

Meeting No. 878

THE MINUTES OF THE BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

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June 9, 1994

Odessa, Texas

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 OF
 THE UNIVERSITY OF TEXAS SYSTEM
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MEETING NO. 878

THURSDAY, JUNE 9, 1994.--The members of the Board of Regents of The University of Texas System convened in regular session at 10:08 a.m. on Thursday, June 9, 1994, in Room 470 of the Mesa Building at The University of Texas of the Permian Basin, Odessa, Texas, with the following in attendance:

ATTENDANCE.--

<u>Present</u>	<u>Absent</u>
Chairman Rapoport, presiding	
Vice-Chairman Temple	
Vice-Chairman Lebermann	
Regent Cruikshank	
Regent Hicks	
Regent Holmes	
Regent Loeffler	
Regent Ramirez	
Regent Smiley	

Executive Secretary Dilly

Chancellor Cunningham
Executive Vice Chancellor Duncan
Executive Vice Chancellor Mullins
Executive Vice Chancellor Burck

Chairman Rapoport announced a quorum present and called the meeting to order.

WELCOME BY DR. CHARLES A. SORBER, PRESIDENT OF THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN.--Chairman Rapoport stated that the Board was very pleased to be meeting at The University of Texas of the Permian Basin and expressed the Board's deep appreciation for the warm hospitality that was extended at the social event last evening (June 8). He then called on Dr. Charles A. Sorber, President of the U. T. Permian Basin, for any welcoming remarks on behalf of the host institution.

On behalf of the faculty, staff, and students of the U. T. Permian Basin, President Sorber welcomed the members of the Board and other guests to Odessa.

U. T. BOARD OF REGENTS: APPROVAL OF MINUTES OF REGULAR MEETING HELD ON APRIL 14, 1994, AND SPECIAL MEETING HELD ON APRIL 22, 1994.--Upon motion of Regent Cruikshank, seconded by Vice-Chairman Temple, the Minutes of the regular meeting of the Board of Regents of The University of Texas System held on April 14, 1994, in Tyler, Texas, were approved as distributed by the Executive Secretary. The official copy of these Minutes is recorded in the Permanent Minutes, Volume XLI, Pages 1471 - 1925.

Upon motion of Regent Holmes, seconded by Vice-Chairman Temple, the Minutes of the special meeting of the Board of Regents of The University of Texas System held on April 22, 1994, in Austin, Texas, were approved as distributed by the Executive Secretary. The official copy of these Minutes is recorded in the Permanent Minutes, Volume XLI, Pages 1926 - 1927.

SPECIAL ITEM

U. T. System: Approval of Membership or Status of Organization for All Component Development Boards and Advisory Councils Effective September 1, 1994.--

(1) U. T. Arlington: Development Board, School of Architecture, College of Business Administration, College of Engineering, School of Social Work, and School of Nursing Advisory Councils;

(2) U. T. Austin: Development Board, School of Architecture Foundation, College of Business Administration Foundation, College of Communication Foundation, College of Education Foundation, College of Engineering Foundation, College of Fine Arts Foundation, Geology Foundation, Graduate School Foundation, Graduate School of Library and Information Science Foundation, Harry Ransom Humanities Research Center, College of Liberal Arts Foundation, Longhorn Associates for Excellence in Women's Athletics, Longhorn Foundation, Marine Science, McDonald Observatory and Department of Astronomy Board of Visitors, College of Natural Sciences Foundation, School of Nursing Foundation, Pharmaceutical Foundation, School of Social Work Foundation, Texas Union, and Winedale Historical Center Advisory Councils;

(3) U. T. Brownsville: Development Board;

(4) U. T. Dallas: Development Board, School of Arts and Humanities, Callier Center for Communication Disorders, Erik Jonsson School of Engineering and Computer Science, School of General Studies, Cecil and Ida Green Center for the Study of Science and Society, School of Management, School of Social Sciences, and Management School Foundation Advisory Councils;

(5) U. T. El Paso: Development Board, College of Engineering Industrial and Miner Foundation Advisory Councils;

(6) U. T. Pan American: Development Board, School of Business Administration/Center for Entrepreneurship and Economic Development, School of Business Administration, Engineering, and Hispanic Mother Daughter Program Advisory Councils;

(7) U. T. Permian Basin: Development Board, Center for Energy and Economic Diversification, Economic Development Administration University Center, Petroleum Industry Alliance, and Small Business Development Center Advisory Councils;

(8) U. T. San Antonio: Development Board, College of Business, College of Fine Arts and Humanities, College of Sciences and Engineering, College of Social and Behavioral Sciences Advisory Councils, and U. T. Institute of Texan Cultures - San Antonio Development Board;

(9) U. T. Tyler: Development Board;

(10) U. T. Southwestern Medical Center - Dallas: Development Board;

(11) U. T. Medical Branch - Galveston: Development Board, School of Allied Health Sciences and School of Nursing Advisory Councils;

(12) U. T. Health Science Center - Houston: Development Board;

(13) U. T. Health Science Center - San Antonio: Development Board, Dental School, Medical School, and Nursing School Advisory Councils;

(14) U. T. M.D. Anderson Cancer Center: University Cancer Foundation Board of Visitors; and

(15) U. T. Health Center - Tyler: Development Board.--Unless otherwise indicated, membership was authorized and nominees approved by the U. T. Board of Regents to the development boards and advisory councils of The University of Texas System as set forth on Pages 3 - 42 effective September 1, 1994. The full membership of each organization is set out with the reappointments indicated by a single asterisk and new appointments by double asterisks.

On behalf of the Board, Chairman Rapoport expressed sincere appreciation for the support and encouragement of these several hundred volunteers whose efforts are so important to the U. T. System's private fund development programs.

1. The University of Texas at Arlington

Development Board.--Authorized Membership 43:

	<u>Term Expires</u>
** Mr. John Adams, Dallas	1997
Mr. Eugene T. Allen, Arlington	1995
Malcolm K. Brachman, Ph.D., Dallas	1996
* Mr. James T. Brown, Grand Prairie	1997
Mr. Chris Carroll, Arlington	1995
Mr. Donald Carter, Dallas	1995
Mr. J. Jan Collmer, Dallas	1995
* Mr. Tom Cravens, Arlington	1997
Mr. James A. Cribbs, Arlington	1996
Mr. Robert Decherd, Dallas	1996
Mr. Robert C. Duncan, Arlington	1996
Ms. Billie N. Farrar, Arlington	1995
* Mr. Ed Frazier, Dallas	1997
Mr. Jenkins Garrett, Fort Worth	1996
Mr. H. Jarrell Gibbs, Dallas	1996
The Honorable Richard E. Greene, Arlington	1995
* Albert H. Halff, Ph.D., Dallas	1997
** Mr. Bob B. Hallmark, Dallas	1997
** Mr. John Justin, Fort Worth	1997
** Mr. Bob Lane, Dallas	1997
Mr. Cecil W. Mayfield, Arlington	1995
** Mr. Harvey Mitchell, Dallas	1997
** Mr. Stu Moore, Arlington	1997
* Ms. Daphne Motheral, Fort Worth	1997
Mr. Bill Prince, Arlington	1995
Mr. Nathan L. Robinett, Arlington	1996
Benedict A. Termini, M.D., Arlington	1995
Mr. Carson Thompson, Fort Worth	1995
Mr. Tom Timmons, Dallas	1996
** Mr. Wyntress Booker Ware, Fort Worth	1997
* The Honorable Royce West, Dallas	1997
Mr. Ted C. Willis, Arlington	1995
* Mr. Jesse Wilson, Dallas	1997

Unfilled Terms - 10 (To be determined as filled)

School of Architecture Advisory Council.--
Authorized Membership 27:

	<u>Term Expires</u>
Mr. Bill Booziotis, FAIA, Dallas	1995
Mr. David Braden, FAIA, Dallas	1995
Richard Brettell, Ph.D., Dallas	1996
Mr. Frank C. Clements, ASLA, Dallas	1996
* Mr. Gary Cunningham, FAIA, Dallas	1997
Mr. Stuart Dawson, ASLA, Watertown, MA	1995
Mr. David Dillon, Dallas	1996
Mr. Mark Dilworth, AIA, Dallas	1996
** Mr. Darrell Fields, Tempe, AZ	1997
* Mr. Martin Growald, AIA, Fort Worth	1997

Mr. Ralph Hawkins, AIA, Dallas	1996
Ms. Carol Hermanovski, Dallas	1995
Mr. Don Kirk, FAIA, Fort Worth	1995
* Robert Maloy, Ph.D., Dallas	1997
* Mr. Raymond Nasher, Dallas	1997
Ms. Jessie Price, Dallas	1995
Mr. Joseph Scalabrin, FAIA, Dallas	1996
Ms. Landon Scarlett, Dallas	1996
* Daniel Schodek, Ph.D., Cambridge, MA	1997
Mr. Gene Schrickel, FASLA, Arlington	1996
Mr. Nelson Spencer, Dallas	1996
Mr. Ed Stout, Fort Worth	1996
* Mr. Bartholomew Voorsanger, FAIA, New York, NY	1997
* Mr. James Wiley, FAIA, Dallas	1997

Unfilled Terms - 3 (To be determined as filled)

College of Business Administration Advisory Council.--
Authorized Membership 30:

	<u>Term Expires</u>
Mr. Robert F. Anderson, Fort Worth	1996
* Mr. Terry R. Dallas, Fort Worth	1997
Mr. Raul Elizondo, Dallas	1996
* Mr. Tom Harenchar, Arlington	1997
Mr. W. Preston Holsinger, Dallas	1995
** Mr. Bill Greenhill, Fort Worth	1997
Mr. James E. Jack, Dallas	1996
* Mr. Charles E. Lambert, Fort Worth	1997
* Ms. Susie Leinbaugh, Dallas	1997
Mr. Thomas M. McMahon, San Francisco, CA	1996
* Mr. Bruce McNeil, Fort Worth	1997
Dr. Harrold Melton, Dallas	1996
Mr. David Newell, Fort Worth	1995
Mr. Ronald L. Parrish, Fort Worth	1995
* Mr. Charles O. Paul, Fort Worth	1997
Ms. Vikki L. Pier, Fort Worth	1996
Mr. William W. Richey, Dallas	1996
Mr. Stephen W. Spies, Arlington	1995
Mr. Donald E. Wagner, Dallas	1995
Mr. Phillip R. Williams, Arlington	1995
Mr. Clyde E. Womack, Fort Worth	1996

Unfilled Terms - 9 (To be determined as filled)

College of Engineering Advisory Council.--
Authorized Membership 26:

	<u>Term Expires</u>
Mr. L. N. Bell, Dallas	1996
Mr. Tom Brand, Richardson	1996
Mr. E. R. Brooks, Dallas	1996
* Mr. Jan Collmer, Dallas	1997
* Mr. C. R. Farmer, Jr., Dallas	1997
Felix Fenter, Ph.D., Dallas	1995
Mr. Wilton N. Hammond, Fort Worth	1996
* Mr. William F. Hayes, Dallas	1997
Mr. Max D. Hopper, Fort Worth	1996
Mr. Dwayne Humphrey, Arlington	1996
Mr. Patrick K. Kirkwood, Irving	1996
Mr. Charles Lynk, Fort Worth	1995

Mr. James R. Nichols, Fort Worth	1996
* John Patterson, Ph.D., Arlington	1997
Donald C. Price, Ph.D., Plano	1996
* Mr. Eric Ross, Richardson	1997
Mr. Roger Yandell, Fort Worth	1995

Unfilled Terms - 9 (To be determined as filled)

School of Social Work Advisory Council.--
Authorized Membership 26:

	<u>Term Expires</u>
* Mrs. Geraldine Beer, Dallas	1997
* Malcolm Brachman, Ph.D., Dallas	1997
Mr. J. Vernon Campbell, Arlington	1996
Mr. Ronald S. Clark, Arlington	1996
* Mr. Thomas Delatour, Dallas	1997
* Mr. Roy E. Dulak, Dallas	1997
Mr. Larry Eason, Fort Worth	1995
* Ms. Billie Farrar, Arlington	1997
* Mrs. Betty Jo Hay, Dallas	1997
Mr. Pete Hinojosa, Fort Worth	1995
Mrs. Erma Johnson, Fort Worth	1995
Mrs. JoLene Johnston, Arlington	1996
Ms. Lori Palmer, Dallas	1995
Mr. Eddie Sandoval, Hurst	1995
Mr. Ralph Shannon, Dallas	1996
Mr. Earle A. Shields, Jr., Fort Worth	1995
Mrs. Dovie Webber, Arlington	1996
Mr. John Widner, Fort Worth	1995

Unfilled Terms - 8 (To be determined as filled)

School of Nursing Advisory Council.--
Authorized Membership 16:

	<u>Term Expires</u>
* Ron Anderson, M.D., Dallas	1997
Mr. Dave Bloxom, Sr., Fort Worth	1995
* Mr. R. E. Cox III, Fort Worth	1997
Mr. Dan Dipert, Arlington	1995
Mr. Tom Dwyer, Dallas	1996
Mr. John Gavras, Irving	1996
* Barbara Grundeman, R.N., Arlington	1997
Mrs. Vera Harrington, Sulphur Springs	1996
James F. Herd, M.D., Fort Worth	1996
Hazel Jay, R.N., Fort Worth	1996
* Mr. Rex C. McRae, Arlington	1997
Mary Jo Perley, R.N., Ph.D., Dallas	1995
Mrs. Joyce Pike, Arlington	1996
Mr. Ron Smith, Fort Worth	1995
Ms. Rita Rodriguez Utt, Fort Worth	1995

Unfilled Term - 1 (To be determined as filled)

2.

The University of Texas at Austin

Development Board.--Authorized Membership 64:

	<u>Term Expires</u>
Nasser I. Al-Rashid, Ph.D., Riyadh, Saudi Arabia	1996
Mr. R. C. Allen, Corpus Christi	1996
Mrs. Ada C. Anderson, Austin	1996
* Mr. Morris Atlas, McAllen	1997
Mr. John W. Barnhill, Jr., Brenham	1995
Mr. Sam Barshop, San Antonio	1996
Ms. Joan Ragsdale Baskin, Midland	1995
* Mrs. Nancy Lee Bass, Fort Worth	1997
The Honorable Lloyd M. Bentsen, Jr., Washington, DC	1995
* Mr. Jack S. Blanton, Houston	1997
Mr. Lewis E. Brazelton III, Houston	1996
Mr. Jon Brumley, Fort Worth	1995
Mr. J. A. Canales, Corpus Christi	1996
* Mr. Ruben R. Cardenas, McAllen	1997
* Mrs. Bob Casey, Jr., Houston	1997
Mr. John S. Chase, FAIA, Houston	1995
Mr. Ted Collins, Jr., Midland	1996
Ms. Barbara Smith Conrad, New York, NY	1995
Mrs. Mary McDermott Cook, Dallas	1996
Mr. Jack Rust Crosby, Austin	1996
Mr. Luis A. de la Garza, San Antonio	1996
* Mr. Franklin W. Denius, Austin	1997
Mrs. Ben A. Donnell, Corpus Christi	1995
* Mr. Bob R. Dorsey, Austin	1997
Peter T. Flawn, Ph.D., Austin	1995
The Honorable William N. Hall, Jr., Laredo	1996
Mr. Burt Harkins, Corpus Christi	1996
Mr. Norcell D. Haywood, AIA, San Antonio	1996
The Honorable Kay Bailey Hutchison, Washington, DC	1995
Mrs. Bebe Canales Inkley, San Antonio	1996
Admiral B. R. Inman, USN Retired, Austin	1996
Mrs. Joseph D. Jamail, Houston	1996
* Mrs. Jean W. Kaspar, Shiner	1997
Mr. Lowell H. Lebermann, Jr., Austin	Special Member
* Mr. Jeff B. Love, Houston	1997
* Mrs. Prudence M. Mackintosh, Dallas	1997
Mr. Bob Marbut, San Antonio	1996
Mrs. Margaret McDermott, Dallas	1996
Mr. James R. Moffett, New Orleans, LA	1995
Mr. James M. Moroney, Jr., Dallas	1995
* Mr. Mike A. Myers, Dallas	1997
Mr. Wade T. Nowlin, Fort Worth	1995
* Mr. Robert L. Parker, Sr., Tulsa, OK	1997
Mr. James L. Powell, Fort McKavett	1995
Mario E. Ramirez, M.D., McAllen	Special Member
* Mr. Shannon H. Ratliff, Austin	1997
Mr. Corbin J. Robertson, Jr., Houston	1995
Mr. Benno C. Schmidt, New York, NY	1996
Mr. Marvin Selig, Seguin	1995
H. Don Smith, M.D., Tyler	1996
* Mrs. Sandra Esquivel Snyder, Dallas	1997
* Mr. Ralph Spence, Tyler	1997
Mr. Ronald G. Steinhart, Dallas	1996
Mrs. Annette G. Strauss, Dallas	1995
* Mr. John T. Stuart III, Dallas	1997
Mr. Larry E. Temple, Austin	1996
Mr. Robert C. Vaughn, Dallas	1996
Ms. Trisha Wilson, Dallas	1995
Mrs. Betty Bentsen Winn, McAllen	1995

* Mr. J. Sam Winters, Austin	1997
* Mrs. Carolyn Josey Young, Houston	1997
Mr. Mario Yzaguirre, Brownsville	1995

Unfilled Terms - 4 (To be determined as filled)

School of Architecture Foundation Advisory Council.--
 Authorized Membership 39:

	<u>Term Expires</u>
* Mr. Lexa M. Acker, Austin	1995
Mr. Frank M. Aldridge III, Dallas	1995
** Mr. Richard M. Archer, San Antonio	1997
Mr. Marvin E. Beck, Austin	1995
** Mr. Robert Carrozza, Dallas	1997
Mr. Bob J. Crow, Fort Worth	1995
Mr. Gary Mark Cunningham, Dallas	1996
Mr. Jerry A. Davis, FAIA, New York, NY	1996
** Ms. Susan L. Dell, Austin	1997
Ms. Deborah K. Dietsch, Washington, DC	1996
Mr. Bobby D. Dillon, Temple	1995
Mr. Ted Flato, San Antonio	1995
** Mr. Thomas A. Forbes, Austin	1997
** Ms. Lisa Germany, Austin	1997
* Mr. Richard T. Gilbane, Providence, RI	1996
Mr. Stan Haas, Austin	1995
Mr. Ray Henry, Pasadena, CA	1995
* Mr. Wendell P. Holmes III, The Woodlands	1997
** Mr. Carlos Jimenez, Houston	1997
Ms. W. Elisabeth Juen, Austin	1996
Mrs. Alfred A. King, Austin	1995
** Mr. Ricardo Legorreta, Mexico City, Mexico	1997
Ms. Katheryn Lott, Austin	1995
** Mr. Graham B. Luhn, AIA, Houston	1997
Ms. Jane H. Macon, San Antonio	1995
Ms. Kimberly A. Marks, San Antonio	1996
** Mr. Richard Philip Martinez, Austin	1997
Mr. Peter Flagg Maxson, Austin	1996
Mr. Laurin McCracken, AIA, Baltimore, MD	1996
* Mr. Larry Peel, Austin	1996
Ms. Karin Richmond, Austin	1995
Ms. Deedie Rose, Dallas	1996
Ms. Nancy Wilson Scanlan, Austin	1996
Mr. Frank H. Sherwood, Fort Worth	1996
** Ms. Melissa Stenicka, San Antonio	1997
** Mrs. Stephen J. Summers, Dallas	1997
Ms. Helen L. Thompson, Austin	1996
** Mr. David H. Watkins, AIA, Bellaire	1997
Mr. Mehrdad Yazdani, Santa Monica, CA	1995

College of Business Administration Foundation
 Advisory Council.--Authorized Membership 46:

	<u>Term Expires</u>
Mr. John L. Adams, Dallas	1996
Mr. Travis W. Bain II, Plano	1996
Mr. Stephen P. Ballantyne, San Antonio	1995
Mr. John A. Bermingham, Parsippany, NJ	1996
Mr. Lewis E. Brazelton III, Houston	1996
Mr. Jon Brumley, Fort Worth	1996
* Mr. Shelby H. Carter, Jr., Austin	1995
Mr. Hubbard Scott Caven, Jr., Houston	1996
Mr. Eugenio Clariond, R.R., San Nicholas de los Garza, N.L., Mexico	1995
** Ms. Linnet F. Deily, Houston	1996
** Mr. Miguel Espinosa, Houston	1997

Mr. Donald L. Evans, Midland	1995
** Mr. John D. Furst, Dallas	1997
Mr. A. J. Gallerano, Houston	1996
* Joseph M. Grant, Ph.D., Dallas	1997
* Mr. Robert G. Greer, Houston	1995
Ms. Barbara Sublett Guthery, Austin	1996
* Frederick B. Hegi, Jr., Ph.D., Dallas	1995
** Mr. William C. Helms, Houston	1997
* Mr. Alfred Jackson, Houston	1995
* Mr. Kenneth M. Jastrow, Austin	1995
Mr. Larry G. Jones, Houston	1995
* Mr. Don D. Jordan, Houston	1995
* Mr. Gregory A. Kozmetsky, Austin	1995
Mr. Andrew K. Ludwick, Santa Clara, CA	1996
** Mr. Homer L. Luther, Jr., Houston	1997
* Mr. Frank W. Maresh, Houston	1995
Mr. W. Baker McAdams, London, England	1995
* Allen T. McInnes, Ph.D., Houston	1995
** Mr. Lawrence D. Milligan, Cincinnati, OH	1996
Mr. Preston Moore, Jr., Houston	1996
Mr. James J. Mulva, Bartlesville, OK	1996
Mr. Gerald Duane Pint, Austin	1996
Mr. Joe N. Prothro, Wichita Falls	1996
Mr. Benjamin Rodriguez, San Antonio	1995
** Mr. Damon P. Smith III, New York, NY	1997
** Mr. Ronald G. Steinhart, Dallas	1997
Mr. John T. Stuart III, Dallas	1996
Mr. Charles S. Teeple IV, Austin	1996
Mr. Ralph B. Thomas, Houston	1996
Mr. James G. Thompson, Skillman, NJ	1995
Mr. McHenry T. Tichenor, Jr., Dallas	1996
* Mr. Peter S. Wareing, Houston	1995
Mr. George S. Watson, Dallas	1996
* Christopher Wrather, Ph.D., Santa Monica, CA	1995

Unfilled Term - 1 (To be determined as filled)

College of Communication Foundation Advisory Council.--
Authorized Membership 35:

	<u>Term Expires</u>
** Mr. Carlos Arce, Austin	1997
* Mr. Fred V. Barbee, El Campo	1997
* Mrs. Eddy Blanton, Houston	1997
Mr. Philip William Bode III, Dallas	1996
Mr. Alison M. Bond, Plano	1996
Ms. Martha Buchanan, Washington, DC	1996
** Mr. Norman W. Campbell, Dallas	1997
* Ms. Merry Maureen Clark, New York, NY	1997
Ms. Catherine Jean Crier, New York, NY	1995
* Lillian J. Davis, Ph.D., Austin	1997
** Mr. Leo DeLeon, Jr., Houston	1997
** Mr. Fernando Dovalina, Houston	1997
** Ms. Linda Ellerbee, New York, NY	1997
Ms. Mary Margaret Farabee, Austin	1996
Mr. Albert E. Fitzpatrick, Miami, FL	1995
Mr. Larry Franklin, San Antonio	1995
Mr. Terry Hemeyer, Spring	1996
Mrs. Karen Elliott House, New York, NY	1995
** Mr. Jeff R. Hunt, Miami, FL	1997
Mr. Joseph T. Jerkins, Austin	1996
** Ms. Barbara J. Johnson, Houston	1997
Mr. Ralph Langer, Dallas	1996
Mr. Robert H. Levi, Dunwoody, GA	1996
Mr. Julian R. Levine, Vienna, VA	1995
Mr. Dave R. Lopez, Austin	1995
Mr. Terry Patch, Dallas	1995

** Mr. W. Michael Ray, Dallas	1997
Mr. H. Ken Rigsbee, Austin	1995
Mrs. Josefina A. Salas-Porras, El Paso	1995
Mr. Neal Spelce, Austin	1995
Ms. Martha Russell Tiller, Dallas	1995
** Ms. Clarice Tinsley-Giles, Dallas	1997
** Mr. W. David Watkins, Washington, DC	1997
Elizabeth L. Young, Ph.D., Washington, DC	1995
Mr. Michael A. Zinberg, Beverly Hills, CA	1996

College of Education Foundation Advisory Council.--
 Authorized Membership 65:

	<u>Term Expires</u>
Mrs. Ada C. Anderson, Austin	1995
Mr. David D. Anderson, Austin	1996
Mrs. Kathy Armstrong, Austin	1996
* Mrs. Dorothy C. Ashby, Houston	1997
Ms. K. Jane Cook Barnhill, Brenham	1996
* Mr. Daniel A. Bennett, San Antonio	1997
Mr. Joseph W. Berend, Austin	1996
* Mr. Frank L. Breedlove, Dallas	1997
Mr. W. Gray Bryant, Austin	1995
Mr. Jack Thomas Burnett, Austin	1996
Mr. Jerry M. Carlson, Austin	1996
Mrs. Hetty Jean Clement, Austin	1996
Mr. Hector De Leon, Austin	1995
Mr. Bob R. Dorsey, Austin	1995
Mr. Andrew C. Elliott, Jr., Austin	1995
* Mr. Richard F. Erdmann, Salt Lake City, UT	1997
Mrs. Dillon J. Ferguson, Houston	1996
** Mrs. Julius Glickman, Houston	1997
* Mr. Heriberto Guerra, Jr., San Antonio	1997
Donald D. Hammill, Ed.D., Austin	1996
** Carl E. Hansen, Ed.D, Austin	1997
** Mr. R. A. "Swede" Hanson, College Station	1997
Mr. David Hart, Austin	1996
Mr. Robert T. Hayes, Dallas	1996
Mr. Marvin D. Henderson, Jr., Round Rock	1995
Mrs. John L. Hill, Jr., Houston	1995
** Mrs. Debbie P. Hinch, Tulsa, OK	1997
Mrs. Patricia E. Bell Hunter, Austin	1995
Ms. Carol F. Ikard, El Paso	1996
* Claiborne Holt Johnson, Jr., Ph.D., Plano	1997
W. N. Kirby, Ph.D., Austin	1995
Mrs. Janey Lack, Victoria	1996
Mr. Jack De Vere Ladd, Midland	1995
Mrs. Franna White Litton, Houston	1995
* Mr. Tom Luce, Dallas	1997
Ms. Marynell Maloney, San Antonio	1996
* Mrs. Mollie B. Maresh, Austin	1997
Mrs. Anne Rogers Mauzy, Austin	1995
Mr. Roy Mayers, Austin	1996
Mrs. Jane Clements Monday, Huntsville	1996
Mrs. Kay Webb Nunnally, Houston	1995
Mrs. Melinda Perrin, Houston	1995
* Mr. Juan Portillo, Austin	1997
Winston C. Power, Jr., Ph.D., Silverthorne, CO	1995
Mrs. Gay K. Ratliff, Austin	1995
Mr. William J. Renfro, Austin	1995
* Mrs. Thomas Burton Rhodes, Jr., Dallas	1997
** Mr. Edward C. Small, Austin	1997
Mrs. C. Richard Stasney, Houston	1995
Mr. John T. Stuart III, Dallas	1996
* Gordon K. Teal, Ph.D., Dallas	1997
Mrs. Jo Alice Tomforde, Houston	1996
** Mr. F. Gary Valdez, Austin	1997

* Mr. Donald Van Stone, Austin	1997
Mrs. Stephanie Whitehurst, Austin	1995
Mrs. Robert Wilkes, Austin	1995
* Mr. Louis B. Williams, Jr., Austin	1997
* Mr. Linus D. Wright, Ph.D., Dallas	1997
Mrs. Carolyn Josey Young, Houston	1996
** Mrs. Jack C. Zarrow, Tulsa, OK	1997
** Mr. Manuel Zuniga, Del Valle	1997

Unfilled Terms - 4 (To be determined as filled)

College of Engineering Foundation Advisory Council.--
 Authorized Membership 60:

	<u>Term Expires</u>
* Mr. Herbert K. Acord, Fairfax, VA	1997
** Mr. James R. Adams, San Antonio	1997
** Mr. Gary Ashcraft, Austin	1997
* Ms. Jasmine Azima, Austin	1997
Mr. James W. Bagley, Santa Clara, CA	1995
Mr. Mellon C. Baird, Jr., Austin	1995
** Mr. C. Robert Black, White Plains, NY	1997
David C. Bonner, Ph.D., Ashtabula, OH	1995
* Mr. William Meredith Boren, Houston	1997
Mr. John D. Burns, Houston	1996
** Donald M. Carlton, Ph.D., Austin	1997
Mr. W. E. Crain, San Francisco, CA	1995
** Mr. James D. Crownover, Dallas	1997
* Ralph S. Cunningham, Ph.D., Houston	1997
Mr. Keys A. Curry, Jr., Houston	1995
Mr. Kenneth R. Dickerson, Los Angeles, CA	1995
* Mr. D. Keith Dodson, Houston	1997
E. Linn Draper, Jr., Ph.D., Columbus, OH	1996
Michael P. Ekstrom, Ph.D., Houston	1995
** Larry E. Farmer, Ph.D., Esher, England	1997
* Craig Fields, Ph.D., Austin	1997
Mr. John A. Focht, Jr., Houston	1996
Mr. S. A. Garza, Austin	1995
Mr. Dale D. Gilliam, Houston	1995
Mr. M. E. "Gene" Gillis, Houston	1995
Murray Goldman, Ph.D., Phoenix, AZ	1996
Mr. Stephen Henry Grote, Houston	1995
Mr. Jeffrey M. Heller, Dallas	1996
Mr. Jack L. Howe, Jr., Bartlesville, OK	1996
** Mr. Robert M. Howe, Jr., Tulsa, OK	1997
Mr. Gary T. Hurford, Arlington	1996
* Mr. Milton B. Lee II, Austin	1997
Mr. Charles A. Machemehl, Jr., Birmingham, AL	1995
Mr. Robert C. Marini, Cambridge, MA	1995
** Mr. Harold L. McDonald, Jr., Sparta, NJ	1997
** Mr. E. F. McFarland, Houston	1997
Mr. Robert E. McKee III, Houston	1996
Mr. Russell J. McNaughton, Austin	1995
Mr. Edward J. Mooney, Naperville, IL	1995
Mr. Arnold Wray Oliver, Wichita Falls	1995
Mr. Ron Payne, Maynard, MA	1996
Mr. L. T. Pirkey, Austin	1996
Mr. David John Pritchard, Anchorage, AK	1996
Mr. Vin Prothro, Dallas	1995
Mr. Edwin L. Rainwater, Freeport	1996
** Mr. Charles M. Rampacek, Kingwood	1997
Mr. James E. Roberts, Dallas	1996
* Major General Hugh G. Robinson, Dallas	1997
Mr. Marvin Selig, Seguin	1995
** Mr. Yazan N. Sharif, Dallas	1997
Mr. Israel Sheinberg, Dallas	1995
* Mr. Arthur L. Smalley, Jr., Houston	1997

** Mr. Larry Smith, Houston	1997
* William J. Spencer, Ph.D., Austin	1997
Mr. Emil L. Tejml, Dallas	1996
Mr. Robert F. Thompson, Houston	1995
James J. Truchard, Ph.D., Austin	1996
Mr. Donald Charles Vaughn, Houston	1995
Mr. Jack Zarrow, Tulsa, OK	1995

Unfilled Term - 1 (To be determined as filled)

College of Fine Arts Foundation Advisory Council.--
 Authorized Membership 50:

	<u>Term Expires</u>
** Mr. James C. Armstrong, Austin	1997
Mrs. Susan Teeple Auler, Austin	1995
Mrs. Martha S. Avant, San Antonio	1996
Mrs. A. L. Ballard, Houston	1996
Mrs. Lawrence S. Barzune, Dallas	1996
Mr. W. Gray Bryant, Austin	1995
* Paul Burns, M.D., Austin	1997
* Mrs. Roy A. Butler, Austin	1997
** Mrs. Mary Zerbee Cartwright, Dinero	1997
Mrs. Charles M. Christensen, Austin	1996
** Mr. James Ray Cox, Midland	1997
* Mrs. Fredricka Crain, Houston	1997
Mrs. Jewel B. Crosswell, Houston	1996
Mr. Peter de Wetter, El Paso	1995
* Mr. Bob R. Dorsey, Austin	1997
Ms. Jeaneane B. Duncan, Houston	1996
Mrs. Katherine F. Ebert, Houston	1995
Mrs. Jeannette Smith Eppler, Dallas	1995
** Mr. Benjamin J. Fortson, Fort Worth	1997
Mrs. James B. Francis, Dallas	1995
* Mr. Lester E. Giese, Nursery	1997
** Ms. Sharon D. Gill, San Antonio	1997
** Mr. Theodore P. Gorski, Jr., Fort Worth	1997
** Mrs. Marie Halff, San Antonio	1997
* Mrs. Marie B. Hanna-Liling, Austin	1997
Mrs. Adele Perry Hart, Fort Worth	1996
* H. Bryce Jordan, Ph.D., Austin	1997
Mrs. Kathryn Lloyd Ketelsen, Houston	1995
* Ms. Susan Garwood Knapp, Houston	1997
Mrs. Edythe Kruger, Austin	1996
Amy Freeman Lee, Ph.D., San Antonio	1996
Mr. John Robert Lively, Midland	1996
Mrs. Robert Livingston, Victoria	1996
Mrs. Mari Schuchart Marchbanks, Austin	1995
** Ms. Suzanne C. Martin, Midland	1997
** Mr. Charles T. May, Jr., Dallas	1997
Ms. Ann Maddox Moore, McAllen	1995
Mr. William B. Moser, Jr., Beeville	1995
Mrs. Edith O'Donnell, Dallas	1996
Ms. Kristin Anne Ozmun, Austin	1995
Mrs. Jane S. Parker, Austin	1995
* Mrs. D. J. Sibley, Jr., Austin	1997
** Mrs. Sylvia Spertus, Austin	1997
Mrs. Adair Ramsey Sutherland, San Antonio	1996
Mr. Lewis T. Tarver, Jr., San Antonio	1995
Mrs. Jere W. Thompson, Dallas	1996
Mrs. Sue Trammell Whitfield, Houston	1996
Ms. Marilyn E. Wilhelm, Houston	1995
Ms. Julia M. Wilkinson, Austin	1995

Unfilled Term - 1 (To be determined as filled)

Geology Foundation Advisory Council.--
Authorized Membership 39:

	<u>Term Expires</u>
* Mr. Charles W. Alcorn, Jr., Victoria	1997
Mr. Eugene L. Ames, Jr., San Antonio	1995
* Richard R. Bloomer, Ph.D., Leander	1997
** Mr. Keith R. Brownlee, Plano	1997
Mr. Thomas M. Burke, Houston	1996
Mr. Richard M. Coffelt, Houston	1996
* Mr. Weyman W. Crawford, Houston	1997
Mr. L. Decker Dawson, Midland	1995
* Rodger E. Denison, Ph.D., Dallas	1997
* Mr. George A. Donnelly, Jr., Midland	1997
* Mr. Thomas E. Fanning, Houston	1997
Mr. James H. Frasher, Houston	1996
Joseph N. Gittelman, Ph.D., Houston	1996
** Thomas W. Grimshaw, Ph.D., Austin	1997
Mr. W. Douglas Hall, Austin	1995
* Mr. George M. Harwell, Jr., Houston	1997
Mr. Larry R. Hensarling, Lafayette, LA	1996
Mr. David S. Holland, Sr., Houston	1995
Mr. Charles J. Hooper, Houston	1995
Mr. John A. Jackson, Dallas	1995
* Mr. J. Donald Langston, Kailua Kona, HI	1997
Susan A. Longacre, Ph.D., Houston	1995
** Ms. Pamela E. Luttrell, Celle, Germany	1997
* Mr. Vance M. Lynch, Austin	1997
Mr. David F. Martineau, Dallas	1995
* Mr. Harry A. Miller, Jr., Midland	1997
Mr. Michael B. Morris, Houston	1996
Mr. James C. Patterson, Houston	1996
* Mr. William F. Reynolds, Wichita Falls	1997
* Mr. George W. Schneider, Jr., Metairie, LA	1997
Mr. Don B. Sheffield, Houston	1995
** Mr. Russell G. Slayback, Wilton, CT	1997
** Mr. Richard R. Standaert, Dallas	1997
Mr. William T. Stokes, Jr., Dallas	1996
Mr. David Bruce Story, Houston	1995
Mr. Eddie A. Williamson, Calgary, Canada	1996
* Mr. Phillip E. Wyche, Austin	1997

Unfilled Terms - 2 (To be determined as filled)

Graduate School Foundation Advisory Council.--

This advisory council was approved by the Board of Regents on March 26, 1976, and nominees to membership have not yet been submitted for Regental approval.

