund managed by TA Associates. With offices in Boston, MA, Menlo Park, CA, London, U.K. and Mumbai, India, TA Associates invests in profitable, private middle-market companies in growth industries. In a continuation of its prior strategy, TA Associates seeks out and originates its own investments, usually as the lead investor and director. Investment structures are flexible and range from minority investments to buyouts. TA Associates' portfolio companies are in a range of industries but are primarily focused on sectors in which TA has demonstrated expertise and in which the underlying fundamentals of profitability and growth are greater than those of the overall economy. These targeted industries include technology, financial services, business services, healthcare and consumer. The fund will invest primarily in North America, but will invest in companies in Europe and India on an opportunistic basis.

This is the University's eighth commitment to a partnership managed by TA Associates. The University committed \$10 million to TA XI, L.P. in April 2009. The University has previously committed \$81 million to four private equity funds and \$19 million to three venture capital funds managed by TA Associates.

Respectfully submitted,



Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

July 2009