Graduate School of Library and Information Science
Foundation Advisory Council.--Authorized Membership 12:

	<u>Term Expires</u>
Mary R. Boyvey, Ph.D., Austin	1995
* Governor Bill Daniel, Liberty	1997
Ms. Margie Grossenbacher, Waco	1996
Ms. Linda K. Hankinson, Dallas	1995
Ms. Carolyn A. Lewis, Austin	1996
Mrs. Rita Roberdeau Palm, Fort Worth	1995
** Ms. Mary J. Parrish, San Francisco, CA	1997
John P. Schneider, M.D., Austin	1996
* Mr. Robert Alan Walton, Berkeley, CA	1997
Mr. J. Phelps White, Roswell, NM	1995

Unfilled Terms - 2 (To be determined as filled)

Harry Ransom Humanities Research Center Advisory Council.--
 Authorized Membership 25:

	<u>Term Expires</u>
Thomas Bourne, M.D., Houston	1995
* Mrs. John S. Cargile, San Angelo	1997
Ms. Kay Cattarulla, Dallas	1995
* Mrs. Jo Anne Christian, Austin	1996
Fleur Cowles, London, England	1995
* Mrs. Ramona Davis, Houston	1997
Mrs. Valerie S. Dunnam, Austin	1995
* Mr. Leonard J. Eaton, Jr., Tulsa, OK	1996
Ms. Cynthia Weber Farah, El Paso	1996
** Mr. Norman Fischer, Austin	1997
Mrs. Priscilla Pond Flawn, Austin	1995
* Diana Hobby, Ph.D., Houston	1997
Mrs. Henrietta Jacobsen, West Lake Hills	1996
Mr. Bernard L. Lifshutz, San Antonio	1996
** Mrs. Marlene Nathan Meyerson, Dallas	1997
** Mr. Morton H. Meyerson, Dallas	1997
** Mr. J. Sam Moore, Jr., El Paso	1997
* Mrs. Nancy Perot Mulford, Dallas	1997
Clare Perkins Ratliff, Ph.D., Austin	1995
* Charlotte W. Rhodes, Ph.D., Dripping Springs	1997
Mr. L. Jeffrey Selznick, Coconut Grove, FL	1995
* Mr. John T. Whatley, Austin	1996
Mr. Stephen White, Los Angeles, CA	1996
Mr. William P. Wright, Jr., Abilene	1996
Mrs. Leila Clark Wynn, Greenville, MS	1996

College of Liberal Arts Foundation Advisory Council.--
 Authorized Membership 45:

	<u>Term Expires</u>
Mr. John A. Adkins, Houston	1995
Mr. Gordon Appleman, Fort Worth	1995
Mrs. Mary M. Miller Arnold, Austin	1996
* Mr. Rex G. Baker III, Dripping Springs	1997
Mrs. Carolyn Grisham Barber, Abilene	1996
Mrs. Peggy Pattillo Beckham, Abilene	1995
** Mr. John B. Beckworth, Houston	1997
Mrs. Jack S. Blanton, Jr., Houston	1996
Ms. Michelle K. Brock, Midland	1995
Mrs. Mary Stewart Brumley, Fort Worth	1996
* Mr. T. Drew Cauthorn, San Antonio	1997
Mr. Coby Chase, Dallas	1996
* Mr. John B. Connally III, Houston	1997
Mr. William C. Davidson, Jr., Austin	1995
* Daniel G. Duke, M.D., San Antonio	1997
Mr. Creekmore Fath, Austin	1995
** Mr. Howard Pressley Hallam, Dallas	1997
Mrs. Patricia W. Hammond, San Antonio	1995
** Mr. Thomas O. Harbison, Dallas	1996
Mr. R. Brian Haymon, Baton Rouge, LA	1995
Mr. Morton L. Herman, Fort Worth	1995
Mr. Dwight E. Jefferson, Houston	1996
* Mr. Lenoir Moody Josey II, Houston	1997
* Mrs. Shirley Fisher Kline, San Antonio	1997
Mrs. Prudence M. Mackintosh, Dallas	1996
* Mr. William E. Matthews, Houston	1997
* Michael S. McArthur, M.D., Tyler	1997
Mr. Brian Thomas McLaughlin, Midland	1996
** Mrs. Barbara Snyder Nelson, Houston	1996
** Mrs. Carol Nicklaus, Amarillo	1997
Ms. Martha B. Northington, Houston	1995
Mr. D. Dudley Oldham, Houston	1996

Mrs. William N. Patman, Austin	1996
Ms. Nancy Hunt Powell, Fort McKavett	1996
Mr. L. Daniel Prescott, Jr., Fort Worth	1995
Mr. Paul R. Ray, Jr., Fort Worth	1995
Mr. David Patterson Smith, Dallas	1996
** Mr. Frank F. Smith, Jr., Houston	1996
* Mrs. Sandra Esquivel Snyder, Dallas	1997
Mrs. Carolyn W. Stone, Dallas	1995
** Mrs. Nenetta C. Tatum, Fort Worth	1997
* Mr. Tom Ward, Washington, DC	1997
* W. Darrell Willerson, Jr., M.D., San Antonio	1997
Mr. James Milton Wilson, Jr., Houston	1995

Unfilled Term - 1 (To be determined as filled)

Longhorn Associates for Excellence in Women's Athletics
Advisory Council.--Authorized Membership 40:

	<u>Term Expires</u>
Mr. Charles Akins, Austin	1995
Mrs. Nelwyn S. Belt, San Antonio	1996
Mrs. Winston L. Cave, Austin	1996
* JoAnn M. Cornet, M.D., Austin	1997
** Ms. Alice Cranz, Fort Worth	1997
Mrs. Betty Sanford Crawford, Dallas	1995
Mr. Bryan P. Dixon, Dallas	1996
** Ms. Melody Kelly Douglas, Cypress	1997
Mr. Walter W. Durham, Dallas	1996
** Alma L. Garza, D.D.S., Dallas	1997
Ms. Cynthia A. Gonzalez, Garland	1996
Mr. Arthur F. Graf III, San Antonio	1996
Mrs. W. Carter Grinstead, Jr., Houston	1995
Mrs. Brandi M. Hagli, Lubbock	1995
Ms. Judy Haralson, Austin	1995
** Lester Harrell, Jr., Ph.D., Austin	1997
Ms. Fran Harris, Austin	1995
** Mrs. Lou Harris, San Antonio	1997
Mr. Gilbert A. Herrera, Houston	1995
Mrs. Betty Himmelblau, Austin	1995
Mrs. Judy Island, Waco	1995
Ms. Carolyn Frost Keenan, Houston	1995
** Mr. J. R. Lawley, Houston	1997
** Mrs. Rebecca R. Lee, Dallas	1997
* Mrs. Martha S. Mangum, San Antonio	1997
Ms. Debra J. Mann, Dallas	1996
Mrs. Dian Moore, Dallas	1996
Mr. George O. Nokes, Jr., Austin	1995
Ms. Linda S. Nowlin, Spring	1996
** Mr. Charlie F. Pardonner, Austin	1997
Miss Ruth Rendon, Seabrook	1995
** Julie Sandstad, M.D., Dallas	1997
Mrs. Lynda L. Shropshire, Fort Worth	1996
Mr. Albert A. Taub, Arlington	1995
* Mrs. Carolyn B. Townsend, Dallas	1997
Mrs. Joan H. Whitworth, Austin	1995
Mrs. Pamela P. Willeford, Austin	1996
Mrs. Bonnie H. Wilson, Dallas	1995
** Ms. Mary C. Wysong, Fort Worth	1997

Unfilled Term - 1 (To be determined as filled)

Longhorn Foundation Advisory Council.--
 Authorized Membership 70:

	<u>Term Expires</u>
* Mr. Rooster Andrews, Austin	1997
Mr. Stephen P. Ballantyne, San Antonio	1996
Mr. John W. Barnhill, Jr., Brenham	1995
Mr. H. L. Brown, Jr., Midland	1995
* Mr. Harold D. Carter, Dallas	1997
** Mr. John B. Connally III, Houston	1997
Mr. Robert S. Craig, Missouri City	1996
** Mrs. Jerry Crawford, Dallas	1997
* Mr. Solomon D. David, Jr., New Braunfels	1995
Mr. Franklin W. Denius, Austin	1996
Mr. Bryan P. Dixon, Dallas	1995
** Mrs. Ann C. Edens, Austin	1997
** Mr. S. Finley Ewing, Jr., Dallas	1996
Mrs. Nancy Warren Frasher, Austin	1995
Mr. E. P. Gemmer, Jr., Houston	1995
* Mr. Robert G. Greer, Houston	1995
* Ms. Barbara Sublett Guthery, Austin	1996
Mr. Jeffrey M. Heller, Dallas	1996
* Mrs. Eleanor M. Hill, Houston	1997
Mr. Michael H. Hillman, Houston	1995
Mr. Dwight E. Jefferson, Houston	1996
Mr. Roosevelt Leaks, Austin	1996
Mr. Stewart Lee, Dallas	1996
Mr. Joel M. Levy, Houston	1995
** Norman Lewis Mason, D.D.S., Austin	1997
* Mr. W. Wayne McDonald, Austin	1997
Mr. Pat McMahan, San Antonio	1995
Mr. Paul D. Meek, Dallas	1995
Mr. Baker Montgomery, Dallas	1996
** Mr. Preston Moore, Jr., Houston	1997
Mr. Robert K. Moses, Jr., Houston	1995
* Mr. Mike A. Myers, Dallas	1997
Mr. Walter L. New, Jr., Austin	1995
Mr. Robert L. Parker, Sr., Tulsa, OK	1995
** Mr. William B. Pyle, Houston	1997
* Mr. B. M. Rankin, Jr., Dallas	1997
Mr. Donald J. Reese, Austin	1996
** Mr. Robert L. Riviere, Austin	1997
Mr. Corbin J. Robertson, Jr., Houston	1995
** Mr. Lawrence Mack Sampleton, Jr., Austin	1997
Mr. Wallace H. Scott, Jr., Austin	1995
Mr. Weldon H. Smith, Houston	1996
* Mr. Charles L. Sowell, Houston	1997
* Mr. Robert L. Stillwell, Houston	1997
Mr. William T. Stokes, Jr., Dallas	1996
** Al Thaggard III, M.D., San Antonio	1997
Mr. Jere W. Thompson, Dallas	1995
Mr. John P. Thompson, Dallas	1995
* Mr. Peyton L. Townsend, Jr., Dallas	1997
Mr. Robert K. Utley III, Dallas	1996
** Mr. Duer Wagner, Jr., Fort Worth	1996
Mr. Charles M. Wender, San Antonio	1996
Mr. Julius E. Whittier, Dallas	1995
Mr. Darrell R. Windham, El Paso	1996
Mr. Earl L. Yeakel III, Austin	1996

Unfilled Terms - 15 (To be determined as filled)

Marine Science Advisory Council.--
 Authorized Membership 45:

	<u>Term Expires</u>
* Mrs. Joseph M. Abell, Jr., Austin	1997
Charles W. Bailey, Jr., M.D., Houston	1996
Mr. Perry R. Bass, Fort Worth	1995
Alan C. Baum, M.D., Houston	1996
Mr. G. Michael Boswell, Dallas	1996
* Mr. Frank B. Burney, San Antonio	1997
Mr. Charles C. Butt, San Antonio	1996
** Mr. Ken Callaway, Rockport	1997
** Mrs. Mary Campbell, Corpus Christi	1997
** Mr. Michael L. Cook, Austin	1997
** Jonathan F. Decherd, M.D., Austin	1997
** Mrs. Ben A. Donnell, Corpus Christi	1997
Mr. Laurens B. Fish, Jr., Austin	1996
* Peter T. Flawn, Ph.D., Austin	1997
** Thomas P. Francis, D.D.S., Austin	1997
** Mrs. Barbara Gentry, San Antonio	1997
* Mr. Christopher Gill, San Antonio	1995
Mr. James W. Gorman, Jr., San Antonio	1996
Mrs. Claire S. Grasedonio, Corpus Christi	1995
* Mr. Hugh Halff, Jr., San Antonio	1997
* Mr. John C. Holmgreen, Jr., Corpus Christi	1997
** Mr. Clayton J. Hoover, Corpus Christi	1997
Clark Hubbs, Ph.D., Austin	1995
Mr. Robert M. Kendrick, Corpus Christi	1995
* Mr. Clark R. Mandigo, San Antonio	1997
Mrs. Edith McAllister, San Antonio	1995
** David L. McCarron, M.D., Austin	1997
* Mr. Kilburn G. Moore, San Antonio	1995
* Mr. George P. Morrill II, Beeville	1997
Mark A. Northam, Ph.D., Stavanger, Norway	1995
** Theo S. Painter, Jr., M.D., Austin	1997
Mrs. Helen Brooks Pina, Port Aransas	1996
Mrs. B. Coleman Renick, Jr., San Antonio	1995
** Lewis F. Russell, Jr., M.D., San Antonio	1997
H. Irving Schweppe, Jr., M.D., Houston	1995
Mr. Arthur A. Seeligson, Jr., San Antonio	1995
* Mr. Frederick M. Smith, Dallas	1997
Mr. Ben F. Vaughan III, Austin	1996
Mrs. Patricia Hawn Wallace, Corpus Christi	1996
Mr. H. C. Weil, Corpus Christi	1995
Mr. Thomas Whelan III, Houston	1996

Unfilled Terms - 4 (To be determined as filled)

McDonald Observatory and Department of Astronomy
Board of Visitors.--Authorized Membership 35:

	<u>Term Expires</u>
Ms. Lucy M. Alexander, Austin	1996
Mr. Mark E. Bivins, Amarillo	1996
* Mr. William C. Block, Bergheim	1997
Malcolm K. Brachman, Ph.D., Dallas	1996
Mr. William Terry Bray, Austin	1996
** Mr. J. P. Bryan III, Houston	1997
Mr. Clifton Caldwell, Albany	1995
Mr. George Christian, Austin	1995
* Mr. Joseph A. Cialone II, Houston	1997
Ms. Anne P. Dickson, Dallas	1996
Mr. Marshall Doke, Jr., Dallas	1995
Mr. George A. Finley III, Corpus Christi	1995
Mr. David Graeber, AIA, Austin	1996
Mr. William F. Guest, Houston	1995

** Mr. Paul Hobby, Houston	1997
Ms. Elizabeth S. Hutchinson, Bethesda, MD	1995
* Mrs. Katherine Miller Johnson, Austin	1997
Mr. Herbert D. Kelleher, Dallas	1996
** Mrs. Garland M. Lasater, Jr., Fort Worth	1997
Mr. Tom E. Link, Austin	1995
Mr. Paul D. Meek, Dallas	1995
* Mr. J. Arthur Miller, Dallas	1997
** Mr. Michael Bradford Moody, Jr., Houston	1997
Ms. Lillian A. Murray, Corpus Christi	1995
* Judy Newton, Ph.D., San Antonio	1997
Mr. Pike Powers, Jr., Austin	1996
* Mr. William H. Ratz, Houston	1997
** Mr. Carl E. Ryan, El Paso	1996
Mr. Marshall T. Steves, Jr., San Antonio	1996
Mr. Robert W. Strauser, Austin	1996
* Mr. Curtis T. Vaughan, Jr., San Antonio	1997
Mr. David M. Weeks, Austin	1995
* Mr. Gene Wiggins, Arlington	1997
Francis Hamilton Wright, Jr., M.D., Nashville, TN	1995
Mr. Samuel T. Yanagisawa, Dallas	1996

College of Natural Sciences Foundation Advisory Council.--
Authorized Membership 55:

	<u>Term Expires</u>
* Jean Andrews, Ph.D., Austin	1997
* Jasper H. Arnold III, D.B.A., Houston	1997
Mr. Malcolm D. Bailey, Houston	1996
Mr. Mellon C. Baird, Jr., Austin	1995
Mr. Thomas Lyle Baker, Dallas	1996
Robert A. Bell, Ph.D., New York, NY	1996
C. Eugene Carlton, Jr., M.D., Houston	1995
Donald M. Carlton, Ph.D., Austin	1996
Howard Crockett, M.D., Conroe	1995
Mr. Richard B. Curtin, San Antonio	1995
* Mr. E. Ted Davis, Houston	1997
* Mr. Norbert D. Dittrich, Houston	1997
Mrs. Jean K. Durkee, Austin	1996
Peter T. Flawn, Ph.D., Austin	1996
** Mr. Bruce Galt, Richardson	1996
Mr. James R. Gattis, Houston	1995
* F. Parker Gregg, M.D., Houston	1997
Mr. Ralph T. Hull, Houston	1996
Neil Iscoe, Ph.D., Austin	1996
Mr. Chester Jones, Houston	1995
Mrs. Sidney Jones, Austin	1995
** Fritz Kalhammer, Ph.D., Palo Alto, CA	1996
* Mrs. Jean W. Kaspar, Shiner	1997
* James E. Kmiecik, Ph.D., Houston	1997
* Rear Admiral John W. Koenig, Austin	1997
** Mr. Charles Luellen, Austin	1997
* Mr. Paul D. Meek, Dallas	1997
Charles W. Monday, Jr., M.D., Huntsville	1995
Mrs. Judith D. Moyers, New York, NY	1995
** Mr. Edward Munoz, Chatham, NJ	1997
** Ms. Lillian A. Murray, Corpus Christi	1997
Mr. William F. O'Keefe, McLean, VA	1995
** Mr. Robert O'Rear, Bellevue, WA	1996
Warren D. Parker, M.D., Houston	1996
* Mr. A. Lee Pflugger, San Angelo	1996
* James A. Prentice, M.D., Austin	1997
Mr. Rom Rhome, Houston	1995
James A. Rickard, Ph.D., Houston	1995
Glenn A. Rogers, D.D.S., Midland	1996
Robert B. Rosenberg, Ph.D., Chicago, IL	1996

Mr. John N. Scott, Austin	1995
* Mr. Israel Sheinberg, Dallas	1997
* Mrs. Karen Larson Shewbart, Freeport	1997
* Mr. Thomas V. Shockley III, Dallas	1997
* Edward J. Skiko, Ph.D., Fairfield, CT	1997
Mr. William T. Stokes, Jr., Dallas	1996
** Ms. Sara Martinez Tucker, Santa Clara, CA	1997
Mr. Larry C. Wadle, Houston	1996
Mr. J. Virgil Waggoner, Houston	1996
Mrs. Sam A. Wilson, Austin	1995
Mr. Anton H. Witte, Jr., Charlotte, NC	1996

Unfilled Terms - 4 (To be determined as filled)

School of Nursing Foundation Advisory Council.--
Authorized Membership 28:

	<u>Term Expires</u>
Mr. Jack L. Campbell, Austin	1995
Lois Elizabeth DeBakey, Ph.D., Houston	1996
Richard A. DeVaul, M.D., College Station	1996
Donald J. Gessler, M.D., Austin	1996
Mr. M. K. Hage, Jr., Austin	1996
Mrs. Elizabeth A. Hart, Dallas	1996
Ms. Marsha Z. Kruger, Austin	1995
Mr. Duncan Manning, Dallas	1995
Mrs. Arthuree L. Quander, Austin	1995
Mrs. Sandra Harris Rotman, Austin	1995
Mr. Dell M. Sheftall, Jr., Austin	1995
Ms. Sally T. Sullivan, Austin	1996
Gayle P. Varnell, Ph.D., Plano	1996

Unfilled Terms - 15 (To be determined as filled)

Pharmaceutical Foundation Advisory Council.--
Authorized Membership 35:

	<u>Term Expires</u>
Ron J. Anderson, M.D., Dallas	1996
** Mr. Thomas L. Anderson, Carrollton	1995
Mr. V. N. Anderson, Chicago, IL	1996
* Romeo T. Bachand, Jr., M.D., Abbott Park, IL	1997
** Ms. V. Anne Ballard, Elgin	1995
* Mrs. B. A. Caffey, Arlington	1997
* Mr. John R. Carson, San Antonio	1997
Mr. William L. Clifton, Jr., Waco	1995
Mr. Robert Coopman, San Antonio	1995
William I. Dismukes, R.Ph., F.A.C.A., Austin	1996
* Mr. Donald K. Fletcher, Philadelphia, PA	1997
Mr. Robert A. Gude, Fort Worth	1995
Mr. Harold E. Habeger, Amarillo	1996
* Mr. Alan W. Hamm, Fort Worth	1997
Mr. Edward Louis Hiller, Baton Rouge, LA	1995
Mr. Lonnie F. Hollingsworth, Lubbock	1995
** Mr. Robert A. Ingram, Research Triangle Park, NC	1997
Robert C. Johnson, D.P.S., Scottsdale, AZ	1996
Mr. Vaughn M. Kailian, South San Francisco, CA	1995
Mr. Jan M. Klinck, McAllen	1996
* Mr. Lewis L. Liggett II, Indianapolis, IN	1997
Mr. Gerald J. Mossinghoff, J.D., Washington, DC	1996
* Mr. Robert L. Myers, Clearwater, FL	1997
Mr. Joseph A. Oddis, Bethesda, MD	1995
** Mr. John E. Ogden, Washington, DC	1997
Ms. Dian Graves Owen, Abilene	1995
* Mr. Lance Piccolo, Northbrook, IL	1997

* Joseph V. Roney, R.Ph., Somerville, NJ	1997
* Ms. Marina P. Sifuentes, Austin	1997
Mrs. Cynthia Edwards Standefer, Azle	1995
* Patricia E. Stewart, M.D., Fort Washington, PA	1997
Mr. William G. Thien, Deerfield, IL	1996
Mr. Daniel D. Vela, McAllen	1996
Mr. Charles M. West, Fairfax Station, VA	1996
Mr. Ronald L. Ziegler, Alexandria, VA	1995

School of Social Work Foundation Advisory Council.--
Authorized Membership 30:

	<u>Term Expires</u>
Mrs. Patricia S. Ayres, Austin	1995
Mr. Tom Backus, Austin	1995
Ms. Patricia G. Bailey, Austin	1995
Mrs. Sonja R. Berry, Austin	1995
* James L. Boynton, M.D., Nacogdoches	1997
Julian Cano, Jr., Ed.D., San Antonio	1995
Mrs. Eleanor Cochran, Austin	1995
** Michael R. Daley, Ph.D., Nacogdoches	1997
** Mr. Louis E. DeMoll, Jr., Austin	1997
Mr. Bruce H. Esterline, Dallas	1996
** Mrs. Ann S. Goodman, El Paso	1997
Mrs. Beverly Griffith, Austin	1996
* Mrs. Genevieve Tarlton Hearon, Austin	1997
Mr. Dennis R. Jones, Austin	1995
Ms. Margery Engel Loeb, Victoria	1996
Brenda Wilkins Lyles, Ph.D., Houston	1995
Dan McLendon, Ph.D., Round Rock	1995
Mr. Michael L. Meadows, Richardson	1996
Mr. Joe W. Milkes, Dallas	1996
Ms. Camille D. Miller, Austin	1996
Mr. Victor W. Ravel, Austin	1995
Ms. Judy Rosenblum, Fort Worth	1995
* Mrs. Barbara H. Staley, Houston	1997
Ms. Diane Stewart, Austin	1996
Mr. Robert P. Stewart, Dallas	1996
** Mr. August N. Swain, Austin	1997
* Mrs. Bettie Anderson Wilson, Port Lavaca	1995
Mr. Charles I. Wright, Round Rock	1996

Unfilled Terms - 2 (To be determined as filled)

Texas Union Advisory Council.--Authorized Membership 21:

	<u>Term Expires</u>
Ms. Janet Bauerle Anderson, San Antonio	1995
* Mr. John W. Anderson, Houston	1997
The Honorable Harley R. Clark, Jr., Austin	1996
Mr. James V. Derrick, Jr., Houston	1996
Mrs. Laurens B. Fish, Jr., Austin	1995
Mr. Thomas J. Forestier, The Woodlands	1996
** Mr. David R. Lambert, Dallas	1997
Ms. Sherrita Doris Lee, Houston	1996
Mrs. Maline Gilbert McCalla, Austin	1996
** Ms. Mary McDonald, New York, NY	1997
Mrs. Cappy R. McGarr, Dallas	1996
* Mr. Stan McLelland, San Antonio	1997
Mr. C. C. Nolen, Oklahoma City, OK	1995
Mr. John W. Pieper, Dallas	1996
** Mrs. Jane R. Rhodes, Baytown	1997
** Mr. Peter C. Selig, San Antonio	1997
* Michael Shawn Smith, M.D., Oklahoma City, OK	1997

Unfilled Terms - 4 (To be determined as filled)

Winedale Historical Center Advisory Council.--
 Authorized Membership 34:

	<u>Term Expires</u>
Mr. Paul S. Ache, Jr., Houston	1996
Mrs. Paul S. Ache, Jr., Houston	1996
Mrs. Helen Anderson, Houston	1996
Mr. Thomas D. Anderson, Houston	1996
Mr. Thomas E. Berry, Houston	1996
Mrs. Thomas E. Berry, Houston	1996
Ms. Julia E. Bishop, Round Top	1996
Mr. William F. Bishop, Round Top	1996
Ms. Flo Crady, Houston	1996
** Mrs. Dorothy S. Giese, La Grange	1997
** Mr. Leerie R. Giese, La Grange	1997
** Mr. Charles L. Howes, Round Top	1997
** Mrs. Ida Bess Howes, Round Top	1997
* Mr. Earl Littman, Houston	1997
* Mrs. Natalie Littman, Houston	1997
Mr. Jerry W. McNeely, Houston	1996
Mrs. Virginia L. McNeely, Houston	1996
Mr. Charles T. Newton, Jr., Houston	1996
* Mrs. Robert L. Norton, Jr., Austin	1997
Mrs. Carolyn Monroe Peck, Round Top	1996
Mr. Charles Northrop Peck III, Round Top	1996
Ms. Sandy Reed, Round Top	1996
Mr. Alfred Wagner, Jr., Houston	1996
Mr. David B. Wagner, College Station	1996
Mrs. Laura M. Wagner, College Station	1996
** Mr. Oliver Wagner, Brenham	1997
Mrs. Ruby D. Wagner, Houston	1996
** Mrs. Virginia Rose K. Wagner, Brenham	1997
Mrs. Diane T. Welch, College Station	1995
William C. Welch, Ed.D., College Station	1995
** Mrs. Betty Brown Williams, Houston	1997
** Mr. Walter L. Williams, Houston	1997

Unfilled Terms - 2 (To be determined as filled)

3. The University of Texas at Brownsville

Development Board.--Authorized Membership 35:

	<u>Term Expires</u>
** Mr. Frank Boggus, Harlingen	1995
** Mrs. Rosemary Breedlove, Los Fresnos	1995
** Mr. Danny Butler, Raymondville	1995
** Mr. Carlos Cantu, Downer Grove, IL	1997
** The Honorable Norma Cantu, Washington, DC	1995
** Mrs. Mary Rose Cardenas, Brownsville	1995
** Mr. Augustine Celaya, Brownsville	1997
* Mrs. Mellena Conner, Brownsville	1997
** Mr. Robert M. Duffey, Jr., Rancho Viejo	1996
* Mr. Robert B. Dunkin, San Benito	1996
** Mr. Ruben Edelstein, Brownsville	1996
** Mr. Dennis Franke, South Padre Island	1997
** The Honorable Antonio O. Garza, Jr., Brownsville	1995
** David Garza, J.D., Brownsville	1996
** Ygnacio Garza, C.P.A., Brownsville	1997
** Mrs. Patty Gorges, Harlingen	1997
** Mr. Harry Holzman, Brownsville	1995
** Mrs. Chandler Lindsley, Dallas	1996
** Mr. David Merrill, Brownsville	1996
** Mrs. Vicky Moore, South Padre Island	1997

** Ms. Carolyn Ostos, Brownsville	1995
** Mr. Al Padilla, Harlingen	1995
** Mr. Jaime Parra, Sr., Brownsville	1997
** The Honorable Federico Peña, Washington, DC	1995
** Eduardo R. Rodriguez, J.D., Brownsville	1996
** Mr. Fred Rusteberg, Brownsville	1997
** Mr. Bob Shepard, Harlingen	1996
** Ciro Sumaya, M.D., Rockville, MD	1995
** Mr. Raul Tijerina, Jr., Brownsville	1995
** Mr. Tudor Ulhorn, Harlingen	1997
** Mrs. Blanca Vela, Brownsville	1996
** Mr. Nathan Winters, San Benito	1996

Unfilled Terms - 3 (To be determined as filled)

4. The University of Texas at Dallas

Development Board.--Authorized Membership 50:

	<u>Term Expires</u>
Mr. John L. Adams, Dallas	1995
* Mr. Kent M. Black, Dallas	1997
Mr. George W. Bramblett, Jr., Dallas	1996
** Mr. David Brandenburg, Dallas	1996
Mr. Hollis Brashear, Dallas	1996
Mr. Bruce Calder, Dallas	1995
** Mr. Gerald Carlton, Plano	1997
Mr. J. Jan Collmer, Dallas	1995
* Mr. Trammell S. Crow, Dallas	1997
Mr. Dick Dulaney, Richardson	1997
* Mr. Thomas M. Dunning, Dallas	1997
Mrs. Caroline Edens, Dallas	1995
Mr. Ruben E. Esquivel, Dallas	1996
* Mr. Hill Feinberg, Dallas	1997
* Mr. James L. Fischer, Dallas	1997
Mrs. Carolyn Foxworth, Dallas	1995
* Mr. J. Guadalupe V. Garcia, Dallas	1997
* Ms. Kathryn Hall, Dallas	1997
Ms. Linda Wertheimer Hart, Dallas	1995
Mrs. J. E. Henry, Richardson	1995
Sydney Smith Hicks, Ph.D., Dallas	1995
Mr. Jerry Hogan, Dallas	1995
* Mr. Gifford K. Johnson, Dallas	1997
Mr. Philip R. Jonsson, Dallas	1995
Mr. Robert L. Keiser, Dallas	1995
Mr. Dale V. Kesler, Dallas	1995
Mr. Tom Lazo, Dallas	1995
* Mr. James R. Lightner, Dallas	1997
Mr. Charles R. Lotter, Dallas	1995
Mr. Tyree Miller, Dallas	1995
James E. Mitchell, Ph.D., Plano	1995
Mr. H. Ronald Nash, Irving	1996
Mr. Erle Nye, Dallas	1996
Mr. James P. Sheehan, Dallas	1995
Mr. Andrew M. Stern, Dallas	1995
Mr. David Tacke, Dallas	1995
Mrs. Ann Utley, Dallas	1995
Mr. James R. Voisinet, Dallas	1995
Mr. C. Lee Walton, Jr., Dallas	1995
Mr. William P. Weber, Dallas	1995
Mr. Linus Wright, Dallas	1995
Kneeland Youngblood, M.D., Plano	1995

Unfilled Terms - 8 (To be determined as filled)

Advisory Council for the School of Arts and Humanities.--
Authorized Membership 25:

	<u>Term Expires</u>
Mr. David Caldwell, Dallas	1995
Mrs. Gayle C. Davitt, Richardson	1995
Mr. Robert Mader, Richardson	1995
* Mr. S. P. "Bud" Mandell, Dallas	1996
* Ms. Margaret Morrice, Richardson	1996
Ms. Pat Porter, Dallas	1995
Ms. Synthia Rogers, Dallas	1995
* Mrs. Elizabeth Semrad, Richardson	1996
Mr. John C. Tatum, Jr., Dallas	1995
Mrs. Gail Thomas, Dallas	1995

Unfilled Terms - 15 (To be determined as filled)

Advisory Council for the Callier Center for Communication
Disorders.--Authorized Membership 30:

	<u>Term Expires</u>
Mr. Stuart Bumpas, Dallas	1995
* Mrs. Allen Cullum, Dallas	1997
Mrs. Dorine Cunningham, Wills Point	1995
Mrs. Margery Currey, Dallas	1996
Mr. Joe Dealey, Dallas	1996
Mrs. Joe Dealey, Jr., Dallas	1995
Mrs. Robert E. Dennard, Dallas	1996
Aram Glorig, M.D., Los Angeles, CA	1996
* Mr. Jay Goltz, Dallas	1997
* Miss Nelle C. Johnston, Dallas	1997
* Mr. Michael Lockerd, Dallas	1997
* Mr. P. M. McCullough, Dallas	1997
Ludwig A. Michael, M.D., Dallas	1995
Mr. Robert Neely, Dallas	1995
* Mrs. Emilie Schepps, Dallas	1997
Mrs. Steve Schiff, Dallas	1995
Mr. Pat Y. Spillman, Dallas	1995
* Mr. Thomas S. Swiley, Dallas	1997
Mr. Carl J. Thomsen, Dallas	1996
Mr. Barney Young, Dallas	1996

Unfilled Terms - 10 (To be determined as filled)

Erik Jonsson School of Engineering and Computer Science
Advisory Council.--Authorized Membership 30:

	<u>Term Expires</u>
Harold Allen, Ph.D., Garland	1996
** Mr. Al Arronte, Dallas	1997
Mr. Kent Black, Dallas	1995
Mr. George Brody, Richardson	1996
Mr. James J. Byrne, Dallas	1995
Mr. James D. Crownover, Carrollton	1996
Mr. Donald J. Hayes, Plano	1995
* Mr. Jerry Hogan, Richardson	1997
* Mr. Leif Kallen, Richardson	1997
Mr. James R. Lightner, Richardson	1996
* Mr. Robert M. Lockerd, Plano	1997
Mr. Kenneth R. Lowe, Dallas	1996
** Ms. Ellie Luce, Richardson	1997
Mr. Michael McAnally, Richardson	1995
Mr. Peter Marino, Garland	1995
Mr. Raymond Marlow, Dallas	1995
Ms. Helen Suzanne Marshall, Dallas	1996

Mr. Wayne Masters, Dallas	1996
* Mr. Harry Messenger, Richardson	1997
* Mr. Peter O'Donnell, Jr., Dallas	1997
Mr. David Orr, Richardson	1995
Mr. Robert J. Paluck, Richardson	1996
* Mr. Jerry Rogers, Richardson	1997
** Mr. Richard Skinner, Plano	1997
Mr. Sam Smith, Plano	1995
** Mr. Peter C. Waal, Plano	1997
Mr. James F. Young, Dallas	1996

Unfilled Terms - 3 (To be determined as filled)

Advisory Council for the School of General Studies.--
Authorized Membership 28:

	<u>Term Expires</u>
* Ms. Beverly Laughlin Brooks, Dallas	1996
* Ms. Saralynn Busch, Dallas	1996
* Mr. Russ Delatour, Dallas	1996
Mr. Roy Dulak, Dallas	1995
* Ms. Carol Duncan, Dallas	1996
Mr. Hardy H. England, Fort Worth	1995
* Mr. Edward M. Fjordbak, Dallas	1996
* Mr. Lupe Garcia, Dallas	1996
Ms. Vivian Johnson, Dallas	1995
* Ms. Lorraine Kaas, Dallas	1996
Mr. David Kaplan, Richardson	1995
* Mrs. Eloise W. Koonce, Dallas	1996
* Mr. Jack Lowe, Jr., Dallas	1996
Mr. John McCaa, Dallas	1995
* Ms. Diane Price, Richardson	1996
Mr. Ernest H. Randall, Jr., Dallas	1995
Raymond Reed, Ph.D., Dallas	1995
Mr. Adrian Reyes, Dallas	1995
* The Honorable Martha E. Ritter, Richardson	1996
Mrs. Hortense Sanger, Dallas	1995
* Mary Sias, Ph.D., Dallas	1996
Mr. Michael Spratt, Dallas	1995
* Mr. C. E. Teague, Richardson	1996
* Mrs. Julius Wolfram, Dallas	1996

Unfilled Terms - 4 (To be determined as filled)

Advisory Council for the Cecil and Ida Green Center for
the Study of Science and Society.--Authorized
Membership 16:

	<u>Term Expires</u>
* Robert McCormick Adams, Ph.D., Washington, DC	1995
* Richard Atkinson, Ph.D., La Jolla, CA	1995
Brian Berry, Ph.D., Richardson	1996
Robert Frosch, Ph.D., Cambridge, MA	1996
Jerry Junkins, M.S., Dallas	1995
Jack Meltzer, M.A., Chevy Chase, MD	1996
* Harry Messel, Ph.D., Queensland, Australia	1997
Pauline Newman, Ph.D., LL.B., Washington, DC	1995
* Frank Press, Ph.D., Washington, DC	1997
* Walter Rosenblith, Ph.D., Cambridge, MA	1997
Charles Sprague, M.D., Dallas	1996
David Strangway, Ph.D., Vancouver, BC	1996
* Sir Crispin Tickell, Ph.D., Oxford, England	1997

Unfilled Terms - 3 (To be determined as filled)

Advisory Council for the School of Management.--
 Authorized Membership 42:

	<u>Term Expires</u>
Mr. J. Michael Allred, Garland	1996
Mr. John D. Beletic, Dallas	1995
Mr. Jerry L. Bergthold, Plano	1996
Mr. Charles M. Best, Dallas	1996
** Mr. W. Humphrey Bogart, Dallas	1996
Mr. George Brody, Richardson	1996
** Mr. Robert A. Chereck, Dallas	1997
Ms. Ka Cotter, Dallas	1995
Mr. James L. Crowson, Dallas	1995
Mr. Robert Hall, Dallas	1995
Sydney Smith Hicks, Ph.D., Dallas	1995
Mr. Gerald H. Hoag, Dallas	1996
* Mr. Max D. Hopper, Dallas	1997
** Ms. Deborah Hueppeler, Dallas	1996
Mr. Gilbert E. Hurley, Dallas	1995
Mr. Brian T. Kelly, Dallas	1996
Mr. J. Peter Kline, Dallas	1995
Mr. Ronald A. Kodimer, Richardson	1996
Mr. Gene E. Leeson, Dallas	1996
Mr. Charles Lotter, Dallas	1996
** Mr. Kenneth D. McGill, Richardson	1996
** Ms. Jeannette Meier, Dallas	1996
Mr. Thomas E. Meurer, Dallas	1995
** Mr. Paul Murphy, Irving	1996
Mr. Marvin J. Newell, Dallas	1995
** Mr. Ralph A. Oliva, Dallas	1997
** Mr. Gary Pinkham, Richardson	1996
* Mr. R. Jay Powell III, Dallas	1997
Mr. A. R. Roberts, Richardson	1996
Mr. John P. Rochon, Dallas	1996
* Mr. Rex A. Sebastian, Dallas	1997
** Mr. Thomas V. Shockley III, Dallas	1997
Mr. Bruce D. Simpson, Dallas	1996
** Mr. Stephen M. Straty, Dallas	1996
Ms. Karen Stuart, Dallas	1995
Mr. Allan J. Tomlinson, Dallas	1995
** Mr. Thomas Wageman, Dallas	1997
Mr. R. A. Wahl, Dallas	1996
Mr. William W. Winspear, Dallas	1995
* Mr. Clyde Wyant, Dallas	1997

Unfilled Terms - 2 (To be determined as filled)

Advisory Council for the School of Social Sciences.--
 Authorized Membership 25:

	<u>Term Expires</u>
Mr. Richard J. Agnich, Dallas	1995
Ms. Carolyn Bacon, Dallas	1995
* Mr. Thomas M. Dunning, Dallas	1997
Ms. Ruth Miller Fitzgibbons, Dallas	1996
* Mr. J. Guadalupe C. Garcia, Dallas	1995
Mr. Jeremy Halbreich, Dallas	1996
* The Honorable Patrick Higginbotham, Dallas	1997
* The Honorable Lee Jackson, Dallas	1997
* The Honorable Eddie Bernice Johnson, Dallas	1996
* Jan LeCroy, Ph.D., Dallas	1997
* Mr. Pettis Norman, Dallas	1997
* The Honorable Florence Shapiro, Plano	1997

Unfilled Terms - 13 (To be determined as filled)

Advisory Council for the Management School Foundation.--
 This advisory council was approved by the Board of Regents
 on February 11, 1993, and nominees to membership have not
 yet been submitted for Regental approval.

5. The University of Texas at El Paso

Development Board.--Authorized Membership 35:

	<u>Term Expires</u>
Mr. Moshe Azoulay, El Paso	1995
* Mr. Federico Barrio T., Juarez, Mexico	1997
Mr. Julian Bernat, El Paso	1996
Gordon L. Black, M.D., El Paso	1995
Mr. Allen Born, Norcross, GA	1996
Mr. Hughes Butterworth, Jr., El Paso	1995
** Mr. Jorge Contreras, Juarez, Mexico	1997
Mr. H. M. Daugherty, Jr., El Paso	1996
* Mr. Federico de la Vega, Juarez, Mexico	1997
* Mr. Peter de Wetter, El Paso	1997
Edward Egbert, M.D., El Paso	1995
Mr. Robert C. Heasley, El Paso	1995
Mr. Donald S. Henderson, El Paso	1995
* Mrs. George (Bette) Hervey, El Paso	1997
* Mr. Hector Holguin, El Paso	1997
Mr. Lindsay B. Holt, El Paso	1996
Mr. Robert H. Hoy, Jr., El Paso	1996
Mr. Woody L. Hunt, El Paso	1996
Ms. Deborah Kastrin, Austin	1995
Mr. Guillermo Licon, El Paso	1995
Mrs. Carroll S. Maxon, El Paso	1995
* Mr. Ellis O. Mayfield, El Paso	1997
* Ms. Cheryl A. McCown, El Paso	1995
** Dunny Morton, M.D., El Paso	1997
* Laurance N. Nickey, M.D., El Paso	1997
Mr. Jaime Oaxaca, Los Angeles, CA	1996
* Mr. Guillermo Ochoa, El Paso	1997
* Mr. Jim Phillips, El Paso	1997
Mr. Jonathan W. Rogers, El Paso	1996
** Ms. Stanlee Rubin, El Paso	1997
Mr. Humberto F. Sambrano, El Paso	1996
** Mr. Martin Silva, El Paso	1997
* Mr. Steve Taylor, El Paso	1997
Judson F. Williams, Ph.D., El Paso	1996
** Mr. William A. Wise, El Paso	1997

College of Engineering Industrial Advisory Council.--
 Authorized Membership 30:

	<u>Term Expires</u>
* Mr. Bruce F. Aumack, Austin	1997
* Mr. George Bailey, El Paso	1997
* Mr. Jorge A. Broggio, Mansfield, OH	1997
* Mr. Tony G. Conde, El Paso	1997
* Mr. Hector Holguin, El Paso	1997
* Mr. Guillermo Licon, El Paso	1997
* Mr. John R. Shaw, El Paso	1997
* Mr. Ignacio R. Troncoso, El Paso	1997
* Mr. James A. Wise, White Sands Missile Range, NM	1997
* Mr. Tony Woo, El Paso	1997

Unfilled Terms - 20 (To be determined as filled)

Miner Foundation Advisory Council.--Authorized Membership 39:

	<u>Term Expires</u>
* Dwayne M. Aboud, M.D., El Paso	1997
Mr. Manny Aldana, El Paso	1995
Mr. Thomas C. Balsiger, El Paso	1996
Mr. Jim Barlow, El Paso	1996
Mr. L. Paul Berry, El Paso	1995
* Rene O. Casavantes, D.M.D., El Paso	1997
* Mr. John Colman, El Paso	1997
Ms. Kimberly D. Curlin, El Paso	1995
** Ms. Susan Drewry, El Paso	1997
* Mr. H. M. Bart Fischer, El Paso	1996
Mr. John H. Fuller, El Paso	1996
Ms. Alma Rosa Ganem, El Paso	1995
Mr. Howard Goldberg, El Paso	1995
Mr. Edward C. Houghton, Jr., El Paso	1996
Mr. Bill Howell, El Paso	1996
* Mr. Charles W. Hurd, Jr., El Paso	1997
Joe N. Kidd, M.D., El Paso	1996
Ms. Susan R. King, El Paso	1996
Ms. Marina C. Lee, El Paso	1995
* Mr. Richard Martinez, El Paso	1996
Ms. Susan B. Mayfield, El Paso	1996
* Mr. Clark McKean, El Paso	1997
* Mr. Michael P. McNamee, El Paso	1996
** Mr. Gil Mendez, El Paso	1997
Mr. Ted Moore, El Paso	1995
* Maj. Gen. (Ret.) John B. Oblinger, El Paso	1997
Mr. Paul A. Perez, El Paso	1996
* Mr. Roberto Perez, El Paso	1997
Rene M. Rosas, D.D.S., El Paso	1995
Mr. Ron R. Rush, El Paso	1995
Mr. Humberto F. Sambrano, El Paso	1995
Col. Jim Smith, El Paso	1996
** Mr. Jack Solon, El Paso	1997
** Mr. Bill Thomas, El Paso	1997
** Ms. Sandy Tyler, El Paso	1997
Mr. Kermit W. Uecker, El Paso	1995
* Mr. Russell A. Vandenburg, El Paso	1997
** Ms. Wendy Viramontes, El Paso	1997
Mr. Robert V. Wingo, El Paso	1995

6. The University of Texas - Pan American

Development Board.--Authorized Membership 18:

	<u>Term Expires</u>
Mrs. Sylvia Aaronson, Houston	1996
Mr. Horacio Barrera, Brownsville	1996
* Mr. Bill Ellis, Jr., McAllen	1997
* David Finley, Ph.D., Dallas	1997
* Mr. Enrique Guerra, Linn	1997
* Mr. Jon Dee Lawrence, Austin	1997
Mr. Dave Lopez, Austin	1995
Mr. Eleazar Lucio, McAllen	1996
* Ms. Carolyn Maddux, Tomball	1997
Mr. John Martin, McAllen	1995
Mrs. Margaret McAllen, Weslaco	1995
Mr. Jerry Mills, Austin	1996
Mr. Jaime Ramon, Dallas	1995
* Mrs. Lauryn Gayle White, Dallas	1997
Mr. Herm Wille, New York, NY	1995

Unfilled Terms - 3 (To be determined as filled)

School of Business Administration/Center for Entrepreneurship
and Economic Development Advisory Council.--Authorized
Membership 24:

	<u>Term Expires</u>
Mr. James Michael Allen, McAllen	1996
Mr. Mike A. Allen, McAllen	1996
Mr. David Allex, Harlingen	1995
** Mr. Anthony Alvarez, McAllen	1997
** Mr. George Bennack, Raymondville	1997
** Barbara Bolin, Ph.D., Austin	1995
Mr. Anthony Covacevich, Edinburg	1996
Mr. Robert de los Santos, Harlingen	1996
* Mr. Irv Downing, Brownsville	1996
Mr. Mario Espinosa, Edcouch	1996
** Mr. Gary R. Gaither, McAllen	1997
Juliet Garcia, Ph.D., Brownsville	1995
Ms. Wanda Garza, Brownsville	1996
** Mr. Ruben Hinojosa, Mercedes	1997
* Mr. Alan Kamasaki, Mercedes	1996
** Mr. Ed Koplan, Weslaco	1997
** Ms. Sonia Perez, McAllen	1997
* Mr. Humberto Rodriguez, Edinburg	1997
Mr. Paul Rodriguez, McAllen	1995
* Mr. C. H. "Mickey" Sepulveda, McAllen	1997
Mr. Tito Torres, McAllen	1995
* Mr. Sam Vale, Rio Grande City	1997
Mr. Steve Vassberg, Harlingen	1995
** Mr. Leroy J. Wormley, Jr., Austin	1995

School of Business Administration Advisory Council.--
Authorized Membership 24:

	<u>Term Expires</u>
Cayetano Barrera, M.D., McAllen	1995
Mr. Eddie Cano, McAllen	1995
Mr. Ruben Cardenas, McAllen	1995
Ms. Irma Claudio, Chicago, IL	1996
* Mr. Richard Cortez, McAllen	1997
Ms. Elizabeth Dietz, San Juan	1996
Mr. Noe Fernandez, McAllen	1995
Ben Garza, M.D., Edinburg	1995
Ms. Letty Gavito, Houston	1996
Mr. Gary Gurwitz, McAllen	1995
* Mr. Ruben Hinojosa, Mercedes	1997
* Mr. Jan Klinck, McAllen	1997
* Mr. Cullen Looney, Edinburg	1997
* Mr. David Mendez, Houston	1997
Mr. Pete Pranis, McAllen	1996
Mr. Glen Roney, McAllen	1996
Mr. Neal Runnels, McAllen	1995
* Mr. Robert Shepard, Harlingen	1997
Mr. Gary Sollner, McAllen	1996
* Mrs. Lauryn Gayle White, Dallas	1997
Mr. Roberto J. Yzaguirre, McAllen	1995

Unfilled Terms - 3 (To be determined as filled)

Engineering Advisory Council.--Authorized Membership 24:

	<u>Term Expires</u>
Mr. Robert Begian, McAllen	1996
** Luis Boza, Ph.D., Holmdel, NJ	1997
* Ms. Cheryl Cambridge, Los Angeles, CA	1997
** Mr. Gilbert Chapman, Madison Heights, MI	1997

Mr. D. Duane Gilliam, Ashland, KY	1995
Mr. Arnoldo Guerra, San Benito	1995
Mr. David Hendrickson, Brownsville	1995
* Mr. Don Lauby, McAllen	1997
Mr. Frank E. Macher, Dearborn, MI	1996
Mr. John C. Della Maggiora, McAllen	1995
** Mr. Stephen Morrey, McAllen	1997
Mr. G. R. "Bill" Ranganath, McAllen	1996
Mr. Brian Rawls, Weslaco	1996
Mr. C. H. "Mickey" Sepulveda, McAllen	1995
Mr. Don J. Skiba, Brownsville	1995
** Mr. Robert Swanagan, Baytown	1997
** Gary Tritle, Ph.D., Austin	1997
** Mr. Marcus Wilson, Scottsdale, AZ	1996
Herbert H. Woodson, Ph.D., Austin	1996

Unfilled Terms - 5 (To be determined as filled)

Hispanic Mother Daughter Program Advisory Council.--
Authorized Membership 15:

	<u>Term Expires</u>
** Ms. Gloria Castaneda, Mission	1997
** Ms. Dori Contreras, McAllen	1997
Mr. Tony De Leon, CLU, Austin	1996
** Ms. Diana Delgado, Edinburg	1997
Ms. Judy Godinez, McAllen	1995
Ms. Alida Hernandez, McAllen	1996
Mr. Rolando Pena, Edcouch	1996
Ms. Leticia Valadez, McAllen	1995

Unfilled Terms - 7 (To be determined as filled)

7. The University of Texas of the Permian Basin

Development Board.--Authorized Membership 31:

	<u>Term Expires</u>
Mr. H. Eugene Abbott, Midland	1996
Mrs. Johnnie Lou Avery, Big Spring	1996
Mr. Bob Barnes, Odessa	1996
** Mr. Grant Billingsley, Midland	1997
Mr. Frank Cahoon, Midland	1996
* Mr. J. C. Chancellor, Odessa	1997
* Mr. Frank Deaderick, Odessa	1997
Mr. J. Conrad Dunagan, Monahans	1995
Mr. Kirk Edwards, Odessa	1996
Mr. John Foster, Odessa	1995
* Mr. G. William Fowler, Odessa	1997
* Mr. Sam Gonzalez, Odessa	1997
Mr. James R. "Buzz" Hurt, Odessa	1996
Ms. Joann McKnight Lambert, Odessa	1996
Mr. LaDoyce Lambert, Odessa	1995
* Mr. John Landgraf, Odessa	1997
Mr. Steve Late, Odessa	1995
** Mr. Cadell Liedtke, Midland	1997
* Mrs. W. D. Noel, Odessa	1997
Mr. Joseph I. O'Neill III, Midland	1995
Mr. William Quillen, Odessa	1995
Mr. James Roberts, Andrews	1996
Mr. Ted Roden, Odessa	1995
Mr. Ron Sewell, Odessa	1995
** Mr. Scott Sheffield, Midland	1997

Mrs. Richard C. Slack, Pecos	1995
* Mr. Charles Spence, Midland	1997
Mr. Ray Stafford, Odessa	1995
Mr. Ray Stoker, Odessa	1996
* Mr. Carroll Thomas, Midland	1997
* Mr. Cyril Wagner, Jr., Midland	1997

Center for Energy and Economic Diversification Advisory Council.--This advisory council has been dissolved.
See Page 76.

Economic Development Administration University Center Advisory Council.--Authorized Membership 10:

	<u>Term Expires</u>
** Ms. Johnnie Lou Avery, Big Spring	1997
** Mr. Lester Baker, Stanton	1996
** Mr. Wesley Burnett, Andrews	1996
** Mr. Neil McDonald, Odessa	1995
** Ms. Brenda Mowry, Fort Stockton	1995
** Mr. Dave Nix, Lamesa	1995
** Mr. John Robert Prude, Fort Davis	1995
** Mr. Thomas J. Stinson, Midland	1997
** Mr. Carroll Thomas, Midland	1997

Unfilled Term - 1 (To be determined as filled)

See Page 76 for the establishment of this advisory council.

Petroleum Industry Alliance Advisory Council.--Authorized Membership 10

See Page 76 for the establishment of this advisory council. Nominees to membership have not yet been submitted for Regental approval.

Small Business Development Center Advisory Council.--Authorized Membership 15:

	<u>Term Expires</u>
** The Honorable Frances Clark, Kermit	1995
** Mr. Jose Cuevas, Jr., Midland	1995
** Mr. Bill Elms, Odessa	1997
** Mr. John Foster, Odessa	1997
** Mr. Wayne Merritt, Midland	1995
** Mr. Ken Moore, Big Lake	1996
** Mr. Steve Pingel, Midland	1996
** Mr. Charles Spence, Midland	1996
** Mr. Ray Stafford, Odessa	1997
** Mr. Jack Tidwell, Odessa	1995
** Ms. Betsy Triplett-Hurt, Odessa	1996
** Mr. Max Wright, Midland	1997

Unfilled Terms - 3 (To be determined as filled)

See Page 76 for the establishment of this advisory council.

Development Board.--Authorized Membership 65:

	<u>Term Expires</u>
Mr. John D. Alexander, Jr., San Antonio	1996
Mr. Charles E. Amato, San Antonio	1996
Mr. Ernesto Ancira, Jr., San Antonio	1996
Mr. Sam Barshop, San Antonio	1996
** Mr. Frank A. Bennack, Jr., New York, NY	1997
Mrs. Albert M. Biedenharn, Jr., San Antonio	1995
* Roland K. Blumberg, Ph.D., Seguin	1997
Mrs. Harold Brannan, San Antonio	1995
Governor Dolph Briscoe, Jr., Uvalde and San Antonio	1996
Col. Roy Burley (Ret.), San Antonio	1996
* Mr. Richard W. Calvert, San Antonio	1997
Ms. Robin D. Carson, San Antonio	1996
Ambassador Henry E. Catto, San Antonio	1996
Mr. Charles E. Cheever, Jr., San Antonio	1996
* The Honorable Henry G. Cisneros, Ph.D., San Antonio and Washington, DC	1997
Mr. Fully Clingman, San Antonio	1995
Mr. Bob W. Coleman, San Antonio	1995
Mr. James Conley, San Antonio	1995
* Mr. W. G. Conway, San Antonio	1997
Mr. Richard R. DeGregorio, San Antonio	1996
Mr. Donald J. Douglass, San Antonio	1995
** Mr. Alan W. Dreeben, San Antonio	1997
** Mr. Arthur Rojas Emerson, San Antonio	1997
* Mr. Ruben M. Escobedo, San Antonio	1997
** Mr. Alfredo L. Flores, Jr., San Antonio	1997
Mr. Larry Franklin, San Antonio	1995
Mr. T. C. Frost, San Antonio	1995
** Miss Gloria Galt, San Antonio	1997
** Burton E. Grossman, Ph.D., San Antonio	1997
* Mr. C. C. "Pop" Gunn, San Antonio	1997
Mr. Alex H. Halff, San Antonio	1995
Lawrence B. Harkless, D.P.M., San Antonio	1996
Mr. Richard A. Harris, San Antonio	1996
Mr. Roger R. Hemminghaus, San Antonio	1995
** General H. T. Johnson, San Antonio	1997
Mr. Richard M. Landsman, San Antonio	1996
Mr. Pat Legan, San Antonio	1995
Mr. Bernard L. Lifshutz, San Antonio	1995
Mrs. Walter W. McAllister, Jr., San Antonio	1996
** Mr. Stan McClellan, San Antonio	1997
Mr. B. J. "Red" McCombs, San Antonio	1995
Gen. Robert F. McDermott (Ret.), San Antonio	1995
Mr. Joe C. McKinney, San Antonio	1995
Mr. Balous T. Miller, San Antonio	1996
Mrs. Aaronetta Pierce, San Antonio	1995
Mr. Boone Powell, San Antonio	1995
* Mr. James R. Reed, San Antonio	1997
Mr. Sam Riklin, San Antonio	1996
** Mr. Paul L. Serff, San Antonio	1997
** Mr. Lionel Sosa, San Antonio	1997
Mr. John T. Steen, Jr., San Antonio	1996
** Mr. Marshall T. Steves, Sr., San Antonio	1997
Mr. Louis H. Stumberg, San Antonio	1995
Mr. Monte D. Tomerlin, San Antonio	1996
Mr. Curtis Vaughan, Jr., San Antonio	1996
Mr. Tom Vickers, San Antonio	1996
Arnold I. Walder, M.D., San Antonio	1996
Mr. W. Lawrence Walker, Jr., San Antonio	1995

Mrs. Irene S. Wischer, San Antonio	1996
Mrs. Jo Ann Woliver, San Antonio	1996
* Mr. George Wray, Jr., San Antonio	1997

Unfilled Terms - 4 (To be determined as filled)

College of Business Advisory Council.--
Authorized Membership 38:

	<u>Term Expires</u>
* Mr. Larry J. Alexander, San Antonio	1996
Mr. Charles E. Amato, San Antonio	1996
* Mr. Jesse A. Baker, San Antonio	1995
** Ms. Doris Bencsik, San Antonio	1997
* Mr. Ernest Bromley, San Antonio	1997
* Mr. John C. Brouillard, San Antonio	1997
Mr. Robert P. Burke, San Antonio	1995
Ms. Robin D. Carson, San Antonio	1995
Mr. Bob W. Coleman, San Antonio	1996
Mr. Robert Cuyler, San Antonio	1995
Mrs. Alice S. Dawson, San Antonio	1995
Mr. Luis de la Garza, San Antonio	1996
Mr. James R. Dublin, San Antonio	1996
** Ms. Susan Evers, San Antonio	1997
Mr. Ruben Flores, Jr., San Antonio	1996
Mr. W. Bebb Francis III, San Antonio	1995
* Mr. Patrick B. Frost, San Antonio	1997
Mr. Steven Harms, San Antonio	1995
M. Staser Holcomb, VAdm., San Antonio	1995
** Mr. William R. Klesse, San Antonio	1997
Mr. Joe Earl Linson, San Antonio	1995
Mr. Steven Lundgren, San Antonio	1995
* Mr. Pete R. Martinez, San Antonio	1997
** Mr. John McEachern, San Antonio	1997
Mr. Joe C. McKinney, San Antonio	1996
Mr. Balous T. Miller, San Antonio	1996
Mr. Victor Miramontes, San Antonio	1996
Mr. Philip J. Pfeiffer, San Antonio	1996
Ms. Irene C. Primera, San Antonio	1996
* Ms. Sylvia Romo, San Antonio	1997
Mr. Michael Sauder, San Antonio	1995
** Mr. Paul Serff, San Antonio	1997
* Mr. Thomas J. Sineni, San Antonio	1997
Mr. Alan Stinson, San Antonio	1996
** Mr. Charles D. Wade, San Antonio	1997
* Mr. Jim M. Williams, San Antonio	1995
** Mr. Navarra Williams, San Antonio	1997
Mr. Hansell N. York III, San Antonio	1996

College of Fine Arts and Humanities Advisory Council.--
Authorized Membership 55:

	<u>Term Expires</u>
H. Norman Abramson, Ph.D., San Antonio	1996
Ardow Ameduri, M.D., San Antonio	1996
* Ms. Margaret Anderson, San Antonio	1997
Mrs. Thelma Andrews, San Antonio	1996
** Mr. Richard Archer, San Antonio	1997
Barry M. Beller, M.D., San Antonio	1996
** Mr. James R. Berg, San Antonio	1997
Mr. J. David Bowen, San Antonio	1995
** Mr. James C. Browning, San Antonio	1997
** Mr. Michael H. Casey, San Antonio	1997
Mrs. Candace P. Chumney, San Antonio	1996
Mr. John R. Cook, San Antonio	1995
** Mr. Bjorn Dybdahl, San Antonio	1997

	Mrs. Mary Fisher, San Antonio	1996
*	Mr. Bruce Flohr, San Antonio	1997
	Mr. Alfredo L. Flores, Jr., San Antonio	1996
	The Honorable Emilio Garza, Helotes	1995
**	Mr. James Gavigan, San Antonio	1997
**	Mrs. Terry Gordon, San Antonio	1997
	Mr. David Hendricks, San Antonio	1996
	Gregory M. Jackson, M.D., San Antonio	1995
	Ms. Angelika Jansen, San Antonio	1995
	Lillian Martin Jones, M.D., San Antonio	1996
*	Mrs. Sharon Martin Kocurek, San Antonio	1997
**	Mr. Daniel Y. Kruger, San Antonio	1997
	Mr. Mark Lane, San Antonio	1995
	Mr. Cappy Lawton, San Antonio	1995
	Mr. James Lifshutz, San Antonio	1996
*	Mrs. Margo Spitz Marbut, San Antonio	1997
	Mrs. Roxi L. McCloskey, San Antonio	1996
**	Arvo Neidre, M.D., San Antonio	1997
**	James Olsson, M.D., San Antonio	1997
	Ms. Nancy Pawel, San Antonio	1995
	Mr. Dogan A. Perese, San Antonio	1995
	Mrs. Aaronetta Pierce, San Antonio	1996
	Mr. Boone Powell, San Antonio	1996
	Mrs. Dianne Powell, San Antonio	1995
	Mrs. Jane Cheever Powell, San Antonio	1995
	Paul H. Ratner, M.D., San Antonio	1996
	Mrs. Marianne C. Reuter, San Antonio	1995
	Mr. Jack A. Rodgers, San Antonio	1996
	Mr. William R. Simcock, San Antonio	1995
	Mrs. Bobi Stern, San Antonio	1995
*	Mr. Alfred F. Sturchio, San Antonio	1997
	Mr. Lewis T. Tarver, Jr., San Antonio	1995
	Mr. Richard Teitz, San Antonio	1995
**	Mrs. Caroline Walker, San Antonio	1997
**	Mr. Neil Walsdorf, San Antonio	1997
	Mrs. Jo Ann Wigodsky, San Antonio	1995
	Mrs. Margaret Pace Willson, San Antonio	1996

Unfilled Terms - 5 (To be determined as filled)

College of Sciences and Engineering Advisory Council.--
Authorized Membership 30:

		<u>Term Expires</u>
	Maj. Gen. George K. Anderson, San Antonio	1995
	Mr. Robert J. Beal, San Antonio	1996
*	Mr. John E. Champion, San Antonio	1997
	Mr. Doroteo Chavarria, P.E., San Antonio	1996
*	Mr. Richard B. Curtin, San Antonio	1997
	Maj. Gen. Lewis E. Curtis III, San Antonio	1996
	Mr. Matthew A. Donohue, San Antonio	1995
	Mr. Leigh A. Ewing, San Antonio	1995
	Mr. Martin Goland, San Antonio	1995
*	Mr. Merrill Hammon, San Antonio	1997
**	Mr. Lyle Hawthorne, San Antonio	1997
*	Mr. Mario A. Hernandez, San Antonio	1997
**	Mr. Durrell U. Howard, San Antonio	1997
	Gen. Hansford T. Johnson, San Antonio	1996
*	Mr. Joe C. McKinney, San Antonio	1997
	Mr. Max Navarro, San Antonio	1995
	Mr. Larry N. Reed, San Antonio	1996
	Mr. William M. Sims, San Antonio	1996
	John L. VandeBerg, Ph.D., San Antonio	1995
	Mr. Dave Zinnecker, San Antonio	1996

Unfilled Terms - 10 (To be determined as filled)

College of Social and Behavioral Sciences Advisory Council.--
Authorized Membership 45:

	<u>Term Expires</u>
Ms. Mindi Alterman, San Antonio	1996
** Ms. Annabelle Ardid-Friedland, San Antonio	1997
Mr. Paul Beyer, San Antonio	1995
Reverend Claude Black, San Antonio	1995
Mr. Edward Borix, San Antonio	1996
Ms. Audreyjane (Ajay) Castro, San Antonio	1995
Ms. Nora Chávez, San Antonio	1996
Raymond M. Costello, Ph.D., San Antonio	1995
** Shannon Courtney, Ph.D., San Antonio	1997
Ms. Marilyn Eades, San Antonio	1996
Sylvia P. Fernandez, Ph.D., San Antonio	1995
** Ms. Barbara Hendricks, San Antonio	1997
Mr. Steven Huffman, San Antonio	1995
Ms. Mary Kelly, San Antonio	1996
** Mrs. Martha Landsman, San Antonio	1997
Elizabeth Lende, Ph.D., San Antonio	1995
** Mr. Joe Linson, San Antonio	1997
Ms. Harriet Marmon, San Antonio	1995
** Mr. Al Martinez-Fonts, San Antonio	1997
Gen. William V. McBride, (Ret.), San Antonio	1995
Mr. Henry Muñoz III, San Antonio	1995
Mr. Al Notzon, San Antonio	1995
** Agustín Orci, Ph.D., San Antonio	1997
Mr. Randall Palmer III, San Antonio	1996
Mr. Harris Pappas, Houston	1996
** Mr. George V. Pedraza, San Antonio	1997
Ms. Ginger Purdy, San Antonio	1995
The Honorable Bonnie Reed, San Antonio	1995
Mr. Robert Rivard, San Antonio	1995
** Mrs. Katherine Sosa, San Antonio	1997
** Mrs. Christina Rodriguez Weiss, San Antonio	1997
Ms. Linda Winston, San Antonio	1996
Mr. Carl Yeckel, Dallas	1996

Unfilled Terms - 12 (To be determined as filled)

U. T. Institute of Texan Cultures - San Antonio Development
Board.--Authorized Membership 45:

	<u>Term Expires</u>
** Mr. Eugene Ames, San Antonio	1997
Mr. Charles C. Andrews, Jr., San Antonio	1995
Mr. Lynn C. Ashby, Houston	1995
Mrs. T. Armour (Claudia Abbey) Ball, Comstock and San Antonio	1996
Mrs. Glenn (Ann) Biggs, San Antonio	1996
* Mr. Robert A. Buschman, San Antonio	1997
Mr. Clifton Caldwell, Albany	1996
Mr. Frank W. Calhoun, Houston	1996
Mr. Tony L. Chauveaux, Beaumont	1995
Mrs. John B. (Gloria J.) Coleman, Houston	1996
Mrs. Ralph F. (Barbara A.) Cox, Fort Worth	1996
Mr. John De La Garza, Jr., Dallas	1995
Mr. John Eckel, Galveston	1995
** Mrs. Victoria Hurd Goebel, San Antonio	1997
Mr. Gregory G. Gomez, Dallas	1996
** Mrs. Diana Bravo Gonzales, San Antonio	1997
* Mr. Brian S. Greig, Austin	1997
Mr. Henry Guerra, San Antonio	1995
Robert L. M. Hilliard, M.D., San Antonio	1996
Mr. Reagan Houston IV, San Antonio	1995

	Mrs. Everett (Elizabeth S.) Hutchinson, Bethesda, MD, and Palestine	1995
	Mrs. Don (Jean) Kaspar, Shiner	1996
	Mr. John H. Keck, Laredo	1995
	Mr. Irwin L. Levy, Houston	1995
	Mr. Douglas W. Matthews, Galveston	1995
	John P. McGovern, M.D., Houston	1995
**	Mr. William McKenzie, Dallas	1997
	Sheridan Grace Nichols, Ph.D., Dallas	1995
	Damaso A. Oliva, M.D., San Antonio	1996
	Mr. Chris B. Parsons, Houston	1996
	Dan C. Peavy, Jr., D.D.S., San Antonio	1995
	Mr. Richard Potter, Gilmer	1996
**	Mr. Tony Rivera, San Antonio	1997
	Mrs. Walter (Ruth D.) Sterling, Houston	1995
	Mr. Marshall T. Steves, Jr., San Antonio	1995
	Mrs. Louis H. (Mary Pat) Stumberg, San Antonio	1996
**	Mr. Rick Wilbins, Dallas	1996
	W. Darrell Willerson, Jr., M.D., San Antonio	1996
*	Mrs. Irene Wischer, San Antonio	1997
	Mr. William P. Wright, Jr., Abilene	1996
	Mrs. Nancy Young, Houston	1995

Unfilled Terms - 4 (To be determined as filled)

9. The University of Texas at Tyler

Development Board.--Authorized Membership 40:

		<u>Term Expires</u>
	Mr. James W. Arnold, Tyler	1995
*	Mrs. Patsy Bass, Tyler	1997
	Mr. Henry M. Bell, Jr., Tyler	1995
	Mr. Jeff Buford, Tyler	1996
*	Mr. Frank M. Burke, Jr., Dallas	1997
	Mr. Allen M. Burt, Tyler	1995
**	Ms. Linda Butter, Longview	1997
	Mrs. D. K. Caldwell, Tyler	1996
	Mr. Kerry Cammack, Austin	1996
	Mr. Gordon Campbell, Tyler	1996
	Robert Cargill, Ph.D., Longview	1996
*	Mrs. Claudia Carroll, Tyler	1997
*	Mr. Charles L. Childers, Tyler	1997
	Mr. Vernon E. Faulconer, Tyler	1996
*	Mr. David M. Fender, Tyler	1997
**	Ben E. Fisch, M.D., Tyler	1997
**	Mr. Richard Grainger, Tyler	1997
	Mr. Richard B. Hamm, Tyler	1995
	Mr. Bill G. Hartley, Tyler	1996
*	Samuel D. Houston, M.D., Tyler	1997
*	Mr. Robert B. Irwin, Tyler	1997
*	Mrs. Mary Elizabeth Jackson, Tyler	1997
**	Mrs. Melinda Lenhart, Longview	1997
*	Mr. John Carmichael Martin III, Longview	1997
	Mrs. Maurine Muntz, Tyler	1996
	Mr. George W. Oge, Tyler	1995
	Mr. Wade C. Ridley, Tyler	1996
*	Mr. A. W. Riter, Jr., Tyler	1997
**	Mr. A. W. Riter III, Tyler	1997
*	Mr. Robert M. Rogers, Tyler	1997
	Mr. Jere Ruff, Longview	1995
*	Mr. Donald G. Russell, Tyler	1997
	Mr. Norman M. Shtofman, Tyler	1996
**	Joe Ed Smith, M.D., Athens	1997
*	Mr. Ralph Spence, Tyler	1997

Mr. Eugene Talbert, Tyler	1995
Jim M. Vaughn, M.D., Tyler	1996
Carl U. Westbrook II, M.D., Tyler	1996
Mr. John E. White, Jr., Tyler	1995
Mr. James C. Wynne, Jr., Tyler	1996

10. The University of Texas
Southwestern Medical Center at Dallas

Development Board.--The Southwestern Medical Foundation serves in this capacity. The nominees are not subject to Regental approval.

11. The University of Texas
Medical Branch at Galveston

Development Board.--Authorized Membership 51:

	<u>Term Expires</u>
W. Tom Arnold, M.D., Houston	1996
* A. Nelson Avery, M.D., Austin	1997
Mrs. Ann Barber Brinkerhoff, Houston	1996
* George R. Brown, M.D., Austin	1997
* C. B. Bruner, M.D., Fort Worth	1997
* Max C. Butler, M.D., Houston	1997
* Paul J. Cunningham, M.D., Galveston	1997
Mr. Jack T. Currie, Houston	1995
* Harry K. Davis, M.D., Coronado, CA	1997
Mr. Michael C. Doherty, Galveston	1996
Mr. Charles T. Doyle, Texas City	1995
Mr. John Eckel, Galveston	1996
Tracy D. Gage, M.D., Lubbock	1996
* Mr. Edwin M. Gale, Beaumont	1997
* Louis J. Girard, M.D., F.A.C.S., Houston	1997
* Mrs. Judy Roberts Godinez, McAllen	1997
Miss F. Marie Hall, Big Spring	1996
* Mr. Titus H. Harris, Jr., Houston	1997
* Mr. Irwin M. Herz, Jr., Galveston	1997
Robert L. M. Hilliard, M.D., San Antonio	1995
* Wayne H. Holtzman, Ph.D., Austin	1997
** Mrs. Lee Hage Jamail, Houston	1995
Mavis P. Kelsey, M.D., Houston	1996
Mr. Rai B. Kelso, Galveston	1996
* Mr. Harris L. Kempner, Jr., Galveston	1997
Mrs. Ruth L. Kempner, Galveston	1995
* Donald R. Lewis, M.D., Paris	1997
John L. Mann, M.D., El Paso	1995
Mr. Douglas W. Matthews, Galveston	1995
* Bernard A. Milstein, M.D., Galveston	1997
Mr. George P. Mitchell, The Woodlands	1995
Mr. Robert L. Moody, Galveston	1995
* Mr. Ross R. Moody, Austin	1995
Mrs. Edna Phillips, Fayetteville	1996
Mrs. Fredell Pollak-Rosen, Galveston	1996
Mario E. Ramirez, M.D., McAllen	1996
Mr. Risher Randall, Houston	1996
Mrs. Jo Stewart Randel, Panhandle	1995
Raleigh R. Ross, M.D., Burnet	1995
Ray E. Santos, M.D., Lubbock	1996
The Honorable A. R. Schwartz, Galveston	1996
Mr. Ralph Spence, Tyler	1996
Mr. Howard Tellepsen, Houston	1995

Mr. Edwin J. Terry, Austin	1996
* Peter K. Thompson, M.D., Houston	1997
Robert B. Wilkins, M.D., Houston	1995
Mr. Charles A. Worthen, Galveston	1995

Unfilled Terms - 4 (To be determined as filled)

School of Allied Health Sciences Advisory Council.--
Authorized Membership 18:

	<u>Term Expires</u>
Michael J. Ahearn, Ph.D., Houston	1996
Ms. Barbara Crews, Galveston	1995
Ms. Beverly Ripple Dickerson, Houston	1996
* Mr. Joe Garcia, Jr., Galveston	1997
* Miss F. Marie Hall, Big Spring	1997
Mr. Jerald Hurt, Houston	1995
Ms. Theresé Lossow, Webster	1995
Ms. Mike (Gage) Martin, Galveston	1995
Ralph Morris, M.D., LaMarque	1996
* Ms. Linda Ott, Galveston	1997
** Ms. Barbara Railey, Houston	1996
* Karl Shaner, Dr.P.H., Austin	1997
* Ms. Ann Simmons, Galveston	1997
Mr. Dolph Tillotson, Galveston	1996
Mr. Donald B. Wagner, Houston	1995
Armin Weinberg, Ph.D., Houston	1995
Ms. Jeanette Winfree, Galveston	1996

Unfilled Term - 1 (To be determined as filled)

School of Nursing Advisory Council.--
Authorized Membership 25:

	<u>Term Expires</u>
Mrs. Lloyd (Gayle) Bentsen III, Houston	1995
Mrs. John (Drucie) Chase, Houston	1995
Mrs. Richard (Jan) Coggeshall, Galveston	1995
Mrs. Morton A. (Bobby Sue) Cohn, Houston	1995
Mrs. Edwin (Becky) Gale, Beaumont	1995
Mr. Kyle Gillespie, Galveston	1996
* Mrs. Judy Godinez, McAllen	1997
Miss F. Marie Hall, Big Spring	1995
Mrs. Charlotte Hill, Houston	1996
Lolly Lockhart, R.N., Ph.D., Austin	1996
Mrs. Thomas S. (Kitty) Mackey, Texas City	1996
* Barbara A. McClurg, R.N., Ed.D., Dewey, AZ	1997
* Mrs. W. L. (Darlene) Moody IV, Galveston	1997
Mr. F. Andy Odom, Galveston	1996
* Mrs. Mary Remmers, Tyler	1997
Mrs. Lewis S. (Fredell) Rosen, Galveston	1996
Mrs. Marilyn Schwartz, Galveston	1996
* Mrs. Walter (Ruth) Sterling, Houston	1997
Mrs. Joe Max (Anita M.) Taylor, Galveston	1996
Mr. John E. Walker, Galveston	1995
* Mrs. Charles A. (Susan) Worthen, Galveston	1997
* Mr. William E. (Bill) Young, Houston	1997

Unfilled Terms - 3 (To be determined as filled)

12.

The University of Texas
Health Science Center at Houston

Development Board.--Authorized Membership 65:

	<u>Term Expires</u>
** Mr. Paul Anderson, Houston	1997
Mrs. Isaac Arnold, Houston	1996
Mr. J. Evans Attwell, Houston	1995
* Mr. Lorne D. Bain, Houston	1997
Mrs. Margaret A. (E. William) Barnett, Houston	1996
Mr. Paul F. Barnhart, Jr., Houston	1995
Mr. W. Joseph Blood, Fulshear	1995
Mrs. Daniel A. Breen, Houston	1996
* Mr. William K. Bruce, Houston	1997
Mr. William J. Campbell, Houston	1995
Mrs. Drucie R. (John S.) Chase, Houston	1995
Mr. Alfred L. Deaton III, Houston	1995
Mr. M. Dow Dunn, Houston	1995
Mr. James A. Elkins III, Houston	1996
* Mr. James F. Erwin, Houston	1997
Mr. L. R. French III, Houston	1995
** Mr. Harold V. Goodman, Houston	1997
Mr. Jenard M. Gross, Houston	1996
Mr. William Helms, Houston	1996
Mrs. Eleanor M. Hill, Houston	1995
Mr. Gerald D. Hines, Houston	1995
Mrs. Wendy (Jeffrey C.) Hines, Houston	1996
Mr. Brad Howell, Houston	1996
** The Honorable Roy M. Huffington, Houston	1997
Mr. Lenoir M. Josey II, Houston	1995
** Mr. Jerry Kane, Corpus Christi	1997
** Ms. Carolyn Keenan, Houston	1995
Mrs. Elyse B. (Robert C.) Lanier, Houston	1995
Mr. Truett Latimer, Houston	1995
Mr. Max Levit, Houston	1997
Mr. Joel M. Levy, Houston	1995
Mr. Barry Lewis, Houston	1996
Mr. Leo E. Linbeck, Jr., Houston	1995
Mr. Earl B. Loggins, Houston	1995
Mr. Ben F. Love, Houston	1995
Ms. Mary Ralph Lowe, Houston	1996
Mrs. Marilyn G. (Frederick R.) Lummis, Houston	1995
Mr. Rodney H. Margolis, Houston	1995
Mr. Jack H. Mayfield, Jr., Houston	1996
Mrs. Mary Hale Lovett McLean, Houston	1995
Mr. Hank Moore, Houston	1995
** Mr. Preston Moore, Houston	1997
Mrs. Beth R. (Reed) Morian, Houston	1996
Mr. Dee Osborne, Houston	1996
* Mr. Robert S. Parsley, Houston	1997
Mr. Joseph H. Peck, Jr., Houston	1996
Mrs. Melinda H. (Michael W.) Perrin, Houston	1995
** Mr. Scott E. Rozzell, Houston	1997
* Mr. Christopher B. Sarofim, Houston	1997
** Mr. R. A. Seale, Jr., Houston	1997
Mr. Neil B. Strauss, Houston	1995
Mr. Ralph B. Thomas, Houston	1996
Mr. Richard J. Trabulsi, Jr., Houston	1996
Mr. J. Adan Trevino, Houston	1996
Mr. David M. Underwood, Jr., Houston	1995
Mr. Temple Webber, Jr., Houston	1996
Mr. Presley E. Werlein III, Houston	1995
Mr. Robert C. Wilson III, Houston	1996

Unfilled Terms - 7

(To be determined as filled)

13.

The University of Texas
Health Science Center at San Antonio

Development Board.--Authorized Membership 71:

	<u>Term Expires</u>
Mr. Steve Atherton, San Antonio	1995
* Mr. Edward H. Austin, Jr., San Antonio	1997
** Mr. Charles T. Barrett, San Antonio	1997
Mr. Sam Barshop, San Antonio	1995
Mr. J. Michael Bell, San Antonio	1995
Mr. Glenn Biggs, San Antonio	1995
** Mr. Guy Bodine, San Antonio	1997
Mrs. Dolph (Janey) Briscoe, Uvalde	1996
* Mr. J. Bruce Bugg, Jr., San Antonio	1997
Mr. Charles C. Butt, Jr., San Antonio	1995
Mr. Richard W. Calvert, San Antonio	1996
Donald M. Carlton, Ph.D., Austin	1995
* Mrs. Robin D. Carson, San Antonio	1997
** Mr. Steven Dufilho, San Antonio	1997
* Mr. Ruben Escobedo, San Antonio	1997
Mr. Ben F. Foster, Jr., San Antonio	1996
** Mr. Larry Franklin, San Antonio	1997
Mr. Thomas C. Frost, San Antonio	1996
Rafael Garza, M.D., McAllen	1995
** Mr. Christopher "Kit" Goldsbury, San Antonio	1997
** Dr. Burton Grossman, San Antonio	1997
* Mr. C. C. Gunn, Sr., San Antonio	1997
** Mr. Richard Harris, San Antonio	1997
* Mr. Roger Hemminghaus, San Antonio	1997
Mr. Peter Hennessey III, San Antonio	1996
* Mr. Mario A. Hernandez, San Antonio	1997
* Mr. Earl C. Hill, San Antonio	1997
Mr. James E. Ingram, San Antonio	1995
Mr. George B. Irish, San Antonio	1996
Mr. Gary Jacobs, Laredo	1996
Mr. B. K. Johnson, San Antonio	1995
** Ms. Harriet Kelley, San Antonio	1997
Mr. Patrick J. Kennedy, San Antonio	1995
Mr. John Kerr, San Antonio	1995
Mrs. Charles (Kathleen) Kuper, San Antonio	1995
* Mr. Pat Legan, San Antonio	1997
** Mrs. Nancy Loeffler, San Antonio	1997
* Mr. Ricardo E. "Dickie" Longoria, Laredo	1997
Mr. Bob Marbut, San Antonio	1995
Mr. L. Lowry Mays, San Antonio	1996
Mr. B. J. "Red" McCombs, San Antonio	1995
General Robert F. McDermott, San Antonio	1995
* Mr. Joe C. McKinney, San Antonio	1997
** Mr. Stan L. McLelland, San Antonio	1997
Claude L. Nabers, D.D.S., San Antonio	1996
Mr. John E. Newman, Jr., San Antonio	1996
Mr. Emilio Nicolas, San Antonio	1996
Mr. Dennis Nixon, San Antonio	1996
Mr. John Oberman, San Antonio	1996
* Mr. Charles G. Orsinger, San Antonio	1997
* Mr. Dan E. Parman, San Antonio	1997
* Mr. Tom E. Pawel, San Antonio	1997
* Mr. Philip J. Pfeiffer, San Antonio	1997
** Mrs. Aaronetta Pierce, San Antonio	1997
** Mr. David Rocha, San Antonio	1997
Mr. Stanley D. Rosenberg, San Antonio	1996
Mrs. Arthur (Linda) Seeligson, Jr., San Antonio	1995
* Mr. Pete C. Selig, San Antonio	1997
* John M. Smith, Jr., M.D., San Antonio	1997
Mrs. Joe R. (Jocelyn) Straus, Jr., San Antonio	1996

* Mr. Arnold "Pic" Swartz, San Antonio	1997
The Honorable Abelardo L. Valdez, Washington, DC	1995
* Mr. Harold E. Walker, San Antonio	1997
Mr. W. Lawrence Walker, Jr., San Antonio	1996
* Mr. Martin Weiss, San Antonio	1997
Mr. C. Martin Wender, San Antonio	1995
Robert V. West, Jr., Ph.D., San Antonio	1995
** Mr. Edward E. Whitacre, San Antonio	1997
** Mrs. Linda Whitacre, San Antonio	1997
Mr. Jack Willome, San Antonio	1995
* Mr. Fausto Yturria, Jr., Brownsville	1997

Dental School Advisory Council.--
Authorized Membership 30:

	<u>Term Expires</u>
Col. Ted Almquist, Lackland AFB	1996
James Bauerle, D.D.S., San Antonio	1995
Mr. Michael Beldon, San Antonio	1996
* Ms. Nancy S. Bohman, San Antonio	1997
** Ms. Helen Butler, San Antonio	1997
Dr. Charles L. Cotrell, San Antonio	1996
Mr. Mike De La Garza, San Antonio	1996
** Mr. Cipriano Guerra, San Antonio	1997
** Ms. Mary Hartman, San Antonio	1997
Mr. Mark Kilpatrick, San Antonio	1995
Ms. Harriet Marmon, CPA, San Antonio	1996
Mr. Mike Novak, San Antonio	1996
** Mr. Arturo Sanchez, San Antonio	1997
* Reeves Smith, D.D.S., San Antonio	1997
Louis Tomaino, CSW, DSW, San Antonio	1996
Ms. Maria Elena Torralva, San Antonio	1995

Unfilled Terms - 14 (To be determined as filled)

Medical School Advisory Council.--
Authorized Membership 15:

	<u>Term Expires</u>
Louis J. Agnese, Jr., Ph.D., San Antonio	1995
Mr. Ernesto Ancira, Jr., San Antonio	1996
* Harold M. Brannan, M.D., San Antonio	1997
Frank Bryant, Jr., M.D., San Antonio	1996
Ronald K. Calgaard, Ph.D., San Antonio	1996
* Stanley E. Crawford, Sr., M.D., San Antonio	1997
* Scott C. Duncan, M.D., San Antonio	1997
* Milton S. Jacobs, M.D., San Antonio	1997
* Gen. William V. McBride (Ret.), San Antonio	1997
* Patrick M. Palmer, M.D., San Antonio	1997
* Ms. Sylvia Romo, San Antonio	1997
* Mr. J. Burleson Smith, San Antonio	1997
* Mr. Paul H. Smith, San Antonio	1997
Mr. Thomas E. Turner, Jr., San Antonio	1995

Unfilled Term - 1 (To be determined as filled)

Nursing School Advisory Council.--
Authorized Membership 30:

	<u>Term Expires</u>
** Mrs. Patricia Alexander, San Antonio	1997
** Robin Ancira, R.N., San Antonio	1997
** Mrs. Barbara Banker, San Antonio	1997
** Mrs. Mary Briseno, San Antonio	1997
Mrs. Jean Carlyle, San Antonio	1995

Mrs. Ann Coleman, San Antonio	1996
* Mrs. Jane Dreyfus, San Antonio	1997
Mrs. Cheryl Freed, San Antonio	1996
* Juliet V. Garcia, Ph.D., Brownsville	1997
Ms. Susan Hallmark, Helotes	1996
Mr. Anthony Hargrove, San Antonio	1996
Mrs. Dot Hemminghaus, Boerne	1996
* Mr. E. D. Hodge III, San Antonio	1997
* Col. William G. McKinsey (Ret.), San Antonio	1997
Mr. Don McManus, San Antonio	1995
* Mrs. Deborah Menger, San Antonio	1997
Brig. Gen. Diann Hale O'Connor (Ret.), Arlington	1995
Mrs. Harriet Oppenheimer, San Antonio	1995
Mrs. Margaret Rambie, Uvalde	1995
** Mrs. Valerie Robinson, San Antonio	1997
Ms. Phyllis Siegel, San Antonio	1996
** Charlene Smith, R.N., San Antonio	1997
** Ms. Kathy Sosa, San Antonio	1997
Mrs. C. Ritchie (Elaine) Spence, San Antonio	1996
** Mr. George Verduzco, Laredo	1997
** Mr. John Wampler, San Antonio	1997
** Ms. Evamay Watts, Universal City	1997
Mrs. Maria Christina Rodriguez Weiss, San Antonio	1996
** Mrs. Darolyn Worth, Comfort	1997

Unfilled Term - 1 (To be determined as filled)

14.

The University of Texas
M.D. Anderson Cancer Center

University Cancer Foundation Board of Visitors.--
Authorized Membership 50:

	<u>Term Expires</u>
Mr. Edward Azar, El Paso	1996
Mr. Thomas J. Brorby, Austin	1995
Mr. John R. Butler, Jr., Houston	1996
Mr. Roy Butler, Austin	1995
Mr. William E. Carl, Corpus Christi	1996
Mrs. George Ann Carter, Fort Worth	1995
* Mr. Ernest H. Cockrell, Houston	1997
Mr. Robert J. Cruikshank, Houston	1996
Mr. Thomas H. Cruikshank, Dallas	1996
* Mr. Arthur Rhew Dooley, Jr., Beaumont	1997
* Mr. Dillon J. Ferguson, Houston	1997
Mr. Edward O. Gaylord, Houston	1995
* Mr. Gary F. Gibson, Freeport	1997
* Mr. Harold V. Goodman, Houston	1997
Miss Lyda Hill, Dallas	1996
Mr. Forrest E. Hoglund, Houston	1995
Mr. Woody L. Hunt, El Paso	1996
Mr. Scott J. Hyten, Austin	1995
* Mr. Joseph D. Jamail, Houston	1997
Mr. Richard J. V. Johnson, Houston	1996
* Mrs. Glenda Kane, Corpus Christi	1997
Mr. Melvyn N. Klein, Corpus Christi	1995
Mr. R. Bruce LaBoon, Houston	1995
Mrs. Elyse B. Lanier, Houston	1995
Mrs. Marty V. Leonard, Fort Worth	1996
Mr. Max Levit, Houston	1997
* Mr. Michael R. Levy, Austin	1997
Mr. Harry J. Longwell, Houston	1996

* Mr. Red McCombs, San Antonio	1997
Mr. John McCormack, Houston	1995
Mr. Randall Meyer, Houston	1996
* Mr. Charles Miller, Houston	1997
Mr. George P. Mitchell, The Woodlands	1995
Mr. Merriman Morton, Austin	1996
Mrs. Georgette Mosbacher, Houston	1996
* Mr. Robert Nichols, Dallas	1997
* Mr. Robert R. Onstead, Houston	1997
Mr. J. David Oppenheimer, San Antonio	1995
Mr. James H. Polk III, Santa Fe, NM	1995
Mr. Edward Randall III, Houston	1995
Mr. L. G. Rawl, Irving	1995
Ms. Regina J. Rogers, Houston	1995
* Mr. Walter M. Ross, Houston	1997
** Mrs. Peggy Sewell, Dallas	1997
Mr. Marc J. Shapiro, Houston	1996
Mr. Charles M. Simmons, Fort Worth	1995
Mr. Wade C. Smith, Dallas	1995
Miss Josephine Sparks, Corpus Christi	1995
Mr. Jack T. Trotter, Houston	1996

Unfilled Term - 1 (To be determined as filled)

15. The University of Texas Health Center at Tyler

Development Board.--Authorized Membership 60:

	<u>Term Expires</u>
Mr. Jud Adams, Tyler	1996
Mr. James W. Arnold, Tyler	1996
* Mr. Jeff Austin, Sr., Frankston	1997
Mr. Dick Barnett, Tyler	1996
Mr. Harold Beaird, Tyler	1995
Mr. Henry M. Bell, Jr., Tyler	1995
Mr. Henry Bell III, Tyler	1996
Mr. Herbert Buie, Tyler	1995
Mr. Frank M. Burke, Jr., Dallas	1996
* Mr. Allen Burt, Tyler	1997
Mrs. D. K. Caldwell, Tyler	1995
Mr. Charles L. Childers, Tyler	1995
** Mr. Leonard Davis, Tyler	1996
* Mrs. Thomas E. Duncan, Lufkin	1997
Mrs. Nancy Fair, Tyler	1996
* Mr. David Fender, Tyler	1997
Mr. Murphy George, Lufkin	1996
Mrs. R. L. Gibson, Kilgore	1996
* Mrs. D. R. Glass, Tyler	1997
Bob Glaze, D.C., Gilmer	1995
Mr. Richard Hamm, Tyler	1995
Mr. B. G. Hartley, Tyler	1996
* Mr. Bob L. Herd, Tyler	1997
Mr. Larry Hickman, Tyler	1995
Mr. Bob Irwin, Tyler	1996
Earl C. Kinzie, D.O., Lindale	1995
Mr. Will A. Knight, Tyler	1996
* Mr. Jim Loyd, Tyler	1997
Mr. Gene Meier, Tyler	1995
** Mr. John Muse, Dallas	1997
** Mr. Steve Oden, Texarkana	1997
* Mr. George Oge, Sr., Tyler	1997
Mrs. Lou Ornelas, Tyler	1996
Mr. Harry Phillips, Tyler	1995
* Mr. Jack L. Phillips, Gladewater	1997
** Mr. Rogers Pope, Longview	1997

	The Honorable Thomas B. Ramey, Jr., Tyler	1995
	Mr. Edwin Rasco, Tyler	1996
	Mr. Richard L. Ray, Tyler	1995
**	Mr. Jim Reynolds, Tyler	1996
	Mr. Tom Richards, Longview	1995
	Mr. H. Lanier Richey, Tyler	1995
*	Mr. Wade Ridley, Tyler	1997
	Mr. A. W. Riter, Jr., Tyler	1995
	Mr. A. W. Riter III, Tyler	1995
	Mr. Sam Roosth, Tyler	1996
	Mr. Bill Ross, Tyler	1996
*	Mr. James R. Russell, Tyler	1997
	C. Fagg Sanford, M.D., Tyler	1995
	Mr. Norman Shtofman, Tyler	1996
**	Mr. H. Thompson Smith, Tyler	1997
	Mr. Ralph Spence, Tyler	1995
	Ms. Rose Strong, Longview	1995
	John C. Turner, M.D., Tyler	1996
*	James M. Vaughn, M.D., Tyler	1997
*	Mr. Dayton Walkup, Kilgore	1997
*	Mr. John Warner, Tyler	1997
*	Mrs. Watson W. Wise, Tyler	1997
	Mr. Royce E. Wisenbaker, Tyler	1996
*	Mr. Sam Wolf, Tyler	1997

RECESS FOR COMMITTEE MEETINGS AND COMMITTEE REPORTS TO THE BOARD.--At 10:15 a.m., the Board recessed for the meetings of the Standing Committees, and Chairman Rapoport announced that at the conclusion of each committee meeting the Board would reconvene to approve the report and recommendations of that committee.

The meetings of the Standing Committees were conducted in open session and the reports and recommendations thereof are set forth on the following pages.

REPORTS AND RECOMMENDATIONS OF STANDING COMMITTEES

REPORT OF EXECUTIVE COMMITTEE (Pages 43 - 47).--In compliance with Section 7.14 of Chapter I of Part One of the Regents' Rules and Regulations, Chairman Rapoport reported to the Board for ratification and approval all actions taken by the Executive Committee since the last meeting. Unless otherwise indicated, the recommendations of the Executive Committee were in all things approved as set forth below:

1. U. T. Arlington: Authorization to Purchase 2.4356 Acres of Land Being Lot 6-R, Block 1, Ditto and Collins Addition, Arlington, Tarrant County, Texas, with Improvements (Bauder Fashion College) from Mr. Paul Tilley and Mr. J. E. Kettle, Arlington, Tarrant County, Texas, and Approval for the Vice President for Business Affairs to Execute Documents Pertaining to the Purchase (No Publicity) (Exec. Com. Letter 94-12).--The Executive Committee recommended and the Board authorized The University of Texas at Arlington to purchase 2.4356 acres of land being Lot 6-R, Block 1, Ditto and Collins Addition, Arlington, Tarrant County, Texas, from Mr. Paul Tilley and Mr. J. E. Kettle, Arlington, Tarrant County, Texas, for \$1,392,825. U. T. Arlington will use Unexpended Plant Funds to make the purchase.

Further, the Vice President for Business Affairs was authorized to execute, on behalf of U. T. Arlington, all documents pertaining to the purchase following approval of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and the Office of General Counsel.

Texas Higher Education Coordinating Board approval for acquisition of this property is not required since the property is within authorized boundaries for campus expansion approved by the U. T. Board of Regents at the November 1966 meeting and the Texas Legislature in 1967, 1971, and 1979.

The property is currently occupied by Bauder Fashion College, a private vocational school with facilities for classrooms, housing, and administrative and related uses. The school, located at 508 South Center Street, is adjacent to the east boundary of the U. T. Arlington campus.

The 2.4356 acre site consists of a 199-space surface parking facility and a 3-story, 58,916 square foot concrete frame building, which was built in 1963. The parking spaces can be used immediately to alleviate a current shortage of campus parking. The location of the school makes it an excellent potential acquisition either to provide additional space for the School of Urban and Public Affairs or additional specialized space for Theatre Arts/Communications/Fine Arts.

While the current owners originally desired to transfer ownership prior to September 1, 1994, it is now anticipated that the transaction will be completed prior to August 31, 1995. In addition, the current owners requested that no publicity be given to this matter to allow sufficient time to inform the Bauder Fashion College student body of the potential transaction and to announce suitable alternate arrangements to fulfill obligations to the current students.

2. U. T. Austin - Athletic Fields Phase I Construction: Approval to Increase Total Project Cost; Resubmission of the Project to the Coordinating Board; and Appropriation Therefor (Exec. Com. Letter 94-12).--The Board, upon recommendation of the Executive Committee:
- a. Authorized an increase in the total project cost of The University of Texas at Austin Athletic Fields Phase I construction from \$2,000,000 to \$2,300,000
 - b. Authorized resubmission of the project to the Texas Higher Education Coordinating Board
 - c. Appropriated an additional \$300,000 from Intercollegiate Athletics for Men balances for total project funding. Previous appropriations were \$2,000,000 from the same source.

In accordance with authorization by the U. T. Board of Regents in August 1993, final plans and specifications for the U. T. Austin - Athletic Fields Phase I construction were prepared and bids received by the U. T. Austin Physical Plant Department. The base bid plus the desired alternate bids were found to total approximately \$300,000 more than the authorized total project cost.

The desired alternate bids add a Prescription Turf System for both the soccer and football fields and foundations and electrical work to serve the scoreboard and film towers. Sufficient funds from Intercollegiate Athletics for Men have been identified to cover the increase in the total project cost.

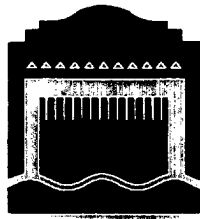
This project was approved by the Texas Higher Education Coordinating Board in October 1993 and the project cost increase will be resubmitted for consideration.

This action amends the FY 1994-1999 Capital Improvement Plan and the FY 1994 Capital Budget for a total project cost of \$2,300,000 from U. T. Austin Intercollegiate Athletics for Men balances.

3. U. T. San Antonio: Adoption of Logo (Regents' Rules and Regulations, Part Two, Chapter I, Section 9, Subsection 9.4) (Exec. Com. Letter 94-12).--In accordance with the Regents' Rules and Regulations, Part Two, Chapter I, Section 9, Subsection 9.4 relating to approval of official logos, the Board adopted a logo for The University of Texas at San Antonio as set out on Page 45 as Design D with representative variations of the logo also reflected on that page.

The logo design is composed of three elements. The acronym, UTSA, in bold block letters has been used by the University on various kinds of official publications and athletic uniforms for many years. The icon element of the logo is a graphic representation of U. T. San Antonio's primary campus landmark, the Sombrilla.

The Office of General Counsel will submit the graphic representation for trademark registration.



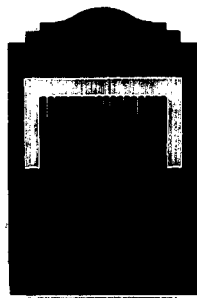
Design A

THE UNIVERSITY OF TEXAS
AT SAN ANTONIO

UTSA

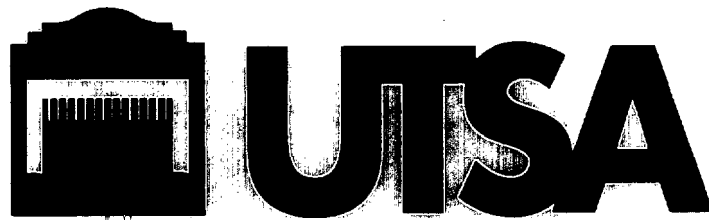
Design B

THE UNIVERSITY OF TEXAS
AT SAN ANTONIO



Design C

THE UNIVERSITY
OF TEXAS
AT SAN ANTONIO



Design D

THE UNIVERSITY OF TEXAS AT SAN ANTONIO



Design E

THE UNIVERSITY OF TEXAS ★ SAN ANTONIO

4. U. T. Southwestern Medical Center - Dallas - Research Building - Phase II North Campus Expansion (Project No. 303-755): Award of Construction Contract for Stage Three - Six Shell Floors Finish Out to Huber, Hunt & Nichols, Inc., Dallas, Texas (Exec. Com. Letter 94-13).-- Upon recommendation of the Executive Committee, the Board awarded a construction contract for Stage Three - Six Shell Floors Finish Out of the Research Building - Phase II North Campus Expansion at The University of Texas Southwestern Medical Center at Dallas to the lowest responsible bidder, Huber, Hunt & Nichols, Inc., Dallas, Texas, for the Base Bid and Alternates 2 and 3 in the amount of \$14,350,000.

The total project cost is comprised of the following elements:

Intercampus Connector	\$ 4,950,259
First Stage of Construction -	
Prepurchase of Thermal Energy	
Plant Equipment	2,627,390
Second Stage of Construction -	
General Construction for Research	
Building NA, Support Building NG	
and Expansion of Thermal Energy	
Plant Building NJ	31,473,000
Third Stage of Construction -	
Six Shell Floors Finish Out	14,350,000
Fees and Administrative Expenses	4,458,357
Furniture and Equipment	2,208,144
Future Work	
Testing and Air-Balancing	205,000
Finish Out of Remaining Shell	
Space	5,257,148
Miscellaneous Expenses	1,097,708
Project Contingency	<u>1,172,994</u>
Total Project Cost	\$67,800,000

The Research Building - Phase II North Campus Expansion project is included in the FY 1994-1999 Capital Improvement Plan and the FY 1994 Capital Budget for a total project cost of \$67,800,000 with \$20,000,000 in Permanent University Fund Bond Proceeds, \$42,300,000 in Revenue Bond Proceeds, and \$5,500,000 in Interest on Local Funds.

This project was approved by the Texas Higher Education Coordinating Board in October 1991.

5. U. T. M.D. Anderson Cancer Center - R. E. "Bob" Smith Research Building - Upgrading and Expansion of Mechanical and Utility Systems - Phase II (Project No. 703-770): Award of General Construction Contract to Way Engineering Company, Inc., Houston, Texas (Exec. Com. Letter 94-13).--The Board, upon recommendation of the Executive Committee, awarded a general construction contract for the R. E. "Bob" Smith Research Building - Upgrading and Expansion of Mechanical and Utility Systems - Phase II at The University of Texas M.D. Anderson Cancer Center to the lowest responsible bidder, Way Engineering Company, Inc., Houston, Texas, for the Base Bid and Alternates 1, 4, 6, 9, and 11 in the amount of \$3,256,530.

It was noted that Way Engineering Company, Inc. stated in its proposal that it will have Historically Underutilized Business participation of approximately 20% from women-owned firms and 10% from minority-owned firms in the contract.

The total project cost is comprised of the following elements:

First Stage of Construction - Air Handling Unit Prepurchase	\$ 893,767
Second Stage of Construction - Upgrading and Expansion of Mechanical and Utility Systems - Phase II	3,256,530
Fees and Administrative Expenses	776,901
Future Work (Testing and Air- Balancing)	111,779
Miscellaneous Expenses	66,120
Other Project Budget Items (Institutional Control)	738,903
Project Contingency	<u>156,000</u>
Total Project Cost	\$6,000,000

The R. E. "Bob" Smith Research Building - Upgrading and Expansion of Mechanical and Utility Systems - Phase II project, which was approved by the Texas Higher Education Coordinating Board in October 1993, is included in the FY 1994-1999 Capital Improvement Plan and the FY 1994 Capital Budget for a total project cost of \$6,000,000 from Educational and General Funds.

REPORT AND RECOMMENDATIONS OF THE BUSINESS AFFAIRS AND AUDIT COMMITTEE (Pages 48 - 63).--Committee Chairman Loeffler reported that the Business Affairs and Audit Committee had met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders which follow were recommended by the Business Affairs and Audit Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. System: Approval of Chancellor's Docket No. 76 (Catalog Change).--Upon recommendation of the Business Affairs and Audit Committee, the Board approved Chancellor's Docket No. 76 in the form distributed by the Executive Secretary. It is attached following Page 223 in the official copies of the Minutes and is made a part of the record of this meeting.

It was expressly authorized that any contracts or other documents or instruments approved therein had been or shall be executed by the appropriate officials of the respective institution involved.

It was ordered that any item included in the Docket that normally is published in the institutional catalog be reflected in the next appropriate catalog published by the respective institution.

2. U. T. Board of Regents - Regents' Rules and Regulations, Part One: Amendments to Chapter II, Section 6 (Executive Vice Chancellor for Business Affairs) and Section 11 (Other Code 1000 Staff and Officers of System Administration).--Approval was given to amend the Regents' Rules and Regulations, Part One, Chapter II as set forth below:

- a. Section 6 was amended to read as follows:

Sec. 6. Executive Vice Chancellor for Business Affairs.

The Executive Vice Chancellor for Business Affairs reports to the Chancellor and is responsible for the direction of those offices and supervision of those areas of responsibility set forth in Subsection 6.2(10) of this Chapter. The Executive Vice Chancellor for Business Affairs provides staff assistance to the Chancellor and the Executive Vice Chancellors in the exercise of their responsibilities. The Executive Vice Chancellor for Business Affairs has direct access to the Board of Regents of The University of Texas System and is expected to work directly with the appropriate committees of the Board in discharging the duties of the office.

6.1 Appointment and Tenure.

The Executive Vice Chancellor for Business Affairs shall be appointed by the Board after nomination by the Chancellor. The Executive Vice Chancellor for Business Affairs shall hold office without fixed term, subject to the pleasure of the Chancellor. The Chancellor's actions regarding the Executive Vice Chancellor for Business Affairs are subject to review and approval by the Board.

6.2 Duties and Responsibilities.

The primary responsibilities of the Executive Vice Chancellor for Business Affairs include:

- 6.21 The provision of staff assistance to the Chancellor and the Executive Vice Chancellors in the execution of their responsibilities.
- 6.22 Submitting recommendations to the Chancellor and to the appropriate Executive Vice Chancellor on business operations of the components of the System.
- 6.23 Reviewing and making recommendations on uniform business systems and management.
- 6.24 Submitting recommendations relating to programs for the most efficient management of personnel and resources.
- 6.25 Submitting recommendations for program development for training of personnel in nonacademic areas.
- 6.26 Reviewing and making recommendations on programs of long-range planning for physical facilities and financial resources.
- 6.27 Reviewing and making recommendations relating to police and security matters within the System.
- 6.28 Coordinating the business affairs of the System with other officers and members of the System Administration staff.
- 6.29 In consultation with the appropriate Executive Vice Chancellor, coordinating the activities of business administrative operations of the component institutions.

6.2(10) Managing the operations of the offices listed below through such internal administrative organization as he/she deems to be appropriate:
 Office of the Associate Vice Chancellor for Business Affairs
 Office of Historically Underutilized Business Development
 Office of the Director of Police
 Office of the Assistant Vice Chancellor and Controller
 Budget Office
 Office of Management Information Systems
 Office of Information Services
 Office of Business and Administrative Services
 Director of Accounting regarding System Administration accounts
 Office of the Assistant Vice Chancellor for Finance
 Office of Facilities Planning and Construction
 Office of Finance
 Office of Endowment Real Estate regarding non-endowment and campus real estate
 System Personnel Office
 Office of Employee Group Insurance Program
 Office of West Texas Lands Management
 University Lands Accounting Office
 Surface Interests
 Oil, Gas & Mineral Interests.

6.2(11) Supervising and coordinating the acquisition and/or disposition of all nonendowment and campus lands at the component institutions and the U. T. System.

6.2(12) Directing the management of the purchasing, accounting, equipment inventories, and vouchering operations for the offices of the System Administration and coordinating the building services for the System buildings.

- 6.2(13) Directing the management of the System-wide insurance programs (except the System Plan for Professional Medical Liability Self-Insurance), including approval of all policies and coverages, such programs to include:
 - Fire and Extended Coverage; Liability;
 - Health;
 - Life;
 - Accidental Death and Dismemberment;
 - Income Replacement; and Retirement.
- 6.2(14) Implementing policy for the receipt, disbursement, and custody of funds; for terms of depository agreements with banks; and for custody of bearer securities owned by System funds that are maintained in bank safety deposit boxes and are not in custody with the State Treasurer.
- 6.2(15) Forwarding debt issues for approval by the Board of Regents following the concurrence of the Vice Chancellor for Asset Management.
- 6.2(16) Performing such other duties as may be assigned by the Chancellor.

b. Present Subsection 6.3 was deleted in its entirety.

NOTE: This subsection contained the detailed job descriptions of several officers reporting to the Executive Vice Chancellor for Business Affairs. These job descriptions will now be on file in the System Personnel Office as required in Item c. below.

c. Section 11 was amended to read as follows:

Sec. 11. Other Code 1000 Staff and Officers of System Administration.

Staff and officers of System Administration designated as code 1000 shall be appointed by the Chancellor, the Executive Vice Chancellors, or Vice Chancellors to whom they will report, and shall have appropriate job descriptions on file with the System Personnel Office. Persons so appointed shall not have tenure by virtue of their respective positions. They shall serve without fixed term, subject to the pleasure of the officer to whom they report. The actions of the appointing officer concerning such positions are in turn subject to review and approval by the Chancellor or the Board as required by the Regents' Rules and Regulations.

The amendments to Section 6 are intended to reflect a reorganization of those areas of responsibility of the Executive Vice Chancellor for Business Affairs.

Section 11 was amended to reflect the requirement that appropriate job descriptions be on file with the System Personnel Office.

3. U. T. Board of Regents - Regents' Rules and Regulations, Part One: Approval of Amendments to Chapter III, Section 5, Subsection 5.2, Subdivision 5.21 [Appointment of Relatives (Nepotism Rule).--The Board, upon recommendation of the Business Affairs and Audit Committee, amended the Regents' Rules and Regulations, Part One, Chapter III, Section 5, Subsection 5.2, Subdivision 5.21 regarding the appointment of relatives (nepotism rule) to read as set forth below:

5.21 Section 573.001 et seq., Texas Government Code, does not prohibit the reappointment or continued employment of any person who shall have been continuously employed in any such office, position, employment, or duty for a period of 30 days prior to the appointment of the member of the Board of Regents related to such person within the prohibited degree, nor does it apply to prohibit honorary or nonremunerative positions; provided that when such person is reappointed or continued in employment the member of the Board of Regents who is related to such person in the prohibited degree shall not participate in the deliberation or voting upon the reappointment, continuation of employment, change in status, compensation or dismissal of such person, if such action applies only to such person and not to a bona fide class or category of employees.

This amendment denotes reference to the codification of former Article 5996a of Vernon's Civil Statutes in the Texas Government Code and amends the period of continuous employment required for relatives of appointed officials such as members of the U. T. Board of Regents to be consistent with the 30-day period included in the Texas Government Code.

4. U. T. Board of Regents - Regents' Rules and Regulations, Part One: Authorization to Amend Chapter III, Section 33, Subsection 33.1 (Retirement and Modified Service).--In order to permit The University of Texas System to employ aircraft pilots until the age of 70, authorization was given to amend the Regents' Rules and Regulations, Part One, Chapter III, Section 33, Subsection 33.1 regarding retirement and modified service to read as set forth below:

Sec. 33. Retirement and Modified Service.

33.1 No person employed by the U. T. System or any component institution shall be required to retire because of age except as permitted by law. However, a licensed pilot operating an aircraft under Part 91 of the Federal Aviation Regulations may be employed as a pilot

until the end of the fiscal year that includes the pilot's seventieth birthday. Upon attaining the age of sixty, the pilot must satisfactorily complete the flight physical required for his/her flight certification on a semi-annual basis. Flight physicals for all U. T. System pilots will be conducted by a certified flight surgeon employed at one of the health institutions of the U. T. System. In the event there is no certified flight surgeon on staff at one of the health institutions of the U. T. System, the flight physical will be conducted, at U. T. System expense, by a certified flight surgeon designated by one of the health institutions of the U. T. System.

5. U. T. Board of Regents - Regents' Rules and Regulations, Part Two: Amendments to Chapter VII, Section 2, Subsection 2.3 (Inventories), Section 3, Subsection 3.6 (Motor Vehicles), Section 7 (Telephones), and Section 10, Subsections 10.6 and 10.7 (Disposition of Abandoned and Unclaimed Personal Property).--Upon recommendation of the Business Affairs and Audit Committee, the Board amended the Regents' Rules and Regulations, Part Two, Chapter VII, Section 2, Subsection 2.3 (Inventories), Section 3, Subsection 3.6 (Motor Vehicles), Section 7 (Telephones), and Section 10, Subsections 10.6 and 10.7 (Disposition of Abandoned and Unclaimed Personal Property) to read as set forth below:

Sec. 2. Inventories.

- 2.3 Inventories as of August 31 include all equipment on hand as defined by the General Services Commission under the State Purchasing and General Services Act. Items that are worn out or discarded shall be deleted in accordance with the regulations of the General Services Commission.

Sec. 3. Motor Vehicles.

- 3.6 Each component institution shall be cognizant of and render reports on operation of motor vehicles as required by the current Appropriations Act.

- Sec. 7. Telephones.--The director of information services, the director of physical plant, the chief business officer, or other person designated by the chief administrative officer shall be responsible for the installation of telephones and the administration of all telephone facilities. Personal toll calls shall not be charged to institutional telephones. Charges for telephones and toll calls shall be pursuant to approved institutional policy included in the Handbook of Operating Procedures.

Sec. 10. Disposition of Abandoned and Unclaimed Personal Property.

10.6 Vehicles that are abandoned and unclaimed will be disposed of in accordance with Section 365.001 et seq. of the Texas Health and Safety Code.

10.7 Drugs in the possession of any component institutional police department will be disposed of in the manner prescribed by Section 483.074 of the Texas Health and Safety Code (the Texas Dangerous Drugs Act) and by Sections 481.158 and 481.159 of the Texas Health and Safety Code (the Texas Controlled Substances Act).

6. U. T. System: Amendment of the Policy Regarding Jurisdiction of Commissioned Peace Officers.--The policy regarding jurisdiction of commissioned peace officers employed by The University of Texas System, which was adopted at the August 1987 meeting, was amended to read as set forth below.

These amendments redefine the jurisdiction to include property owned, leased, or otherwise under the control of the U. T. System or one of the component institutions and include editorial changes to adjust or clarify the responsibilities of officials delegated to handle police jurisdictional matters.

POLICY STATEMENT

- (a) Commissioned peace officers employed by The University of Texas System or any of its components shall confine their activities related to the performance of the duties of peace officers to property owned, leased, or otherwise under the control of the U. T. System or one of the component institutions of the U. T. System, with the following exceptions:
- (1) The Chief of Police of each component institution within the U. T. System and the Director of Police for the U. T. System may, on a case by case basis, authorize commissioned peace officers employed by or temporarily assigned to a component institution to function outside the "restricted primary jurisdiction"* established by this Policy as peace officers on University business or in conjunction with a University sponsored event so long as the peace officers remain within their area of primary jurisdiction (county) as established by Section 51.203, Texas Education Code. It is provided, however, that the provisions of the Hot Pursuit Policy (Policy No. II-86-14, as amended) promulgated by the Director of Police for the U. T. System are not affected by this Policy.
 - (2) The Director of Police for the U. T. System may authorize commissioned peace officers of the U. T. System to function as peace officers outside their primary jurisdiction (county) to

assist another law enforcement agency in Texas, or to otherwise perform duties as a peace officer on official University business.

- (b) The Chief Administrative Officer of each component institution within the U. T. System shall be responsible for providing to the Director of Police for the U. T. System, for review and approval as to police jurisdiction, a map(s) showing all property owned, leased, or otherwise controlled by a component institution or U. T. System which is under the police control of a component institution. It is the continuing responsibility of the Chief Administrative Officer or other administrative official to whom this responsibility is delegated to ensure that the maps on file with the Office of the Director of Police are kept current. The maps shall also denote thereon all land areas, streets, buildings, and facilities located contiguous to property owned, leased, or otherwise controlled by the component institution that are not owned, leased, or controlled by the component institution or the U. T. System. The Executive Vice Chancellor for Business Affairs or his or her delegate shall be responsible for fulfilling the requirements of this section for property owned, leased, or otherwise controlled by the U. T. System Administration.
- (c) The Director of Police for the U. T. System shall furnish to the Chief of Police for each component institution copies of this Policy and the approved maps. The component institution Chiefs of Police shall distribute copies of this Policy and a map(s) delineating the component police department's restricted primary jurisdiction to the commissioned peace officers under their control.

*For the purposes of this Policy, the term "restricted primary jurisdiction" is interpreted to mean all land, streets, buildings, and facilities or other property owned, leased, or otherwise under the control of the U. T. System or one of the component institutions.

7. U. T. System: Approval of the Capital Budget for the Fiscal Year Ending August 31, 1995.--Committee Chairman Loeffler called upon Chancellor Cunningham who, following brief remarks, introduced Executive Vice Chancellor for Business Affairs Burck. Mr. Burck, with the aid of transparencies, reviewed the proposed Capital Budget for The University of Texas System for the fiscal year ending August 31, 1995. A copy of Executive Vice Chancellor Burck's [report](#) is on file in the Office of the Board of Regents.

Upon recommendation of the Business Affairs and Audit Committee, the Board approved the U. T. System Capital Budget, Part A (Major Construction Projects) and Part B (Reserve Allocations for Repairs and Equipment Projects), for the fiscal year ending August 31, 1995. The Capital Budget was presented in a separate document titled "[The University of Texas System Capital Improvement Program, 1994-1999 Update \(Including Capital Budget - FY 1995\)](#)" which is on file in the Office of the Board of Regents.

Further, the U. T. System Administration was authorized, in consultation with the component institutions, to proceed with planning for projects contained in the Capital Budget and to bring recommendations to the U. T. Board of Regents for funding approval. As required by provisions of the Regents' Rules and Regulations, authorization to appoint project architects and engineers, approval of plans, authorization to advertise for bids, and award of bids will continue to be accomplished via a standard agenda item, at appropriate times.

Part A of the Capital Budget projects the application of funds from all sources to those capital projects which involve any expenditure during the fiscal year ending August 31, 1995.

Permanent University Fund (PUF) funding commitments remain unchanged except for The University of Texas at Tyler Liberal Arts Complex project which has been in the Capital Improvement Plan since 1985, but unfunded pending completion of a private fund campaign. Private funds and other institutional resources for that project are now available, hence the allocation of PUF resources.

Part B of the Capital Budget appropriates Permanent University Fund Bond Proceeds from reserves provided in the six-year Capital Improvement Plan. The Capital Improvement Plan provides for an annual allocation of \$10,000,000 from Permanent University Fund Bond Proceeds reserves for equipment, library, repair and renovation projects for FY 1995.

In addition to the annual reserve of \$10,000,000 included in the Capital Improvement Plan, Part B of this budget provides for the reallocation of \$1,100,000 in unused balances from prior year Permanent University Fund Bond Proceeds reserve allocations for The University of Texas Medical Branch at Galveston and commits these additional dollars to the emergency repair needs at The University of Texas of the Permian Basin.

In accordance with the campus planning rules of the Texas Higher Education Coordinating Board, the Chairman of the U. T. Board of Regents must certify that the need for new construction which requires formula funding is at least equal to the need to acquire additional or more modern instructional and research equipment. Since the capital budgeting process used by the U. T. System to develop the Capital Budget ensures that such a determination or prioritization is considered and endorsed by the Board on behalf of each new project, the Executive Secretary to the Board was authorized, on behalf of the Chairman, to issue the certification as required by the Texas Higher Education Coordinating Board for all new construction contained in the Capital Budget.

With regard to repair and equipment projects to be funded from Permanent University Fund Bond Proceeds reserves or a combination of bond proceeds and other funds, the U. T. System component institutions were authorized to purchase approved equipment items and library materials and to contract for repair and rehabilitation projects following standard purchasing and contracting procedures within approved dollar limits. Substitute equipment purchases are to receive prior approval by the Chancellor and appropriate Executive Vice Chancellor and, where required, the U. T. Board of Regents. Transfers by U. T.

System Administration of allocated funds to institutional control or to vendors will coincide with vendor payment requirements. Final approval of specific repair and rehabilitation projects will be in accordance with Board established procedures for construction projects.

FY 1995 funds not expended or obligated by contract/purchase order within six months after the close of FY 1995 are to be available for future System-wide reallocation unless specific authorization to continue obligating the funds is given by the Executive Vice Chancellor for Business Affairs on recommendation of the President and the appropriate Executive Vice Chancellor.

8. U. T. System: Approval of Non-Personnel Aspects of the Operating Budgets for the Fiscal Year Ending August 31, 1995, Including Auxiliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds, and Medical and Dental Services, Research and Development Plans and Authorization for the Chancellor to Make Editorial Corrections Therein.--At the request of Committee Chairman Loeffler, Chancellor Cunningham, with the aid of transparencies, presented a comprehensive overview of the proposed Operating Budgets for the fiscal year ending August 31, 1995, for The University of Texas System. A copy of Dr. Cunningham's [report](#) is on file in the Office of the Board of Regents.

Following Dr. Cunningham's presentation and upon recommendation of the Academic Affairs, Health Affairs, and Business Affairs and Audit Committees, the Board approved the non-personnel aspects of the Operating Budgets for the U. T. System as listed below for the fiscal year ending August 31, 1995, Including Auxiliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds, and Medical and Dental Services, Research and Development Plans. Further, the Chancellor was authorized to make editorial corrections in these budgets with subsequent adjustments to be ratified by the U. T. Board of Regents through the institutional dockets.

The University of Texas System Administration
(including the Available University Fund)
The University of Texas at Arlington
The University of Texas at Austin
The University of Texas at Brownsville
The University of Texas at Dallas
The University of Texas at El Paso
The University of Texas - Pan American
The University of Texas of the Permian Basin
The University of Texas at San Antonio
The University of Texas at Tyler
The University of Texas Southwestern Medical
Center at Dallas
The University of Texas Medical Branch
at Galveston
The University of Texas Health Science
Center at Houston
The University of Texas Health Science
Center at San Antonio
The University of Texas M.D. Anderson
Cancer Center
The University of Texas Health Center
at Tyler

These budgets are a part of the Minutes of this meeting and the official copy is in bound Volume XLIX entitled Annual Budget for 1994-1995.

See Page 223 for approval of the personnel aspects of the Operating Budgets for the fiscal year ending August 31, 1995.

Following the approval of the non-personnel aspects of the U. T. System Operating Budgets for Fiscal Year 1995, Chancellor Cunningham summarized his viewpoint regarding the major issues represented by these budgets.

MAJOR ISSUES, FY 1995 BUDGET
THE UNIVERSITY OF TEXAS SYSTEM

1. Faculty and Staff Salaries
 - a. Increases in salaries at medical components range from 0-3.5 percent.
 - b. Increases in salaries at academic components range from 0-3 percent.
 - c. The average for the eleven most populous states was \$51,730. Texas was 10.6 percent below that average, with only Georgia having lower average faculty salaries.
 - d. The average for U. S. public senior universities was \$49,002. The \$46,228 Texas average was 5.7 percent lower than the national average.
 - e. My concern is that we are on the edge of being competitive. If we lose any significant ground, we will lose our best faculty members to other states.
2. Student Enrollment-Increasing Demands at Certain Institutions While Others are Experiencing Enrollment Declines
 - a. Total enrollment growth over the past five years (Fall 1989 to Fall 1993) for U. T. System general academic institutions has been 3.88 percent.
 - b. Institutions showing declining enrollments over that period include U. T. Austin (-3.4 percent), U. T. Arlington (-0.5 percent), and U. T. Tyler (-3.8 percent).
 - c. U. T. Dallas experienced a reduction in enrollment last year of 3.9 percent.
 - d. I am not overly concerned about reductions at U. T. Dallas and U. T. Arlington. The demographic patterns in this part of the state are clear. We are experiencing a short-term reduction in the number of applicants, but this will change over the next several years. U. T. Austin's reduction is planned as a part of its attempt to manage its enrollment. Our goal five years ago was 48,000 in 1994, and we will come very close to achieving this goal.

- e. Growth institutions in the five-year span include U. T. Brownsville (30.8 percent), U. T. El Paso (8.2 percent), U. T. Pan American (13.3 percent), and U. T. San Antonio (21.9 percent). These institutions have experienced space and faculty shortages. The state special South Texas/Border Initiative funds have helped alleviate these problems, but they will not be solved until enrollments level out and formula funding from the state catches up with the rapid growth these institutions have been experiencing.
3. Declining PUF Bond Proceeds for Capital Plant Expansion, Capital Repairs, and Equipment Contrasted with HEAF Institutions
 - a. Our most recent projection, even with the recent slight increase in interest rates, shows income to be flat through the year 2000.
 - b. As bond rates have fallen, bonds are being called and replaced at lower interest rates. In addition, the natural runoff of bonds that is occurring has led to less income for U. T.
 - c. The real problem that the U. T. System faces is that income for the PUF will only be enough to provide funds to repair and maintain the existing facilities. There will be very little, if any, money for the PUF for new building.
 4. Reduction in AUF Transfer to U. T. Austin from \$80 million in 1992-93 to \$78 million in 1993-94 and to \$75 million in 1994-95. Clearly, this has caused U. T. Austin to restrict some of its excellence programs.
 5. Impact of Managed Care and Health-Care Reform Proposals on Health Institutions
 - a. Historically, our medical schools and hospitals have been able to pay for much of our indigent care load, as well as research and education costs, through cross subsidization. This stream of revenue from paying patients to other needs in the hospitals and medical schools is coming to an end as a result of managed care contracts.
 - b. Therefore, we must restructure our hospitals to address needs of managed care.
 - c. We will need to "accept risk contracts" through capitation.
 - d. In addition, we need to expand primary care departments and their resources to provide more primary care education and training for the people of Texas.
 6. Historically Underutilized Businesses (HUBs): The comprehensive review of the HUB program which was initiated last August, pursuant to legislation passed by the 73rd Legislature, effective September 1, 1993, continues. The status of major tasks identified follows.

- a. Analysis of all component and System Administration purchasing programs has been completed. Results will be reviewed at the June 22-23 System Executive Officers' Retreat.
- b. Each component institution and System Administration have submitted written HUB plans which document goals, objectives, and strategies.
- c. A June 7 HUB Reporting Workshop reviewed statutory and System HUB program reporting requirements. The purpose of the workshop was to facilitate improvement of reporting systems established to satisfy such requirements. The next HUB report (FY 94) is due on September 15, 1994. We will make a report to the Board of Regents at its December meeting.
- d. Findings of the statewide disparity study are expected in December 1994, and are prerequisite to employment of race/gender-conscious strategies to correct measured disparities in utilization of HUB firms.

7. Opportunities for Women and Minorities

- a. We have established two System-wide committees, one on the status of women and one on the status of minorities, to meet and exchange ideas on ways to increase the numbers of women and minorities holding senior faculty or administrative positions and to eliminate some of the barriers that keep the pool of qualified applicants small.
- b. While we have made significant progress, we recognize that there is still much to be achieved.

8. Minority Students

- a. We are pleased with continuing efforts at the U. T. System component institutions to recruit and retain outstanding minority students.
- b. There was a 56 percent increase in Mexican-American medical school matriculants in Texas from 1991 to 1993 -- 75.7 percent of these are in U. T. System schools.
- c. The goal of the U. T. System Alliance for Minority Participation is to double the number of baccalaureate degrees earned by minorities at U. T. System institutions within the next five years (to more than 1,000) and to raise to 500 the number of minorities who enter graduate school in science, engineering, and mathematics.

- d. We have made significant progress in the numbers of degrees awarded. For example, the U. T. System had four components in the top 10 of Hispanic-American baccalaureate degrees awarded (all disciplines combined) in 1990-91. U. T. System was 1 out of the top 10, 3 out of the top 20, and 5 out of the top 50 in Hispanic-American master's degrees (all disciplines combined). U. T. Austin ranked number 2 in the United States in the number of Hispanic-American doctoral degrees awarded in all disciplines.

9. Public School Initiative

- a. The initial report has been received and will be discussed among Executive Officers for consideration in going forward to seek funding.
- b. I am confident that we will develop a plan that will permit us to have a positive impact on the public school system of Texas. If we are to achieve our goals, we must receive adequate financial support from federal, state, and private entities, and we will be approaching appropriate individuals.

10. Information Technology (Ties to CIP)

- a. Rapidly developing area.
- b. Need to have electronic access is increasing dramatically for text, video, and voice.
- c. Some of the applications include:
 - ◇ Library holdings
 - ◇ Databases
 - ◇ Distance learning
 - ◇ Telemedicine
 - ◇ Connections to public education
 - ◇ Electronic mail
 - ◇ Use of Internet
- d. Estimates indicate that \$20 million to \$25 million are needed to enable the System to:
 - ◇ Install fiber-optic connections from in-state carriers to campuses
 - ◇ Permit intercampus and intra-campus communication and System-wide training
 - ◇ Facilitate the restructuring and standardizing of administrative, academic, and business processes and procedures.

11. Library Funding

- a. U. T. Austin's library ranked fifth nationally in terms of the number of volumes. Just last week, however, it had dropped to eighth.
- b. All components have had to reduce library materials acquisitions, particularly journal subscription acquisitions.

12. South Texas/Border Initiative (STBI)

- a. As you are aware, we all worked very hard in connection with the last legislative session, and it was indeed a successful session for the U. T. System. With \$200 million appropriated for the STBI, approximately \$161 million was allocated for capital projects and \$34.5 million for programmatic enhancements at the South Texas institutions.
- b. Dr. Mario Gonzalez was appointed Associate Vice Chancellor for South Texas/Border Area Development at the System.
- c. It is our general analysis that the programmatic and capital projects are on track.
- d. We will continue monitoring the South Texas program very carefully.

13. 74th Legislature

The Legislature is coming to town shortly and there will be a great deal of support from senior elected officials to ensure that the state's higher education enterprise remains a priority for equitable state funding.

9. U. T. System: Recommended Monthly Insurance Premiums for the Self-Funded Medical and Dental Plans and Health Maintenance Organizations to be Effective September 1, 1994 (Deferred).--Committee Chairman Loeffler reported that the item related to the establishment of monthly insurance premium rates for the self-funded medical and dental plans and health maintenance organizations for employees of The University of Texas System to be effective September 1, 1994, was deferred for consideration at a future date.

10. U. T. System: Appointment of (a) Delta Dental Insurance Company, Atlanta, Georgia, as Administrative Agent for the Self-Insured Indemnity Dental Insurance Plan; (b) United Dental Care of Texas, Inc., Dallas, Texas, for a Health Maintenance Organization (HMO) Dental Insurance Plan; and (c) Caremark Prescription Service Division of Caremark Inc., Lincolnshire, Illinois, for an Outpatient Prescription Drug Service Effective September 1, 1994.--Committee Chairman Loeffler noted that supplemental material related to the proposed FY 1995 dental and prescription drug insurance programs for employees of The University of Texas System was before the Board on yellow paper.

Following a presentation by Mr. Robert E. Molloy, Director of the Employee Group Insurance Program, regarding the procedures used to review and evaluate the solicited proposals for the U. T. System employees' dental and prescription drug plans by the Employee Group Insurance Program Office, the Board approved the appointment of the following dental insurance plans and an outpatient prescription drug service for employees of the U. T. System to be effective September 1, 1994:

- a. Delta Dental Insurance Company, Atlanta, Georgia, as administrative agent for the self-insured indemnity dental insurance plan
- b. United Dental Care of Texas, Inc., Dallas, Texas, for a health maintenance organization (HMO) dental insurance plan
- c. Caremark Prescription Service Division of Caremark Inc., Lincolnshire, Illinois, for an outpatient prescription drug service.

The indemnity dental plan, administered by Delta Dental Insurance Company, will be available to all U. T. System component institutions. The dental health maintenance organization will be offered only in areas where a sufficient number of participating dental providers exists.

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 64 - 91).--Committee Chairman Holmes reported that the Academic Affairs Committee had met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders which follow were recommended by the Academic Affairs Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. Board of Regents - Regents' Rules and Regulations, Part One: Amendments to Chapter III, Section 34, Subsection 34.3 (Faculty and Staff Organizations).--In order to remove unnecessarily strict language concerning the filing of an affidavit by registered faculty and staff organizations, the Board, upon recommendation of the Academic Affairs and Health Affairs Committees, amended the Regents' Rules and Regulations, Part One, Chapter III, Section 34, Subsection 34.3 regarding faculty and staff organizations to read as set forth below:

Sec. 34. Faculty and Staff Organizations.

34.3 No organization may become registered or remain registered at a component institution as a faculty or staff organization unless the membership of the organization is restricted to the faculty or staff of that component institution.

34.31 At the time of application for registration and at the beginning of each semester that an organization is registered as a faculty or staff organization, each such organization shall file with the appropriate officer at the component institution a statement that the organization does not presently have, nor during any period of registration will it have, as a member any person who is not a member of the faculty or staff of the institution.

34.32 If the chief administrative officer of the institution, or his or her designated delegate, determines that the statements required above are false, registration shall be denied, or if it is determined that such statements have become false during any period of registration, such registration shall be cancelled.

2. U. T. System: Authorization to Establish a Consortium for the Study of Western Hemispheric Trade in Cooperation with The Texas A&M University System; Approval for Other U. T. Academic Component Institutions to Become Members of the Consortium; Authorization to Seek Designation as the Center for the Study of Western Hemispheric Trade; and Approval for the Chancellor to Execute a Cooperative Agreement.--The Academic Affairs Committee recommended and the Board:
- a. Authorized The University of Texas System to join with The Texas A&M University System to establish a Consortium for the Study of Western Hemispheric Trade with The University of Texas at Austin, The University of Texas at El Paso, Texas A&M University, and Texas A&M International University as founding members of the consortium
 - b. Authorized other U. T. System academic component institutions to become members of the consortium if eligible to join subject to prior approval by the Executive Vice Chancellor for Academic Affairs
 - c. Authorized the consortium to seek designation as the Center for the Study of Western Hemispheric Trade under the North American Free Trade Agreement (NAFTA) Implementation Act
 - d. Authorized the Chancellor to execute on behalf of the U. T. System, following review by the Executive Vice Chancellor for Academic Affairs, Presidents Berdahl and Natalicio, and the Office of General Counsel, an anticipated cooperative agreement formalizing with The Texas A&M University System the framework for the consortium with the understanding that any and all specific agreements arising from the agreement are to be submitted for prior administrative review and approval as required by the Regents' Rules and Regulations.

Section 515 of the North American Free Trade Agreement (NAFTA) Implementation Act, passed by the 103rd U. S. Congress in the Fall of 1993, authorized establishment of a Center for the Study of Western Hemispheric Trade and authorized funding of \$10 million for Fiscal Year 1994 and "such sums as may be necessary" in the three succeeding fiscal years. Although funding authorization was passed, actual funding has not yet been appropriated. The consortium would focus initial efforts on being selected as the entity to operate the Center.

The chancellors of the two University systems and the chief administrative officers of the four founding institutions would comprise the board for the consortium.

The NAFTA Implementation Act provided that the Center, among other activities, would examine issues which affect trade and other economic relations within the hemisphere, conduct studies and research projects on related subjects, conduct seminars and conferences to support and

educate representatives from countries in the Western Hemisphere who seek expanded trade opportunities within the hemisphere, provide grants, fellowships, and other financial assistance to scholars and graduate students to study at the Center, and implement academic exchange programs.

The Center is expected to be an organizational entity and programmatic unit but not a physical facility or at a specific location. In addition, the extended network of academic and business community resources will not be limited to Texas but will include universities, business organizations, and research institutions from throughout the hemisphere. Funding from private sources and other types of federal grants are also anticipated with an expectation that such funds would support consortium activities beyond the period of funding under the NAFTA Implementation Act.

3. U. T. Arlington and U. T. Austin: Permission for Dr. Dorcas D. Bowles and Dr. Robert M. Berdahl to Serve on the Board of Directors of the Texas State Commission on National and Community Service [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].--The Board approved Governor Ann Richards' appointments of Dr. Dorcas D. Bowles, Dean of the School of Social Work at The University of Texas at Arlington, and Dr. Robert M. Berdahl, President of The University of Texas at Austin, to the Board of Directors of the Texas State Commission on National and Community Service. Dr. Bowles and Dr. Berdahl will serve on this Commission without additional compensation.

These appointments are of benefit to the State of Texas, create no conflict between Dr. Bowles' position at U. T. Arlington and Dr. Berdahl's position at U. T. Austin and their service on this Commission, and are in accordance with approval requirements for positions of honor, trust, or profit provided in Chapter 574 of the Texas Government Code and Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11) of the Regents' Rules and Regulations.

4. U. T. Austin: Initial Appointments to Endowed Academic Positions in the (a) College of Business Administration, (b) School of Law, (c) College of Liberal Arts, and (d) College of Natural Sciences Effective September 1, 1994.--Upon recommendation of the Academic Affairs Committee, the following initial appointments to endowed academic positions at The University of Texas at Austin effective September 1, 1994, were approved:

- a. College of Business Administration

Dr. Laura T. Starks, Professor in the Department of Finance, to the Sarah Meadows Seay Regents Professorship in Business Administration

b. School of Law

(1) Ms. Cynthia L. Estlund, Professor in the School of Law, to the Leroy G. Denman, Jr. Regents Professorship in Real Property Law

(2) Mr. Charles M. Silver, Professor in the School of Law, to the Cecil D. Redford Professorship in Law

c. College of Liberal Arts

Dr. Larry L. Jacoby, Professor in the Department of Psychology, to the David Wechsler Regents Chair in Psychology

d. College of Natural Sciences

Dr. Henry R. Bose, Professor in the Department of Microbiology, to the Mary M. Betzner Morrow Centennial Chair in Microbiology.

5. U. T. Austin: Approval of a Third-Year Appointment of Mr. Pieter M. Schenkkan as Visiting Professor in the School of Law for the 1994-95 Academic Year [Regents' Rules and Regulations, Part One, Chapter III, Section 1, Subsection 1.8, Subdivision 1.84(a)].--The Board, upon recommendation of the Academic Affairs Committee and in accordance with Part One, Chapter III, Section 1, Subsection 1.8, Subdivision 1.84(a) of the Regents' Rules and Regulations, approved a third-year appointment of Mr. Pieter M. Schenkkan as Visiting Professor in the School of Law at The University of Texas at Austin for the 1994-95 academic year.

Mr. Schenkkan was initially appointed as a Visiting Professor in the School of Law at U. T. Austin for the 1992-93 academic year. Faculty vacancies in the School of Law and a leave of absence granted for the only member of the faculty who has expertise in Administrative Law justifies the granting of a third-year appointment of Mr. Schenkkan as a Visiting Professor.

6. U. T. Austin: Permission for Dr. William L. Fisher to Serve as a Member of the (a) National Petroleum Council and (b) Board of Directors of the Texas Low-Level Radioactive Waste Disposal Authority and for Mr. Max Sherman to Serve as a Member of the Texas Board of Human Services [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].--Permission was granted for the following individuals at The University of Texas at Austin to serve as indicated:

- a. Dr. William L. Fisher, Director of the Bureau of Economic Geology and Professor of Geological Sciences, to accept reappointment as a member of the (a) National Petroleum Council effective immediately for a term which expires on November 23, 1995, and (b) Board of Directors of the Texas Low-Level Radioactive Waste Disposal Authority for a term extending through February 1, 1999.

Dr. Fisher will serve on the Council and Authority without additional compensation.

Regent Smiley abstained from voting on Dr. Fisher's reappointment to the Board of Directors of the Texas Low-Level Radioactive Waste Disposal Authority due to a possible conflict of interest.

- b. Mr. Max Sherman, Dean of the Lyndon B. Johnson School of Public Affairs, to serve as a member of the Texas Board of Human Services.

Dean Sherman's appointment by Governor Richards, which is subject to Senate confirmation, is for a term which expires on January 20, 1999.

Mr. Sherman will serve without additional compensation other than per diem expenses allowed under the General Appropriations Act.

These appointments are of benefit to the State of Texas, create no conflict with their regular duties at U. T. Austin, and are in accordance with approval requirements for positions of honor, trust, or profit provided in Chapter 574 of the Texas Government Code and Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11) of the Regents' Rules and Regulations.

7. U. T. Austin: Authorization to Rename the Modern Dance Studio, Room 1.172 in the F. Loren Winship Drama Building, The Woody McGriff Modern Dance Studio (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2, Naming of Facilities Other Than Buildings).--In accordance with the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2, relating to the naming of facilities other than buildings, the Modern Dance Studio, Room 1.172 in the F. Loren Winship Drama Building at The University of Texas at Austin, was renamed The Woody McGriff Modern Dance Studio.

The naming of this room is to honor the late Mr. Heywood McGriff, Jr., who was Associate Professor in the Department of Theatre and Dance at U. T. Austin at the time of his death on May 8, 1994, in recognition of his distinguished service to the University and his accomplishments as a teacher, dancer, and choreographer.

See Page 111 related to the establishment of the Heywood "Woody" McGriff Endowed Presidential Scholarship in Dance.

8. U. T. Austin: Approval of Changes in Parking Permit Fees Effective with the Fall Semester 1994 (Catalog Change).--In order to provide adequate income to support construction of a parking garage on the north side of the campus, the Board approved changes in parking permit fees at The University of Texas at Austin effective with the Fall Semester 1994 as set out below:

1994-95 Fees

Faculty/Staff Permits

Class A (unreserved)	\$ 52.00
Class D (disabled)	N/A
Class F (reserved)	130.00
Class M (motorcycle)	16.00
Class O (administrator)	195.00

Special Use Permits

Class E (exercise fitness programs)	22.00
Class R (recreational sports)	N/A

Student Permits

Class A (health)	22.00
Class C (students)	22.00
Class D (disabled)	N/A
Class G (graduate students)	36.00
Class M (motorcycle)	16.00
Class JR/KR/SR (university residence halls)	130.00

Car Pool Permits

Class A/C/F (car pool)	N/A
Class P	130.00

Annual parking permit fees are prorated if purchased for the Spring Semester and/or Summer Session(s) only.

Changes in fee classifications include elimination of Class D permits since no parking permit fees are to be charged for permanently disabled persons or disabled veterans as defined by Articles 6675a-5e and 6675a-5e.1 of Vernon's Texas Civil Statutes. Class E and Class R permits have been combined into one Class E permit as experience has shown that two separate classes of permits are not necessary. A new designation of Class P has been given to car pool permits. Class JR/KR/SR permits are new for 1994-95 and will be available only to students who are residing in a campus dormitory or residence hall. Permits will be issued on a one permit per space basis

and will be valid 24 hours per day, seven days per week. JR permits will be honored in lots near Jester Center, KR in lots near Kinsolving Dormitory, and SR in lots near Simkins Dormitory.

The next appropriate catalog published at U. T. Austin will be amended to conform to this action.

9. U. T. Austin: Amendment of Article VII (Elections), Section 7.4 of the Students' Association Constitution (Regents' Rules and Regulations, Part One, Chapter VI, Section 5, Subsection 5.1, Subdivision 5.13).--Approval was given to amend Section 7.4 of Article VII (Elections) of the Students' Association Constitution at The University of Texas at Austin to read as set forth below pursuant to the Regents' Rules and Regulations, Part One, Chapter VI, Section 5, Subsection 5.1, Subdivision 5.13.

This amendment provides for runoff elections in the case of a tie vote for a Student Representative seat or for the Office of President and Vice President of the Students' Association at U. T. Austin.

STUDENTS' ASSOCIATION CONSTITUTION

THE UNIVERSITY OF TEXAS AT AUSTIN

Article VII: Elections

7.4 The candidate(s) receiving the highest number of votes for the Student Representative seat(s) available shall be certified in the respective position. If the top candidates receive a tie vote, a runoff election will occur. A candidate for President or Vice President must receive a majority of the votes cast in his or her respective race to be certified. If no candidate for President or Vice President receives a majority of votes, the two candidates receiving the highest number of votes for the respective position shall have a runoff election. The candidate receiving the highest number of votes in the runoff shall be certified in the position. In the case of a tie in the runoff for President, Vice President, or Student Representative, the current and newly elected Students' Association Representatives shall vote on the two candidates. The candidate who receives a majority of the votes of the Representatives present and voting shall be certified for the position. A Representative who serves in both assemblies is entitled to two votes. In the case of a tie, the current President shall cast the deciding vote.

10. U. T. Brownsville: Establishment of a Bachelor of Science Degree in Health Promotion and Authorization to Submit the Degree Program to the Coordinating Board for Approval (Catalog Change).--Authorization was granted to establish a Bachelor of Science degree in Health Promotion at The University of Texas at Brownsville and to submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action. The degree program is consistent with U. T. Brownsville's approved Table of Programs and institutional plans for offering quality degree programs to meet student needs.

The Bachelor of Science degree program in Health Promotion is a 129-132 semester credit hour degree to be administered by the Department of Allied Health in the School of Health Sciences. The goal of the program is to prepare health professionals to develop or reinforce positive health behaviors of individuals, groups, organizations, and communities. Graduates of the program will be prepared to teach in public schools or work in health or community service agencies. The anticipated date for enrolling the first students is Fall 1995. Enrollment of 20 students is expected in the initial class and, by the fifth year, 35 new students are projected to enroll each year.

The general admission policy of U. T. Brownsville will apply. The Health Promotion degree program will require a 60 semester credit hour general education component, a 24 hour degree base, 18 hours in health promotion courses, and 9 hours of electives. Students will also select either an 18 hour business or psychology minor or a 21 hour sequence of education courses for a health education certification.

One new Ph.D. faculty member will be hired to teach the health promotion courses and a second faculty member will be added during the fourth year of operation. Almost one-half of the upper-level curriculum will be taught from existing courses by faculty in business, kinesiology, education, nursing, or psychology. Seven appropriately credentialed current faculty are available to teach courses in these disciplines.

The first two years of the program will require financial support through the special legislative appropriation for program development. By the third year of operation, funding from formula-funded state appropriations will allow the program to be self-supporting.

Upon approval by the Coordinating Board, the next appropriate catalog published at U. T. Brownsville will be amended to reflect this action.

11. U. T. Brownsville: Establishment of a Bachelor of Science in Nursing (B.S.N.) Degree and Authorization to Submit the Degree Program to the Coordinating Board for Approval (Catalog Change).--The Academic Affairs Committee recommended and the Board established a Bachelor of Science in Nursing (B.S.N.) degree at The University of Texas at Brownsville and authorized submission of the proposal to the Texas Higher Education Coordinating Board for review and appropriate action. The degree program is consistent with U. T. Brownsville's approved Table of Programs and institutional plans for offering quality degree programs to meet student needs.

The Bachelor of Science in Nursing degree program will be administered by the Department of Nursing in the School of Health Sciences. The anticipated date for enrolling the first students in the program is Fall 1995.

The B.S.N. degree program of 65 upper-level semester credit hours includes 12 required nursing courses and one upper-division nursing elective. Applicants for the

program must be registered nurses and present an associate degree or diploma in nursing. They also must complete any deficiencies in the 60 lower-level semester credit hour university general education requirement and have a 2.5 grade point average (GPA) in required pre-nursing courses and at least a 2.0 GPA in all university-level courses.

One nursing faculty member, who will complete her doctorate in education this year, has been hired to plan and develop the program, and a second faculty member will be hired prior to August 1995. The minimum faculty qualification for teaching in the program will be a Master of Science in Nursing degree with a doctoral degree preferred. Current faculty consists of two faculty members with doctorates and two master's level instructors who will contribute their professional expertise to the program. Additional faculty members will be recruited to staff the program and provide release time for current faculty.

The first two years of the program will require financial support through U. T. Brownsville's special legislative appropriation for program development. In addition, support is expected from local health-care providers who recognize their responsibility to help alleviate the shortage of bachelor-level professional nurses. By the third year, funding from regular state appropriations and local health-care providers is expected to be sufficient to sustain the program.

Upon Coordinating Board approval, the next appropriate catalog published at U. T. Brownsville will be amended to reflect this action.

12. U. T. Brownsville: Approval of Changes in Parking Permit Fees Effective with the Fall Semester 1994 (Catalog Change).--The Board approved changes in parking permit fees at The University of Texas at Brownsville effective with the Fall Semester 1994 as set out below:

1994-95 Fees*

Parking Classifications

Class A - Faculty and Staff	\$60.00
Class B - Students	60.00
Class C - Disabled	No Charge**
Class D - Afternoon Students (access from 12:30-5:30 p.m. only)	6.00

Replacement Permits

Replacement Fee	1.00
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* Parking permit fees are prorated if purchased for the Fall, Spring, and Summer Session(s) individually. In addition, a part-time student may purchase a one-month permit for \$5.00.

** No parking permit fees are charged for permanently disabled persons or disabled veterans as defined by Articles 6675a-5e and 6675a-5e.1 of Vernon's Texas Civil Statutes.

The next appropriate catalog published at U. T. Brownsville will be amended to conform to this action.

13. U. T. El Paso: Establishment of a Master of Science in Nursing Degree in Community Health and Authorization to Submit the Degree Program to the Coordinating Board for Approval (Catalog Change).--Approval was given to establish a Master of Science in Nursing degree in Community Health at The University of Texas at El Paso and to submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action. The degree program is consistent with U. T. El Paso's mission and its plans for offering quality degree programs to meet student and regional needs.

The Master of Science in Nursing degree in Community Health builds upon current course offerings in the graduate program in the College of Nursing and Health Sciences at U. T. El Paso. The program will be a 37 semester credit hour degree, including 9 hours of nursing core curriculum, 13 hours of community health care, and 15 hours of electives. Students will also be able to apply for an optional program combining the Master of Science in Nursing, Community Health clinical specialty, with an existing Family Nurse Practitioner component by taking 8 additional semester credit hours and completing a total of 360 hours in a clinical setting. Enrollment will be limited in the Family Nurse Practitioner option because of the intensive clinical practicums associated with nurse practitioner curricula and the close supervision required of students by faculty and/or preceptors.

The degree program, which emphasizes complex community health problems and issues and allows for the mastery of a clinical specialty, builds on current course offerings in the graduate nursing program and requires intensive clinical practical experiences. Eight well qualified faculty members in the College of Nursing and Health Sciences will assist in teaching specific sections of both the Community Health and Family Nurse Practitioner programs. Additional faculty in the graduate program in nursing will provide course work in substantive and elective courses.

The degree program will require the addition of three faculty members and minimal additional resources for supplies and materials. Funding for the first three years will be provided through grants to the College of Nursing and Health Sciences. After the first three years, redirected institutional funds and formula funding will meet the requirements for new funds.

Upon approval by the Coordinating Board, the next appropriate catalog published at U. T. El Paso will be amended to reflect this action.

14. U. T. Pan American: Approval of Changes in Parking Permit and Enforcement Fees Effective with the Fall Semester 1994 (Catalog Change).--In order to meet increasing costs for parking lot maintenance and parking enforcement at The University of Texas - Pan American, changes in parking permit and enforcement fees were approved effective with the Fall Semester 1994 as set forth below:

1994-95 Fees

Parking Classifications

Class A - Reserved Parking for Full-Time Faculty and Staff	N/A*
Class B - Reserved Parking for Faculty and Staff, Excluding Teaching Assistants and Work/Study Student Employees	\$30.00
Class C - General Parking for Faculty, Staff and Students	16.00
Class D - General Parking with Some Restrictions for Students Residing in Residence Halls	N/A*
Class H - Disabled Reserved Parking for Disabled Faculty, Staff and Students	No Charge

Enforcement Fees

Citation (per violation)	10.00
Immobilizer (per violation)	20.00
Impoundment (per violation)	25.00
Unauthorized removal of immobilizer	50.00

*Discontinued

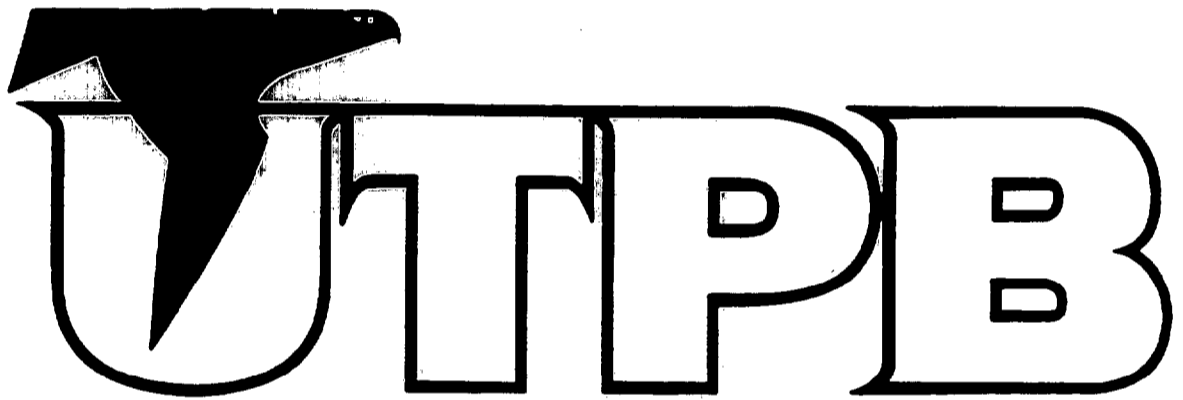
Annual parking permit fees are prorated if purchased for the Spring Semester and/or Summer Session(s) only.

It was ordered that the next appropriate catalog published at U. T. Pan American be amended to conform to this action.

15. U. T. Permian Basin: Adoption of a Logo (Regents' Rules and Regulations, Part Two, Chapter I, Section 9, Subsection 9.4).--In accordance with the Regents' Rules and Regulations, Part Two, Chapter I, Section 9, Subsection 9.4 relating to approval of official logos, the Board adopted a logo for The University of Texas of the Permian Basin as set out on Page 75.

U. T. Permian Basin has selected a logo design composed of the acronym UTPB in bold reverse letters and a stylized falcon, the institution's mascot, with a wing splitting the uprights of the letter "U." The colors black, white, and Pantone 166 Orange (PMS 166) will be used in various combinations within the logo for a variety of university applications. This design was selected from among more than 100 designs submitted for consideration by area professionals and the campus community.

The Office of General Counsel will submit the graphic representation of the logo for trademark registration.



THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN

16. U. T. Permian Basin: Appointment of Mr. Loren H. Stiles as Distinguished Fellow in the Ellen and Bill Noel Distinguished Professorship for Energy Research Effective September 1, 1994 Through August 31, 1996.--Upon recommendation of the Academic Affairs Committee, the Board appointed Mr. Loren H. Stiles, Visiting Professor in Science and Mathematics, as Distinguished Fellow in the Ellen and Bill Noel Distinguished Professorship for Energy Research at The University of Texas of the Permian Basin effective September 1, 1994 through August 31, 1996.

The Ellen and Bill Noel Distinguished Professorship for Energy Research was established by the U. T. Board of Regents at the February 1986 meeting. There has been no initial appointment to this Professorship. The appointment of a Distinguished Fellow in the Professorship for a two-year period is in the best interests of U. T. Permian Basin and is consistent with the intentions of the donors.

17. U. T. Permian Basin: Authorization to Dissolve the Center for Energy and Economic Diversification Advisory Council and to Establish the (a) Economic Development Administration University Center Advisory Council, (b) Petroleum Industry Alliance Advisory Council, and (c) Small Business Development Center Advisory Council.--On behalf of The University of Texas of the Permian Basin, the Board dissolved the Center for Energy and Economic Diversification Advisory Council and established the (a) Economic Development Administration University Center Advisory Council, (b) Petroleum Industry Alliance Advisory Council, and (c) Small Business Development Center Advisory Council. Authorized membership for the three new advisory councils will be 10, 10, and 15, respectively, pursuant to the Regents' Rules and Regulations, Part One, Chapter VII, Section 3, regarding the Advisory Councils of a Component Institution.

The Center for Energy and Economic Diversification Advisory Council was dissolved in order to establish the advisory councils for each of the three enterprises operating at that Center.

See Page 29 regarding the membership of these advisory councils.

18. U. T. Permian Basin: Approval of an Increase in the Compulsory Student Services Fees Effective with the Fall Semester 1994 (Catalog Change).--The Compulsory Student Services Fee at The University of Texas of the Permian Basin was increased from \$10.50 per semester credit hour with a maximum fee of \$126.00 per semester or summer session to \$11.50 per semester credit hour with a maximum fee of \$138.00 per semester or summer session effective with the Fall Semester 1994.

The fee increase of approximately nine percent will support a club sports program as one element of the University's plan to attract more students and has been endorsed by the Student Services Fee Advisory Committee in accordance with statutory requirements.

The next appropriate catalog published at U. T. Permian Basin will be amended to conform to this action.

19. U. T. Permian Basin: Authorization of Changes in Parking Permit Fees Effective with the Fall Semester 1994 (Catalog Change).--To build reserves for needed repairs of existing parking lots and to anticipate the need for additional parking should enrollments grow as expected, the Board authorized changes in parking permit fees at The University of Texas of the Permian Basin effective with the Fall Semester 1994 as set out below:

1994-95 Fees

Parking Permits and Fees

Administration	N/A
Underground North (Reserved-Senior Administration)	\$70.00
Underground South (Reserved-Other Administration and Eligible Faculty)	50.00
Faculty/Staff	N/A
Faculty-Reserved	35.00
Other Faculty/Staff	25.00
Students	21.00
Motorcycles, motorscooters, mopeds, and motor-assisted bicycles	21.00
Temporary (monthly)	3.00
Replacement or additional vehicle permit	5.00

Annual parking permit fees are prorated if purchased for the Spring Semester and/or Summer Session(s) only.

The next appropriate catalog published at U. T. Permian Basin will be amended to conform to this action.

20. U. T. Permian Basin: Approval to Increase the Rates for University Housing Effective with the Fall Semester 1994 (Catalog Change).--In order to cover increases in annual operating costs, including electric utility rates, and costs associated with anticipated renovations of the housing units, a ten percent increase in the rates for University housing at The University of Texas of the Permian Basin was approved to be effective with the Fall Semester 1994 as set out on Page 78.

The University of Texas of the Permian Basin
Housing Rate Schedule for 1994-95

	<u>1994-95 Monthly Rates*</u>
Efficiency Units	\$165
Single Bedroom Apartment	275
Double Bedroom Apartment	385
Security Deposit	75**
Trailer Space Rental	N/A

* Includes electricity

** One-time charge

It was ordered that the next appropriate catalog published at U. T. Permian Basin be amended to reflect this action.

21. U. T. San Antonio: Authorization of an Increase in the Maximum Compulsory Student Services Fee Effective with the Fall Semester 1994 (Catalog Change).--The Board, upon recommendation of the Academic Affairs Committee, approved an increase in the maximum amount collected for the Compulsory Student Services Fee at The University of Texas at San Antonio from \$118 per semester or summer session to \$128 per semester or summer session to be effective with the Fall Semester 1994. The per credit hour amount will remain at \$12 per semester credit hour.

The increase in the maximum fee, which was endorsed by the Student Services Fee Advisory Committee in accordance with statutory requirements, will be used to continue efforts to maintain and enhance the quality and availability of a broad range of services which are required for a growing student body.

The next appropriate catalog published at U. T. San Antonio will be amended to conform to this action.

22. U. T. San Antonio: Approval of a Teaming Agreement with DynCorp Viar Inc. (DynCorp), Alexandria, Virginia, and Authorization for Component President to Execute Agreement.--The teaming agreement set out on Pages 80 - 86 by and between The University of Texas at San Antonio and DynCorp Viar Inc. (DynCorp), Alexandria, Virginia, was approved without objection.

Further, President Kirkpatrick was authorized to execute the agreement with the understanding that any and all specific agreements arising from the teaming agreement are to be submitted for prior administrative review and approval as required by the Regents' Rules and Regulations.

DynCorp will submit a proposal to the Air Force Center for Environmental Excellence (AFCEE) in response to AFCEE's request for proposals for a General Systems Engineering and Integration Services project. DynCorp and U. T. San Antonio wish to cooperate in preparing and

submitting the proposal to AFCEE, and the proposal will identify U. T. San Antonio as the subcontractor. The teaming agreement will have a term of thirty-six (36) months unless superseded by a contract for the project resulting from the proposal to be submitted to AFCEE or unless terminated otherwise.

TEAMING AGREEMENT

DynCorp **Viar** Inc. and UTSA

PREAMBLE

This Teaming Agreement (hereinafter "Agreement") is entered into by and between:

Dyn Corp Viar Inc., a Virginia corporation, with an office located at 300 North Lee Street, Alexandria, Virginia 22314, and

University of Texas at San Antonio, a state institution, **hereinafter called "UTSA"**, with an office located at The University of Texas at San Antonio, Institute for **Research** in Science and Engineering, San Antonio+, Texas 78249-0661. DynCorp Viar and **UTSA** are **hereinafter** referred to as "the parties. "

I. RECITALS

1.01 The Air Force Center for Environmental **Excellence** (AFCEE) is planning to issue a Request For **Proposal** (the "RFP") for General Systems **Engineering and** Integration Services (GSE & I) (the "Project.")

1.02 The **parties** have **complementary skills and capabilities** which, taken together, would allow the parties to **perform the** Project.

1.03 **The parties** wish to **form** a teaming **arrangement and** to define their respective rights, duties **and obligations thereunder.**

II. OBJECTIVE AND DURATION

2.01 **The** objective of the teaming hereunder shall be to **cooperate** in preparing and submitting a proposal, in **attempt** to obtain **the** award of a contract for tk Project resulting from the RFP.

2.02 The parties agree that DynCorp Vii **will** prepare data **required** for any proposals, integrate the **data furnished** by UTSA and submit the proposal as prime contractor with UTSA identified in the proposal as the subcontractor to provide services specifically **identified** after RFP release, but contributing **primarily** to services as described in **Attachement** A.

2.03 The duration of this Agreement shall be from the **effective date hereof**, until the **occurrence** of the **earliest** of the following events (subject, however, to the provisions of paragraph 3, Attachment B hereto):

- a) Cancellation of the RFP by the Government.
- b) Award to another contractor or contractor team of contract resulting from the RFP.
- c) The award to DynCorp Viar of a contract resulting from the RFP, and the execution by the parties of a mutually acceptable subcontract with UTSA for its performance responsibilities in the Project;
- d) Mutual **consent** of the parties to terminate this Agreement.
- e) Lapse of 36 months from the effective date of this **agreement**.
- f) The indictment, suspension or debarment by the Government of either party.

III. PROPOSAL PREPARATION

3.01 DynCorp Viu shall have **primary** responsibility for the preparation of all technical and nontechnical aspects of the **proposal** including but not limited to:

- a) Marketing, **and promotional** effort;
- b) **Proposal content, assembly** and production;
- c) **Liaison** with **government** customer **personnel**;
- d) Oral **discussions** and negotiations, if held.

3.02 UTSA shall contribute to the preparation of the proposal to the extent **necessary** to **assure** the inclusion of a thorough and accurate description of its responsibilities in the Project. Notwithstanding the provisions of paragraph 3.01 **preceding**, **UTSA** shall be entitled to participate in oral discussions concerning its contributions to the proposal and shall at all times be entitled to receive, upon reasonable request, documentation and information concerning oral discussions and negotiations between DynCorp Viu and the Government. Further, DynCorp **Viar** will in no way modify the **proposal** during discussions or negotiations so as to either increase the risk of performance to, or decrease potential cost or fee recovery by UTSA unless UTSA specifically approves.

3.03 The respective parties shall contribute to the proposal effort as follows:

- a) DynCorp Viar: Primary responsibility for proposal management and preparation.
- b) UTSA: Proposal (technical, business and pricing) strategy; **resumes, project descriptions**, and other boilerplate, technical proposal contributions in proportion to the anticipated work assigned; UTSA cost proposal preparation and submission; proposal review; reasonable post **submission** activities **as requested** by DynCorp Viar such **as** response to questions, oral discussions, **and** BAFO.

3.04 Subcontractor agrees to give consent to the Customer to disclose past performance information on the Subcontractor to the Prime when such information is a part of proposal negotiations leading to proposal clarifications, revised proposal, and/or best and final offer.

3.05 UTSA agrees to coordinate pricing factors used in its cost proposal with DynCorp Viar in order to **present a best** value bid to the customer.

3.06 The parties shall carry out the preparation of the proposal and the conduct of all negotiations and pricing, in **accordance** with all applicable laws and regulations governing the RFP and the award of contracts thereunder.

3.07 Except **as** may **otherwise be** agreed in writing by the parties, each of **the** parties shall bear its own expenses for **its** own performance of proposal and related work.

IV. **FORMATION OF A PERFORMANCE ENTITY**

4.01 Should DynCorp Viat be awarded the prime contract as a result of this Agreement, the parties agree to enter into good **faith negotiations** intending to culminate in a subcontract to **be** awarded to UTSA for **its area of interest identified** in Attachment A, subject to necessary government approvals. **required flow-down clauses** and **negotiation** of terms and conditions.

V. **GENERAL PROVISIONS**

5.01 No announcement, release or other disclosure of information relating to this Agreement **shall** be made except by specific written agreement of the parties.

5.02 In the event that a Receiver, Trustee in **Bankruptcy**, or other **Custodian** of the property or assets of a party hereto is appointed, or if either party hereto commits an act of bankruptcy or is adjudicated bankrupt or insolvent, the other party may if permissible under prevailing law, forthwith by **service** of notice in writing upon the other party, terminate the rights of the former party to participate further in this Agreement.

5.03 This Agreement shall not constitute, create or in any way be interpreted as a joint venture, **partnership** or **formal** business **organization** of **any kind**. Neither party may assign or transfer its **interests under this** Agreement without the written **consent** of the other party hereto except that **DynCorp Viar** shall have the right to **assign** its responsibilities under this Agreement to any division, subsidiary or **affiliate** thereof.

5.04 The efforts of the parties relating to **the RFP** shall be exclusive to this Agreement, and neither party shall pursue the RFP either independently or in concert with any additional party. In the event that the Government directs **any change** affecting this Agreement in any material respect, this **Agreement** shall be modified **in accordance with** such direction; **and** the exclusivity of effort described above shall continue to exist, except as the Government may specifically prescribe, provided, however, that in no event shall this provision be **construed** as a **contract** for the benefit of third parties.

5.05 **The parties** agree that they shall not, **during** the term of this **Agreement**, or during the term of **any resulting contract** or subcontract, or extension or modification thereof, or for a **period** of 90 days after, solicit to employ the **personnel of any** other party to this Agreement without the express written **consent of that party**.

5.06 **Any** modifications or extensions to the **contract** or Project awarded pursuant to this **Agreement shall be deemed to be** covered by this Agreement and any resulting subcontract. All other work **arising outside the contract awarded pursuant to this Agreement shall** be deemed to be outside the scope of this **Agreement**.

5.07 **Attachment** B hereto, entitled "Proprietary Agreement Provisions", is **incorporated by reference**.

5.08 **This Agreement is** the entire **agreement among** the parties and supersedes any prior oral or **written agreement** or **understanding**. **Changes** to this **Agreement, to be** effective, must be in writing and executed by the **parties**.

5.09 Notices shall be deemed **given** hereunder when received or, if mailed by prepaid certified or registered mail return receipt requested, five days after **mailing**. Notices shall be addressed to the **signatories** of this **Agreement** at the addresses specified in the PREAMBLE above. Either party may change its **point of contact** by written notice to the **other**.

5.10 Irrespective of the **place** of performance, this Agreement will be construed and interpreted according to the federal common law of government contracts as enunciated and applied by federal **judicial** bodies, Boards of Contract Appeals, and quasi-judicial agencies of the federal government. To the extent **that** the federal common law of government contracts is not dispositive, the laws of the State of Texas shall apply.

VI. EXECUTION AND EFFECTIVITY

6.01 The parties have executed this Agreement on the dates entered below. The Agreement may be executed in two or more counterparts.

6.02 This Agreement is effective as of the last date entered below.

DynCorp Viar Inc.

Date: _____

By: _____

Edward R. **Saltzberg**, Ph.D.
Senior Vice President

Date: _____

By: _____

ATTACHMENT A

AFCEE **GSE&I** TEAMING AGREEMENT: DYNCORP **VIAR** AND **UNIVERSITY** OF TEXAS AT SAN ANTONIO **(UTSA)**

STATEMENT OF WORK

It is intended that **UTSA's** primary area of **contribution** will be in support of tasks requiring specialized engineering expertise relative to issues of Air Force **environmental** program or site matters. Additionally, DynCorp Vii may call upon **UTSA** when indicated by **workload or necessary** expertise **for** support across any of the AFCEE **GSE&I** SOW areas. **Dependant** upon **the labor rates provided** by **UTSA** to DynCorp Viar, it is DynCorp Viar's intent that **UTSA** will provide **approximately 1-3 manyears** of the Level of Effort ordered under the contract placed with DynCorp Vii, provided the **UTSA's** contract **performance** is consistent with the subcontract agreement **with** DynCorp Vii **and compliant** with the terms of the task orders placed with **UTSA**.

ATTACHMENT B

PROPRIETARY DATA PROVISIONS

1. No party to this Agreement shall use, for any purpose not **connected** with the RFP, the Project, or this Agreement, any data, as hereafter **defined** ("Data") or divulge such Data to any person or entity other than appropriate Government agencies to which proposals **or** reports must be submitted in connection with project performance. The foregoing limitations shall not apply to the disclosure or use of any portion of such Data which:

- a) **The** receiving party can demonstrate by written evidence was already known to it, prior to receiving it from **the** other party; or
- b) Prior to the time of its disclosure hereunder to any party, has been published or **otherwise made freely** available to the general public; or
- c) Subsequent to its disclosure hereunder to any other party is independently **thereafter** rightfully made available on an unrestricted basis to the public or the receiving party by **the** disclosing party or by another authorized party; or
- d) Is **independently** developed by the receiving party.

For **purposes** of this Agreement, the term Data is defined to mean any technical information, **program** or systems **concept**, financial information **or** any other information disclosed to it by the other party in **connection** with **the performance** of this Agreement. Nothing herein shall restrict a party from disclosing any portion of such **Data** on a **restricted** basis pursuant to a judicial or other **lawful** Government order, but only to **the extent of such order**.

2. No **license to** the: **other** party, **under** any trademark, patent or copyright, domestic or **foreign**, is either granted or **implied** by **the conveying** of Data to a party. None of the information which may be submitted or **exchanged by the parties shall constitute** any representation, warranty, assurance, guarantee or inducement **by a party to the other with respect to the infringement** of trademarks, patents, copyrights or other rights of third persons.

3. Notwithstanding any other portions of this Agreement, **the** obligations of **this** Attachment B shall continue for a **period** of ten (10) **years** from the effective date of this Agreement.

23. U. T. San Antonio and U. T. Health Science Center - San Antonio: Approval of Membership in the San Antonio International Education Consortium, San Antonio, Texas, and Authorization for Component Presidents to Execute Consortium Agreement.--The Board, upon recommendation of the Academic Affairs and Health Affairs Committees, granted approval for The University of Texas at San Antonio and The University of Texas Health Science Center at San Antonio to become members of the San Antonio International Education Consortium, San Antonio, Texas.

Further, Presidents Kirkpatrick and Howe were authorized to execute the consortium agreement set out on Pages 88 - 90 with the understanding that any and all specific agreements arising from the agreement are to be submitted for prior administrative review and approval as required by the Regents' Rules and Regulations.

The consortium agreement for the San Antonio International Education Consortium is designed to encourage and facilitate cooperative activities among several institutions in San Antonio, Texas.

SAN ANTONIO INTERNATIONAL, EDUCATION CONSORTIUM AGREEMENT.

THIS AGREEMENT is entered into by and between The University of Texas at San Antonio, St. Mary's University, Our Lady of the Lake University, Trinity University, Incarnate Word College, San Antonio College, San Antonio Independent School District, and The University of Texas Health Science Center at San Antonio, (referred to collectively as the "Parties").

WHEREAS, The University of Texas at San Antonio, St. Mary's University, Our Lady of the Lake University, Trinity University, Incarnate Word College, San Antonio College, San Antonio Independent School District, and The University of Texas Health Science Center at San Antonio, recognize, encourage and support continuing development of our international community;

WHEREAS, all Parties agree that it would be mutually beneficial to promote increased cooperation between those involved in offering international studies and programs.

NOW THEREFORE, the Parties agree to form a group called the San Antonio International Education Consortium (SAIEC). The Parties further agree as follows:

Purpose.

The purpose of the SAIEC would be as follows:

- to discuss and work together, when agreed it is mutually beneficial, in responding to grant applications involving international education.
- to develop a resource data bank of San Antonio organizations and individuals involved in international activities;
- to discuss and investigate the feasibility of cooperative foreign study programs; and
- to discuss reports and publications that would advance international interests in the San Antonio area.

Scope.

This Agreement is not intended, and shall not be interpreted to create legal rights and obligations between or among any of the Parties. If any such rights or obligations are to be created relative to any cooperative activity alluded to in this agreement, they must be created by specific, separate written agreements between or among the Parties involved in those agreements, each of which agreements shall recite that the intention of the parties is to create rights and obligations which shall be legally binding upon the Parties as stated therein. The San Antonio International Education Consortium referred to herein shall not

be deemed to be a legal entity, or have the power to have legal relationships with entities; rather, the Consortium is and shall be deemed to be merely an informal discussion group whose purpose is to encourage and facilitate cooperative activities among the Parties.

Representatives.

Each Party will designate a representative who will communicate with and provide information to the respective Party regarding proposed cooperative activities. It is understood that any proposed cooperative activities must be the subject of specific agreements as stated above.

Term of Agreement.

This Agreement shall be for a period of one (1) year. Any Party may terminate its participation on thirty (30) days written notice.

Addition of Consortium Members.

Consortium membership may be expanded by amendments to this basic Agreement. Application for membership shall be made in writing by any non-commercial organization. Membership may be approved by all current parties concurring in writing with such amendments being attached to this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement on _____ (date).

The **University of Texas at San Antonio**

The **University of Texas Health Center at San Antonio**

By: _____
Dr. Samuel A. Kirkpatrick, President
6900 North Loop 1604 West
San Antonio, Texas 78249-0601

By: _____
Dr. John Prentice Howe III, President
7703 Floyd Curl Drive
San Antonio, Texas 78284

St. Mary's university

San Antonio college

By: _____
Rev. John J. Moder, President
One Camino Santa **Maria**
San Antonio, Texas 78228

By: _____
Dr. Ruth **Burgos-Sasscer**, President
1300 San Pedro Avenue
San Antonio, Texas

Incarnate Word College

San Antonio Independent School District

By: _____
Dr. Louis J. Agnese, Jr., President
4301 Broadway
San Antonio, Texas 78209

By: _____
Superintendent
141 Lavaca Street
San Antonio, Texas 78210

Our Lady of the Lake **University**

Trinity University

By: _____
Sr. Elizabeth **A.** Sueitenfuss, President
411 S. 24th Street
San Antonio, Texas 78207

By: _____
Dr. Ronald K. **Calgaard**, President
715 Stadium Drive
San Antonio, Texas 78212-7200

24. U. T. Tyler: Establishment of an Arts and Performance Center Fee Effective with the Fall Semester 1994 (Catalog Change).--In October 1985, the Board initially authorized a new Liberal Arts Complex at The University of Texas at Tyler as part of the Capital Improvement Plan and approved a private fund campaign in August 1987.

In 1989, the 71st Legislature added Section 54.534 to the Texas Education Code thereby authorizing the U. T. Board of Regents to charge a student fee for the purpose of "financing, constructing, operating, maintaining, and improving" an arts and performance center for U. T. Tyler. The amount of the fee was established at \$20.00 per student per semester and \$10.00 per student for each term of the summer session with a provision that the fee could be increased to a maximum of \$30.00 per student per semester and \$15.00 per student per each term of the summer session upon approval by a majority vote of students participating in a general election.

In compliance therewith, an Arts and Performance Center Fee was established at U. T. Tyler effective with the Fall Semester 1994 to be assessed at the rate of \$20.00 per student for each regular semester and \$10.00 per student for each term of the summer session for funding operations of an arts and performance center.

The authorizing statute also provides that the proceeds from the fee are to be under the control of and be subject to the order of an Arts and Performance Complex Advisory Committee composed of nine members with a minimum of four students who are enrolled for at least six semester credit hours. The other five members are to be appointed by the president and are to be representative of the University community. The statute provides that the Committee is to submit an annual budget to the president for submission via the regular institutional budget for consideration and approval by the U. T. Board of Regents.

The next appropriate catalog published at U. T. Tyler will be amended to reflect this action.

See Page 105 related to the Liberal Arts Complex at U. T. Tyler.

25. U. T. San Antonio: Request for Exception to Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.1 and Approval to Name a Building (Deferred).--Committee Chairman Holmes noted that since the distribution of the Material Supporting the Agenda an additional item had been posted with the Secretary of State and was before the Board on yellow paper. He reported that this item, which related to the proposed naming of the Exhibits Building housing the U. T. Institute of Texan Cultures - San Antonio at The University of Texas at San Antonio in honor of John B. Connally, was deferred for consideration at a future meeting.

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE (Pages 92 - 95).--Committee Chairman Ramirez reported that the Health Affairs Committee had met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders which follow were recommended by the Health Affairs Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. Southwestern Medical Center - Dallas: Appointment of Initial Holders to Endowed Academic Positions - (a) Eli Glatstein, M.D., to The Nancy B. and Jake L. Hamon Distinguished Chair in Therapeutic Oncology Research and (b) Rodney James Rohrich, M.D., to the Crystal Charity Ball Distinguished Chair in Plastic Surgery Effective Immediately.--Approval was granted for the following initial appointments to endowed academic positions at The University of Texas Southwestern Medical Center at Dallas effective immediately:

- a. Eli Glatstein, M.D., Professor and Chairman of the Department of Radiation Oncology, to The Nancy B. and Jake L. Hamon Distinguished Chair in Therapeutic Oncology Research

See Page 115 related to the establishment of this Chair.

- b. Rodney James Rohrich, M.D., F.A.C.S., Professor and Chairman of the Division of Plastic & Reconstructive Surgery, to the Crystal Charity Ball Distinguished Chair in Plastic Surgery.

See Page 114 related to the establishment of this Chair.

2. U. T. Southwestern Medical Center - Dallas: Approval of Changes in Parking Permit Fees Effective September 1, 1994 (Catalog Change).--In order to facilitate the building of additional parking facilities, the Board approved changes in annual parking permit fees at The University of Texas Southwestern Medical Center at Dallas effective September 1, 1994, as set out below:

<u>Parking Permit Fee</u>	<u>Range of 1994-95 Fees</u>
Faculty	\$200 - \$800
Volunteer Faculty	5
Classified Employees	50 - 100
Students	40

Annual parking permit fees are prorated if purchased for less than one year. No parking permit fees are charged for permanently disabled persons or disabled veterans as defined by Articles 6675a-5e and 6675a-5e.1 of Vernon's Texas Civil Statutes.

The range in fees for faculty and classified employees reflects the difference between garage parking and more remote open lot parking.

The next appropriate catalog published at the U. T. Southwestern Medical Center - Dallas will be amended to conform to this action.

3. U. T. Medical Branch - Galveston: Appointment of Robert M.A. Hirschfeld, M.D., Initial Holder of The Titus Harris, M.D. Endowed Professorship in Psychiatry Effective September 1, 1994.--Authorization was given to appoint Robert M.A. Hirschfeld, M.D., Professor and Chairman of the Department of Psychiatry and Behavioral Sciences, as initial holder of The Titus Harris, M.D. Endowed Professorship in Psychiatry at The University of Texas Medical Branch at Galveston effective September 1, 1994.

See Page 117 related to the establishment of this Professorship.

4. U. T. Health Science Center - San Antonio: Permission for Ms. Linda C. Lopez to Serve on the Statewide Health Coordinating Council [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].--Permission was granted for Ms. Linda C. Lopez, Assistant Professor of Nursing at The University of Texas Health Science Center at San Antonio, to serve on the Statewide Health Coordinating Council for a term to expire on August 31, 1995. Ms. Lopez will receive no compensation for her service on this Council.

Governor Richards' appointment of Ms. Lopez to this Council is of benefit to the State of Texas, creates no conflict with her regular duties at the U. T. Health Science Center - San Antonio, and is in accordance with approval requirements for positions of honor, trust, or profit provided in Chapter 574, Texas Government Code, and the Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11).

5. U. T. Health Science Center - San Antonio (U. T. Allied Health Sciences School - San Antonio): Approval to Offer a (a) Bachelor of Science Degree in Dental Hygiene and (b) Master of Science Degree in Dental Hygiene within the Department of Dental Hygiene and Authorization to Submit These Degree Programs to the Coordinating Board for Approval (Catalog Change).--Recognizing the national trend to upgrade the quality and professional competence of dental related allied health personnel, as well as to produce faculty associated with these increased requirements, the Board broadened the scope of the Dental Hygiene program in the U. T. Allied Health Sciences School - San Antonio at The University of Texas Health Science Center at San Antonio by authorizing a Bachelor of Science Degree in Dental Hygiene and a Master of Science Degree in Dental Hygiene within the Department of Dental Hygiene and authorized submission of these degree programs to the Texas Higher Education Coordinating Board for approval.

While the Certificate Program in Dental Hygiene at the U. T. Allied Health Sciences School - San Antonio will continue, the number of entering students will be reduced from 48 to 32. This will allow some faculty in the Department of Dental Hygiene to be reassigned to teach baccalaureate and masters level courses rather than provide clinical coverage for the certificate students. The baccalaureate degree program will provide an opportunity for licensed dental hygienists who have a certificate or associate degree to earn a Bachelor of Science degree within the discipline of Dental Hygiene.

The baccalaureate degree program will begin in the Fall of 1995 with an enrollment of 12 students. Students will enter the program having completed a minimum of 50 semester hours in a Certificate/Associate Dental Hygiene program. The undergraduate course work will include prescribed courses in English, History, Government, Mathematics, and Biology comprising 51 semester hours of General Education requirements, which can be taken at community colleges or other universities. Dental Hygiene core courses will be taken by all baccalaureate students. Dental Hygiene major courses can be selected from Dental Hygiene, Dental Science, and Basic Science electives. Admission to this baccalaureate degree program will require graduation with a minimum 2.8 GPA from an accredited Dental Hygiene program, successful completion of the Dental Hygiene National Board Examination, and current licensure as a dental hygienist in any state in the United States or Canada.

The masters level degree program will begin in the Fall of 1996 with the enrollment of four students and will be the responsibility of faculty with the U. T. Dental School - San Antonio and the U. T. G.S.B.S. - San Antonio. The Master of Science in Dental Hygiene degree will be awarded upon the satisfactory completion of a minimum of 36 semester hours of graduate level courses, successful completion of the thesis, and fulfillment of all other requirements outlined by the Committee on Graduate Studies of the U. T. Allied Health Sciences School - San Antonio and the U. T. G.S.B.S. - San Antonio. The core curriculum consists of four new dental hygiene courses, one existing biostatistics course, and two existing oral surgery courses.

Since the Bachelor of Science and Master of Science in Dental Hygiene degree programs will be implemented by reducing the number of students admitted in the Certificate Program and will be a cooperative effort by the faculty of the Department of Dental Hygiene, the U. T. Dental School - San Antonio, and the U. T. G.S.B.S. - San Antonio, no additional faculty or facilities will be needed. No change in the organizational structure of the Dental Hygiene Department will be necessary and no additional state funds will be required to support these programs.

These programs are consistent with the U. T. Health Science Center - San Antonio Strategic Plan and Role and Scope statement.

Upon approval by the Coordinating Board, the next appropriate catalog published at the U. T. Health Science Center - San Antonio will be amended to reflect these actions.

6. U. T. Health Science Center - San Antonio (U. T. Allied Health Sciences School - San Antonio): Approval to Offer a Bachelor of Science Degree in Dental Laboratory Sciences within the Department of Dental Laboratory Technology and Authorization to Submit the Proposal to the Coordinating Board for Approval (Catalog Change).-- Authorization was given to change the scope of the Dental Laboratory Technology program in the U. T. Allied Health Sciences School - San Antonio at The University of Texas Health Science Center at San Antonio to offer a Bachelor of Science Degree in Dental Laboratory Sciences and to submit the proposal to the Texas Higher Education Coordinating Board for approval.

The U. T. Allied Health Sciences School - San Antonio is currently authorized to award a Certificate in Dental Laboratory Technology. The Certificate Program, currently the only fully accredited two-year civilian program in Dental Laboratory Technology in the state, will be continued and completion of that program will be a prerequisite for candidates for the B.S. degree.

The program will begin in the Fall of 1996 with the enrollment of 12 students and with the anticipation that 24 students will be enrolled in the B.S. program each year by 2000. The Department of Dental Laboratory Technology will continue to enroll approximately 24 students each year in the Certificate Program. Admission to the B.S. degree program in Dental Laboratory Sciences will require graduation from an accredited two-year dental laboratory program with a 2.5 GPA and completion of a minimum of 35 semester hours of General Education requirements with an overall GPA of 2.5 or better.

Since the Bachelor of Science in Dental Laboratory Sciences will be implemented by reducing the number of students admitted into the Certificate Program, no additional faculty or facilities will be needed. No change in the organizational structure of the Dental Laboratory Technology Department and no additional state funds will be required to support the program.

The program is consistent with the U. T. Health Science Center - San Antonio Strategic Plan and Role and Scope statement.

Upon Coordinating Board approval, the next appropriate catalog published at the U. T. Health Science Center - San Antonio will be amended to reflect this action.

7. U. T. M.D. Anderson Cancer Center: Appointment of Richard J. Babaian, M.D., as Initial Holder of the Blanche Bender Professorship in Cancer Research Effective Immediately.--The Board, upon recommendation of the Health Affairs Committee, appointed Richard J. Babaian, M.D., Professor of Urology at The University of Texas M.D. Anderson Cancer Center, as initial holder of the Blanche Bender Professorship in Cancer Research effective immediately.

REPORT AND RECOMMENDATIONS OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE (Pages 96 - 106).--Committee Chairman Temple reported that the Facilities Planning and Construction Committee had met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, all actions set forth in the Minute Orders which follow were recommended by the Facilities Planning and Construction Committee and approved in open session and without objection by the U. T. Board of Regents.

At the outset of the Committee report, Committee Chairman Temple called on Executive Vice Chancellor Burck who introduced Dr. James A. (Jim) Broaddus, the new Director of The University of Texas System Office of Facilities Planning and Construction.

Mr. Burck reported that the U. T. System conducted a nationwide search for the Director of the Office of Facilities Planning and Construction and Dr. Broaddus was selected from a field of some 700-800 applicants. He noted that Dr. Broaddus earned both a B.S. and M.S. degree in Civil Engineering from The University of Texas at Austin and then spent twenty years in the U. S. Navy engaged in planning, design, and construction of shore facilities. In 1990, Dr. Broaddus returned to U. T. Austin to work on his Ph.D., which was earned in 1991. Since 1991, Dr. Broaddus had held the position of Associate Director of the Construction Industry Institute, an industry educational and research organization closely affiliated with the U. T. Austin Department of Civil Engineering.

1. U. T. System Administration - Parking Structure (Project No. 101-816): Approval to Increase Total Project Cost.--The Board approved an increase in the total project cost for The University of Texas System Administration - Parking Structure from \$800,000 to \$1,179,282 with previous project funding of \$700,000 in Revenue Financing System Bond Proceeds and \$100,000 in Building Rental Income and additional project funding of \$278,282 in Interest on Service and Revolving Funds and \$101,000 in Unexpended Plant Funds.

The Project Engineer recently completed a detailed cost estimate prior to completing final plans and specifications and that estimate indicated a cost increase of approximately \$278,282 due to additional foundation requirements, a constricted site, and the addition of security items. In addition, the demolition for the existing drive-in bank has been included in the base bid in the amount of \$101,000 and will be funded by the previous lessee of the property, Texas Commerce Bank.

This project, which amends the FY 1994-1999 Capital Improvement Plan and the FY 1994 Capital Budget, was approved by the Texas Higher Education Coordinating Board in January 1994, and was resubmitted on May 16, 1994, for Special Approval to increase the total project cost from \$800,000 to \$1,179,282.

2. U. T. Austin - Campus Master Plan: Request for Project Authorization; Appointment of Project Architect; and Appropriation Therefor (Deferred).--Committee Chairman Temple reported that the item related to a proposed campus master plan for The University of Texas at Austin was deferred for consideration at a later date.

3. U. T. El Paso - Classroom and Faculty Office Building (Project No. 201-806): Approval of Preliminary Plans; Authorization to Prepare Final Plans and Specifications; Submission of the Project to the Coordinating Board; and Appropriation Therefor.--Following opening remarks by President Natalicio, the preliminary plans and specifications for the Classroom and Faculty Office Building at The University of Texas at El Paso were presented to the Facilities Planning and Construction Committee by Mr. David A. Alvidrez, representing the Project Architect, Alvidrez Associates Inc., El Paso, Texas.

Based on this presentation, the Board, upon recommendation of the Facilities Planning and Construction Committee:

- a. Approved preliminary plans and specifications for the Classroom and Faculty Office Building at U. T. El Paso at an estimated total project cost of \$15,000,000
- b. Authorized preparation of final plans and specifications
- c. Authorized submission of the project to the Texas Higher Education Coordinating Board
- d. Appropriated an additional \$300,000 from Tuition Revenue Bond Proceeds issued under the Revenue Financing System for fees and administrative expenses through completion of final plans. Previous appropriations had been \$300,000 from Tuition Revenue Bond Proceeds.

This project is included in the FY 1994-1999 Capital Improvement Plan and the FY 1994 Capital Budget to be funded by \$15,000,000 from Tuition Revenue Bond Proceeds.

Committee Chairman Temple commended the Project Architect for maintaining the current Bhutanese architecture of the campus and noted that the rendering of the building was "beautiful."

4. U. T. El Paso - Liberal Arts/Science Renovation Projects - Liberal Arts Building Renovation: Authorization for Project; Appointment of Carl Daniel Architects, El Paso, Texas, as Project Architect to Prepare Preliminary Plans; and Appropriation Therefor.--The Facilities Planning and Construction Committee recommended and the Board:
- a. Authorized a project for the Liberal Arts/ Science Renovation Projects - Liberal Arts Building Renovation at The University of Texas at El Paso at an estimated total project cost of \$2,511,000 to be funded from Tuition Revenue Bond Proceeds
 - b. Appointed the firm of Carl Daniel Architects, El Paso, Texas, as Project Architect to prepare preliminary plans and a cost estimate to be presented to the U. T. Board of Regents for consideration at a future meeting
 - c. Appropriated \$70,000 from Tuition Revenue Bond Proceeds issued under the Revenue Financing System for fees and administrative expenses through completion of preliminary plans.

The 73rd Session of the Texas Legislature authorized the financing of the Liberal Arts/Science Renovation Projects at U. T. El Paso through Tuition Revenue Bond Proceeds in the amount of \$8,000,000 as a part of the South Texas/ Border Initiative. The \$8,000,000 will be divided among several campus buildings housing Liberal Arts and Science programs.

The Liberal Arts Building, which was built in 1961 and has had 33 years of heavy use as the largest classroom facility on the campus, has the highest daily volume of student traffic of any academic building on campus. The building structure has not had any significant alterations or improvements since its construction until phased remodeling was initiated three years ago. The scope of this remodeling project will consist primarily of modifying the building to meet current code requirements, upgrading the HVAC system, replacing the interior finishes, and replacing the existing windows and store fronts.

This project is included in the FY 1994-1999 Capital Improvement Plan and the FY 1994 Capital Budget to be funded by Tuition Revenue Bond Proceeds.

5. U. T. El Paso - Liberal Arts/Science Renovation Projects - Old Main Building Renovation (Project No. 201-819): Approval to Increase Total Project Cost; Approval of Final Plans and Specifications; Authorization to Advertise for Bids and for the Executive Committee to Award Contracts; Additional Appropriation Therefor; and Approval of Use of Revenue Financing System Parity Debt, Receipt of Certificate, and Finding of Fact with Regard to Financial Capacity.--The Board, upon recommendation of the Facilities Planning and Construction Committee:
- a. Approved an increase in the authorized total project cost for the Liberal Arts/Science Renovation Projects - Old Main Building Renovation at The University of Texas at El Paso from \$1,689,000 to \$1,989,000
 - b. Approved final plans and specifications for the project within the authorized total project cost of \$1,989,000
 - c. Authorized the Office of Facilities Planning and Construction to advertise for bids upon completion of final review and the Executive Committee to award all contracts associated with this project within the authorized total project cost
 - d. Appropriated an additional \$1,889,000 from Tuition Revenue Bond Proceeds issued under the Revenue Financing System, along with \$100,000 previously appropriated from the same source for total project funding of \$1,989,000.

In compliance with Section 5 of the Master Resolution Establishing The University of Texas System Revenue Financing System, approved by the U. T. Board of Regents in April 1990, amended February 14, 1991, and upon delivery of the Certificate of an Authorized Representative as set out on Page 101, the Board resolved that:

- a. Parity Debt shall be issued to pay the project's cost including any project costs paid prior to the issuance of such Parity Debt
- b. Sufficient funds will be available to meet the financial obligations of the U. T. System including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System and to meet all financial obligations of the Board relating to the Financing System
- c. U. T. component institutions, which are "Members" as such term is used in the Master Resolution, possess the financial capacity to satisfy their Direct Obligations as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt Parity Debt in the amount of \$1,989,000

- d. This resolution satisfies the official intent requirements set forth in Section 1.150-2 of the U. S. Treasury Regulations.

Old Main was the first building constructed on the U. T. El Paso campus and is a registered Texas Historic Landmark. Final cost estimates for this renovation project have increased due to requirements of the Texas Historical Commission, compliance with the Americans with Disabilities Act, and the need to abate asbestos and lead paint.

This project, which will be submitted for review by the Texas Higher Education Coordinating Board in July 1994, is included in the FY 1994-1999 Capital Improvement Plan and the FY 1994 Capital Budget.

PARITY DEBT CERTIFICATE OF U. T. SYSTEM REPRESENTATIVE

I, the undersigned Executive Vice Chancellor for Business Affairs of The University of Texas System, a U. T. System Representative under the Master Resolution Establishing The University of Texas System Revenue Financing System originally adopted by the Board on April 12, 1990 (the "Master Resolution"), do hereby execute this certificate for the benefit of the Board of Regents pursuant to Section 5(a) (ii) of the Master Resolution in connection with the authorization by the Board to issue "Parity **Debt**" pursuant to the Master Resolution to finance the cost of the construction of Liberal Arts/Science Renovation Projects - Old Main Building Renovation at U. T. El Paso, and do certify that to the best of my knowledge the Board of Regents is in compliance with all covenants contained in the Master Resolution, First Supplemental Resolution Establishing an Interim Financing Program, and the Second Supplemental Resolution, and is not in default of any of the terms, provisions and conditions in said Master Resolution, First Supplemental Resolution and Second Supplemental Resolution as amended.

EXECUTED this 11th day of May, 1994

M. J. Busck
Executive Vice Chancellor for Business Affairs

6. U. T. Pan American - Engineering Building (Project No. 901-809) and Thermal Energy Plant Expansion (Project No. 901-821): Approval to Decrease Total Project Cost for Engineering Building and Increase Total Project Cost for Thermal Energy Plant Expansion.--In order to provide funds to replace two 20-year old chillers and an existing cooling tower, the Board:
- a. Approved a decrease of \$746,000 from the authorized total project cost for The University of Texas - Pan American - Engineering Building from \$23,800,000 to \$23,054,000 with total project funding in the amount of \$23,054,000 in Tuition Revenue Bond Proceeds
 - b. Approved an increase in the authorized total project cost for the U. T. Pan American - Thermal Energy Plant Expansion from \$3,054,000 to \$3,800,000 with project funding of \$154,000 in Higher Education Assistance Funds (HEAF), \$2,946,000 in Tuition Revenue Bond Proceeds, and \$700,000 in Unexpended Plant Funds.

These projects, which are included in the FY 1994-1999 Capital Improvement Plan and the FY 1994 Capital Budget, will be submitted for review by the Texas Higher Education Coordinating Board in July 1994.

7. U. T. San Antonio - Academic Building (Project No. 401-756): Approval of Final Plans and Specifications; Authorization to Advertise for Bids and for the Executive Committee to Award Contracts; Additional Appropriation Therefor; and Approval of Use of Revenue Financing System Parity Debt, Receipt of Certificate, and Finding of Fact with Regard to Financial Capacity.--Upon recommendation of the Facilities Planning and Construction Committee, the Board:
- a. Approved the final plans and specifications for the Academic Building at The University of Texas at San Antonio within the authorized total project cost of \$27,000,000
 - b. Authorized the Office of Facilities Planning and Construction to advertise for bids upon completion of final review and the Executive Committee to award all contracts associated with this project within the authorized total project cost
 - c. Appropriated an additional \$26,000,000 from Tuition Revenue Bond Proceeds issued under the Revenue Financing System. Previous appropriations had been \$500,000 from Permanent University Fund Bond Proceeds and \$500,000 from Tuition Revenue Bond Proceeds for total project funding of \$27,000,000.

In compliance with Section 5 of the Master Resolution Establishing The University of Texas System Revenue Financing System, approved by the U. T. Board of Regents in April 1990, amended February 14, 1991, and upon delivery of the Certificate of an Authorized Representative as set out on Page 104, the Board resolved that:

- a. Parity Debt shall be issued to pay the project's cost including any project costs paid prior to the issuance of such Parity Debt
- b. Sufficient funds will be available to meet the financial obligations of the U. T. System including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System and to meet all financial obligations of the Board relating to the Financing System
- c. U. T. component institutions, which are "Members" as such term is used in the Master Resolution, possess the financial capacity to satisfy their Direct Obligations as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt Parity Debt in the amount of \$26,500,000
- d. This resolution satisfies the official intent requirements set forth in Section 1.150-2 of the U. S. Treasury Regulations.

At the meeting of the U. T. Board of Regents in April 1993, preliminary plans and specifications were approved for the Academic Building at U. T. San Antonio at an estimated total project cost of \$28,475,000. At that time, an appropriation of \$500,000 was made from U. T. San Antonio Unexpended Plant Funds to be reimbursed from Tuition Revenue Bond Proceeds when issued. During the 73rd Session of the Texas Legislature, this project was one of three U. T. San Antonio construction projects to be authorized for funding from Tuition Revenue Bond Proceeds. On August 12, 1993, the U. T. Board of Regents approved the FY 1994-1999 Capital Improvement Plan and the FY 1994 Capital Budget with a revised total project cost of \$27,000,000 to be funded with \$26,500,000 from Tuition Revenue Bond Proceeds and \$500,000 from Permanent University Fund Bond Proceeds.

This project, which was reviewed by the Texas Higher Education Coordinating Board in January 1994, is included in the FY 1994-1999 Capital Improvement Plan and the FY 1994 Capital Budget.

PARITY DEBT CERTIFICATE OF U. T. SYSTEM REPRESENTATIVE

I, the undersigned Executive Vice Chancellor for Business Affairs of The University of Texas System, a U. T. System Representative under the Master Resolution Establishing The University of Texas System Revenue Financing System originally adopted by the Board on April 12, 1990 (the "**Master Resolution**"), do hereby execute this certificate for the benefit of the Board of Regents pursuant to Section 5(a) (ii) of the Master Resolution in connection with the authorization by the Board to issue "**Parity Debt**" pursuant to the Master Resolution to finance the cost of the construction of the Academic Building at U. T. San Antonio, and do certify that to the best of my knowledge the Board of Regents is in compliance with all covenants contained in the Master Resolution, First Supplemental Resolution Establishing an Interim Financing Program, and the Second Supplemental Resolution, and is not in default of any of the terms, provisions and conditions in said Master Resolution, First Supplemental Resolution and Second Supplemental Resolution as amended.

EXECUTED this 11th day of May, 1994



Executive Vice Chancellor for Business Affairs

8. U. T. Tyler - Liberal Arts Complex (Project No. 802-719): Approval to Increase Scope and Total Project Cost; Approval of Preliminary Plans; Authorization to Prepare Final Plans and Specifications; Submission of the Project to the Coordinating Board; and Appropriation Therefor.-- Following opening remarks by President Hamm, the preliminary plans and specifications for the Liberal Arts Complex at The University of Texas at Tyler were presented to the Facilities Planning and Construction Committee by Mr. John A. Rhebergen, representing the Project Architect, C/A Alliance - Architects, Longview and Houston, Texas (formerly C/A Architects, Inc.).

Based on this presentation, the Board, upon recommendation of the Facilities Planning and Construction Committee:

- a. Approved an increase in the scope of the project to include renewal, expansion, and connections of the thermal energy plant to support the Liberal Arts Complex and an increase in the authorized total project cost for the Liberal Arts Complex at U. T. Tyler from \$18,200,000 to \$19,950,000
- b. Approved preliminary plans and specifications for the Liberal Arts Complex at U. T. Tyler within the revised estimated total project cost
- c. Authorized the Project Architect to prepare final plans and specifications to be presented to the U. T. Board of Regents for consideration at a future meeting
- d. Authorized submission of the project to the Texas Higher Education Coordinating Board
- e. Appropriated an additional \$525,000 from General Fee Balances for fees and administrative expenses through completion of final plans. Previous appropriations had been \$250,000 from Gifts and Grants and \$200,000 from Permanent University Fund Bond Proceeds.

The increase in the total project cost will renew and expand the thermal energy plant and distribution systems to support this facility. The expanded scope will also improve campus-wide energy efficiency by accelerating and consolidating several thermal energy renewal and replacement projects previously scheduled over the next four years.

This project, first included in the Capital Improvement Plan in 1985 with approval of the private fund campaign, is included in the FY 1994 Capital Budget to be funded with \$5,000,000 from Gifts and Grants, \$1,930,318 from General Fee Balances, \$1,019,682 from Permanent University Fund Bond Proceeds Reserves, and \$12,000,000 from Permanent University Fund Bond Proceeds for \$19,950,000 in total project funding.

Regent Cruikshank commended Dr. Hamm for the \$5,000,000 in private gifts that have been raised in the community and stated that the facility will fill a community need that has been evident for many years.

See Page 91 related to the establishment of an Arts and Performance Center Fee at U. T. Tyler.

* * * * *

At the conclusion of the meeting of the Facilities Planning and Construction Committee, Regent Holmes asked Committee Chairman Temple to share with the Board the Historically Underutilized Business (HUB) participation represented in these projects.

In response to Regent Holmes' inquiry, Executive Vice Chancellor Burck noted that at this meeting only one project architect (Carl Daniel Architects, El Paso, Texas) was appointed related to the Liberal Arts/Science Renovation Projects - Liberal Arts Building Renovation at The University of Texas at El Paso and this project has 22% participation by Hispanic Americans.

Mr. John Davis, Associate Director for Design in the Office of Facilities Planning and Construction, reported that to date in Fiscal Year 1994, the Board had approved five architect/engineer appointments for U. T. El Paso with an average HUB participation of 80% by Hispanic Americans.

Regent Holmes commented that The University of Texas System seems to be showing progress with Hispanic groups and he was pleased with that but noted that there was not the same progress with African-American firms.

Mr. Davis noted that in Fiscal Year 1994 the Board had authorized a total of 20 architect/engineer appointments for the U. T. System with an average HUB participation of 50% with distribution as follows:

16.84%	Women-Owned
64.90%	Hispanic American
10.15%	Black American
8.11%	Asian American

Regent Holmes indicated he would appreciate continuing reports on the HUB participation in the U. T. System's construction programs.

REPORT AND RECOMMENDATIONS OF THE ASSET MANAGEMENT COMMITTEE (Pages 106 - 216).--Committee Chairman Cruikshank reported that the Asset Management Committee had met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, all actions set forth in the Minute Orders which follow were recommended by the Asset Management Committee and approved in open session and without objection by the U. T. Board of Regents.

I. PERMANENT UNIVERSITY FUND

INVESTMENT MATTER

Report on Clearance of Monies to the Permanent University Fund for March and April 1994 and Report on Oil and Gas Development as of April 30, 1994. --The following reports with respect to (a) certain monies cleared to the Permanent University Fund for March and April 1994 and (b) Oil and Gas Development as-of April 30, 1994, were submitted by the Executive-Vice Chancellor for Business Affairs:-

Permanent University Fund	March 1994	April 1994	Cumulative Through April of this Fiscal Year (1993-1994)	Cumulative Through April of Preceding Fiscal Year (1992-1993)	Percent Change
Royalty					
Oil	\$ 2,562,842.47	\$2,507,345.16	\$ 23,555,762.19	\$ 32,773,101.40	-28.12%
Gas	1,694,775.72	1,321,092.66	11,603,012.82	11,682,763.19	-0.68%
Sulphur	0.00	0.00	0.00	0.00	--
Water	60,915.81	63,680.44	607,392.63	498,135.85	21.93%
Brine	5,218.27	5,032.04	50,340.21	43,722.63	15.14%
Trace Minerals	0.00	0.00	0.00	0.00	--
Rental					
Oil and Gas Lease	24,827.55	66,582.99	275,227.66	394,815.72	-30.29%
Other	900.00	2,200.00	1,248.31	(1,994.99)	162.57%
Sale of Sand, Gravel, Etc.	0.00	0.00	0.00	0.00	--
Total University Lands Receipts Before Bonuses	4,349,479.82	3,965,933.29	36,092,983.82	45,390,543.80	-20.48%
Bonuses					
Oil and Gas Lease Sales	0.00	0.00	3,480,202.48	69,887.70	--
Amendments and Extensions to Mineral Leases	1,260.57	1,260.57	43,364.72	10.00	--
Total University Lands Receipts	4,350,740.39	3,967,193.86	39,616,551.02	45,460,441.50	-12.85%
Gain or (Loss) on Sale of Securities	7,902,541.28	1,561,502.35	67,680,406.04	172,812,211.23	-60.84%
TOTAL CLEARANCES	\$12,253,281.67	\$5,528,696.21	\$107,296,957.06	\$218,272,652.73	-50.84%

Oil and Gas Development - April 30, 1994

Acres Under Lease = 753,160

Number of Producing Acres = 522,260

Number of Active Leases = 2,531

II. TRUST AND SPECIAL FUNDS

Gifts, Bequests and Estates

1. U. T. Arlington: Approval to Accept Grant from the Sid W. Richardson Foundation, Fort Worth, Texas, and to Establish the Jenkins and Virginia Garrett Chair in Southwestern Studies and the History of Cartography.--The Asset Management Committee recommended and the Board accepted a \$600,000 grant, of which \$150,000 has been received and \$450,000 is payable by January 1, 1997, from the Sid W. Richardson Foundation, Fort Worth, Texas, and established the Jenkins and Virginia Garrett Chair in Southwestern Studies and the History of Cartography at The University of Texas at Arlington.

Income earned from the endowment will be used to support the Chair.

2. U. T. Austin: Acceptance of Bequest from the Estate of Isora Cooke, Hempstead, Texas, and Establishment of the Isora and Thomas Cooke Endowed Human Ecology Scholarship in the College of Natural Sciences.--Upon recommendation of the Asset Management Committee, the Board accepted a residual bequest, consisting of cash, real estate, and mineral interests valued at \$238,400, from the Estate of Isora Cooke, Hempstead, Texas, and established the Isora and Thomas Cooke Endowed Human Ecology Scholarship in the Department of Human Ecology, College of Natural Sciences, at The University of Texas at Austin.

Income earned from the endowment will be used to provide scholarship support to graduate students in the Department of Human Ecology.

3. U. T. Austin: Acceptance of Gift and Pledge from Dr. William H. "Deacon" Crain, Austin, Texas, and Transfer of Funds for Addition to the Deacon Crain Endowed Scholarship in the College of Fine Arts and Redesignation of the Scholarship as the W. H. "Deacon" Crain Endowed Presidential Scholarship in Theatre.--The Board accepted a \$9,000 gift and a \$6,000 pledge, payable by August 31, 1995, from Dr. William H. "Deacon" Crain, Austin, Texas, and a \$7,500 transfer of President's discretionary funds for a total of \$22,500 for addition to the Deacon Crain Endowed Scholarship in the Department of Theatre and Dance, College of Fine Arts, at The University of Texas at Austin for a total endowment of \$32,500, and the Scholarship was redesignated as the W. H. "Deacon" Crain Endowed Presidential Scholarship in Theatre.

4. U. T. Austin: Approval to Accept Gift from Mrs. Eileen Crain Sullivan, Austin, Texas, and to Establish the W. H. "Deacon" Crain Theatre Production Endowment in the College of Fine Arts (No Publicity).--Approval was given to accept a \$50,000 gift from Mrs. Eileen Crain Sullivan, Austin, Texas, and to establish the W. H. "Deacon" Crain Theatre Production Endowment in the Department of Theatre and Dance, College of Fine Arts, at The University of Texas at Austin.

Income earned from the endowment will be used to provide funds for a selected theatrical production within the annual production season of the Department of Theatre and Dance.

It was requested that no publicity be given to this matter.

5. U. T. Austin: Acceptance of Gifts from Mr. and Mrs. Alvin Eicoff, Chicago, Illinois; Establishment of the (a) Alvin and Helene Eicoff Endowed Professorship in Direct Broadcast Marketing and (b) Alvin and Helene Eicoff Endowed Presidential Scholarship Fund in the College of Business Administration and the Graduate School of Business; and Eligibility for Matching Funds Under The Brackenridge Matching Program #2.--The Asset Management Committee recommended and the Board accepted gifts, comprised of Walgreen Company, TeleCommunications, Class A, and Gillette Company common stock, from Mr. and Mrs. Alvin Eicoff, Chicago, Illinois, for a total of \$251,537.50 and established two endowments in the College of Business Administration and the Graduate School of Business at The University of Texas at Austin as follows:

- a. Of the total, \$100,000 of the gift established the Alvin and Helene Eicoff Endowed Professorship in Direct Broadcast Marketing

Ninety percent of the income earned from the endowment will be used to support the Professorship. The remaining ten percent of income earned will be reinvested in the corpus of the endowment.

- b. The remaining \$151,537.50 of the gift established the Alvin and Helene Eicoff Endowed Presidential Scholarship Fund.

Further, matching funds in the amount of \$37,500 will be reserved under The Brackenridge Matching Program #2 to be allocated proportionately on \$75,000 of the gift, as received, to increase this endowment to a total of \$189,037.50.

Income earned from the endowment will be used to support undergraduate and graduate students who have a career interest in emerging interactive technologies and direct marketing.

6. U. T. Austin: Authorization to Accept Grant from The Louis B. Mayer Foundation, New York, New York, and to Establish the Filmscript Acquisitions Endowment for the Harry Ransom Humanities Research Center.--Authorization was granted to accept a \$150,000 grant, of which \$50,000 has been received and the remaining \$100,000 will be paid by August 31, 1996, from The Louis B. Mayer Foundation, New York, New York, and to establish the Filmscript Acquisitions Endowment for the Harry Ransom Humanities Research Center at The University of Texas at Austin.

Income earned from the endowment will be used to acquire manuscripts and other archival materials of film writers of special interest.

7. U. T. Austin: Approval to Rescind John Calvin Leary Memorial Scholarship Fund.--At the December 1993 meeting, the U. T. Board of Regents, at the request of The University of Texas at Austin, accepted a bequest of a remainder interest in an undivided one-half interest in two tracts of land in Crosby County, Texas, more fully described as 640 acres, being Survey No. 2, Block A, Cert. 1781 and 313 acres, being the West one-half of Survey No. 7, Abstract 5, Cert. 1512 from the Estate of Olivia Jeanette Leary Gibbs, Alvarado, Texas, to establish the John Calvin Leary Memorial Scholarship Fund at U. T. Austin. This property will not be transferred to the U. T. Board of Regents for the benefit of U. T. Austin until the death of the holder of the life estate.

Thus the Board rescinded the December 1993 Regental action establishing the John Calvin Leary Memorial Scholarship Fund at U. T. Austin.

8. U. T. Austin: Acceptance of Gifts and Pledges from Various Donors and Establishment of the Mary Margaret Blair Lindsay Endowed Scholarship in the College of Fine Arts.--The Board, upon recommendation of the Asset Management Committee, accepted \$10,000 in gifts and \$1,085 in pledges, payable by August 31, 1995, from various donors for a total of \$11,085 and established the Mary Margaret Blair Lindsay Endowed Scholarship in the Department of Theatre and Dance, College of Fine Arts, at The University of Texas at Austin.

Income earned from the endowment will be used for scholarships for the benefit and development of students in the Department of Theatre and Dance.

9. U. T. Austin: Acceptance of Gifts from Mr. Pierre Apraxine, New York, New York, The Howard Gilman Foundation, New York, New York, and Various Donors and Establishment of the Heywood "Woody" McGriff Endowed Presidential Scholarship in Dance in the College of Fine Arts.--Upon recommendation of the Asset Management Committee, the Board accepted the following gifts for a total of \$55,850 and established the Heywood "Woody" McGriff Endowed Presidential Scholarship in Dance in the Department of Theatre and Dance, College of Fine Arts, at The University of Texas at Austin:

<u>Donor</u>	<u>Gift</u>
Mr. Pierre Apraxine New York, New York	\$25,000
The Howard Gilman Foundation New York, New York	25,000
Various Donors	5,850

Income earned from the endowment will be used to provide scholarship support for dance students of high standards, unusual promise, and exceptional talent in the Department of Theatre and Dance.

See Page 68 related to renaming the Modern Dance Studio, Room 1.172 in the F. Loren Winship Drama Building, in honor of Professor McGriff.

10. U. T. Austin - The Michener 1990 Charitable Trust: Approval for Distribution of Income.--In accordance with the provisions of The Michener 1990 Charitable Trust at The University of Texas at Austin, the Board, as Trustees of the Trust, approved annual income distributions for 1993-94 as follows:

- | | |
|--------------------------|------------------------------------|
| a. University of Miami | \$12,000 |
| b. University of Iowa | \$60,000 and 67% income remainder |
| c. University of Houston | \$24,000 and 33% income remainder. |

11. U. T. Austin: Acceptance of Transfer of Funds and Establishment of the Parents' Association Endowed Scholarship.--The Asset Management Committee recommended and the Board accepted a \$10,000 transfer of previously reported gifts made to The University of Texas Parents' Association, Austin, Texas, and established a quasi-endowment at The University of Texas at Austin to be named the Parents' Association Endowed Scholarship.

Income earned from the endowment will be used to award scholarships based on academic merit to undergraduate students of any academic major.

12. U. T. Austin: Acceptance of Gifts and Pledges from Various Donors for Addition to the Psychology Endowment in the College of Liberal Arts; Redesignation of the Endowment as the Wayne H. Holtzman Regents Chair in Psychology; and Eligibility for Matching Funds Under The Regents' Endowment Program.--Approval was given to accept \$383,010 in gifts and \$107,100 in pledges, payable by August 31, 1995, from various donors for a total of \$490,110 for addition to the Psychology Endowment in the Department of Psychology, College of Liberal Arts, at The University of Texas at Austin for a total endowment of \$500,110. In accordance with the donors' request to honor Dr. Wayne H. Holtzman, the Hogg Professor of Psychology and Education and former President of the Hogg Foundation for Mental Health, the endowment was redesignated as the Wayne H. Holtzman Regents Chair in Psychology.

Further, \$150,000 in matching funds will be allocated under The Regents' Endowment Program and will be used to increase the endowment to a total of \$650,110.

13. U. T. Austin: Approval to Accept Distribution from the William R. Svec Trust, Los Alamitos, California, for the Nettie Lee Benson Latin American Collection of the General Libraries.--The Board accepted a distribution from the William R. Svec Trust, Los Alamitos, California, comprised of 577 books and 21 serials on Argentine and Uruguayan history and culture, which made up the entire library of Dr. William R. Svec, for the benefit of the Nettie Lee Benson Latin American Collection of the General Libraries at The University of Texas at Austin.

14. U. T. Austin: Authorization to Accept Gifts from Various Donors and to Establish the Paul C. Trickett, M.D., Endowed Presidential Scholarship for Pre-Medical/Pre-Dental Student Athletes in the College of Natural Sciences.--Authorization was granted to accept \$25,000 in gifts from various donors and to establish the Paul C. Trickett, M.D., Endowed Presidential Scholarship for Pre-Medical/Pre-Dental Student Athletes in the College of Natural Sciences at The University of Texas at Austin.

Income earned from the endowment will be used to provide scholarship support to pre-medical/pre-dental student athletes. The Scholarship will be administered by the College of Natural Sciences with recipients being recommended by the Department of Intercollegiate Athletics for Men.

15. U. T. El Paso: Acceptance of Gifts from the El Paso Natural Gas Company, El Paso, Texas, and Establishment of the Manuel Acosta Memorial Art Scholarship.--Upon recommendation of the Asset Management Committee, the Board accepted gifts totalling \$10,000 from the El Paso Natural Gas Company, El Paso, Texas, and established the Manuel Acosta Memorial Art Scholarship at The University of Texas at El Paso.

Income earned from the endowment will be used to provide scholarship support to students majoring in art.

16. U. T. El Paso: Acceptance of Gifts from Various Donors and Establishment of the MacIntosh Murchison Rogers Endowed Fund for Student Enhancement.--The Asset Management Committee recommended and the Board accepted gifts totalling \$15,000 from various donors and established the MacIntosh Murchison Rogers Endowed Fund for Student Enhancement at The University of Texas at El Paso.

Income earned from the endowment will be used to support costs associated with the participation of business or engineering students in national or international competition, presentation, or other professional development opportunities for which they will have qualified by virtue of outstanding performance or ability.

17. U. T. El Paso: Approval to Accept Gifts from Various Donors and to Establish the UTEP Partners Staff Scholarship Endowment Fund.--Approval was given to accept gifts totalling \$17,277 from various donors and to establish the UTEP Partners Staff Scholarship Endowment Fund at The University of Texas at El Paso.

Income earned from the endowment will be used to support scholarships for U. T. El Paso staff.

18. U. T. Pan American: Acceptance of Gifts from the Wal-Mart Foundation, Bentonville, Arkansas, and Establishment of the Wal-Mart Endowed Scholarship Fund.--The Board, upon recommendation of the Asset Management Committee, accepted \$100,000 in gifts from the Wal-Mart Foundation, Bentonville, Arkansas, and established the Wal-Mart Endowed Scholarship Fund at The University of Texas - Pan American.

Income earned from the endowment will be used to provide scholarships to full-time students.

19. U. T. Southwestern Medical Center - Dallas: Redesignation of the Children's Cancer Fund Distinguished Professorship in Pediatric Oncology and Hematology as the Children's Cancer Fund Chair in Pediatric Oncology and Hematology and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--Upon recommendation of the Asset Management Committee, the Children's Cancer Fund Distinguished Professorship in Pediatric Oncology and Hematology at The University of Texas Southwestern Medical Center at Dallas was redesignated as the Children's Cancer Fund Chair in Pediatric Oncology and Hematology for a total endowment of \$534,327.06.

Further, the actual income that will be earned on \$384,327.06 of previously reported gifts will be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

20. U. T. Southwestern Medical Center - Dallas: Acceptance of Gift from the Crystal Charity Ball, Dallas, Texas; Establishment of the Crystal Charity Ball Distinguished Chair in Plastic Surgery; Allocation of Funds from the Private Fund Development Campaign; and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--With grateful appreciation, a \$500,000 gift from the Crystal Charity Ball, Dallas, Texas, was accepted to establish the Crystal Charity Ball Distinguished Chair in Plastic Surgery at The University of Texas Southwestern Medical Center at Dallas.

Further, \$500,000 will be allocated from the \$12,500,000 challenge fund established with MSRDP funds at the U. T. Southwestern Medical Center - Dallas as part of the Private Fund Development Campaign and will be used to increase the endowment to a total of \$1,000,000.

Additionally, the actual income that will be earned on the \$500,000 gift will be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

Income earned from the endowment will be used to support the Chair.

See Page 92 related to an appointment to this Chair.

21. U. T. Southwestern Medical Center - Dallas: Approval to Accept Pledge from Dr. and Mrs. Rolf R. (Ute S.) Haberecht, Dallas, Texas; Establishment of The Rolf and Ute Haberecht Dean's Endowment of The University of Texas Southwestern Graduate School of Biomedical Sciences, in Honor of Olga and Max Haberecht and Anna and Hans Schwarz; and Allocation of Funds from the Private Fund Development Campaign.--The Board accepted a \$250,000 pledge, payable by January 31, 1997, from Dr. and Mrs. Rolf R. (Ute S.) Haberecht, Dallas, Texas, and established an endowment at The University of Texas Southwestern Medical Center at Dallas to be named The Rolf and Ute Haberecht Dean's Endowment of The University of Texas Southwestern Graduate School of Biomedical Sciences, in honor of Olga and Max Haberecht and Anna and Hans Schwarz.

Further, \$250,000 will be allocated from the \$25,000,000 challenge fund established by an anonymous donor as part of the Private Fund Development Campaign and will be used to increase the endowment to a total of \$500,000.

Income earned from the endowment will be used to support academic activities in the U. T. Southwestern G.S.B.S. - Dallas, under the direction of the Dean of the School, with 35% of the income to be used for speculative research based on student and faculty ideas.

22. U. T. Southwestern Medical Center - Dallas: Establishment of The Nancy B. and Jake L. Hamon Center for Therapeutic Oncology Research (No Publicity).--The Asset Management Committee recommended and the Board established The Nancy B. and Jake L. Hamon Center for Therapeutic Oncology Research at The University of Texas Southwestern Medical Center at Dallas with the understanding that the funds for the endowment (\$6,500,000) will be held and administered by the Southwestern Medical Foundation (an external foundation), Dallas, Texas.

Income earned from the endowment will be used to support the activities of the Center.

It was requested that no publicity be given to this matter.

23. U. T. Southwestern Medical Center - Dallas: Approval to Establish The Nancy B. and Jake L. Hamon Distinguished Chair in Therapeutic Oncology Research (No Publicity).--At the request of the Southwestern Medical Foundation (an external foundation), Dallas, Texas, approval was given to establish The Nancy B. and Jake L. Hamon Distinguished Chair in Therapeutic Oncology Research at The University of Texas Southwestern Medical Center at Dallas with the understanding that the funds for the endowment (\$1,000,000) will be held and administered by the Southwestern Medical Foundation.

Income earned from the endowment will be used to support the Chair.

It was requested that no publicity be given to this matter.

See Page 92 related to an appointment to this Chair.

24. U. T. Southwestern Medical Center - Dallas: Acceptance of Gift and Pledge from Occidental Chemical Corporation, Dallas, Texas; Establishment of The Occidental Chemical Chair in Cancer Research; Allocation of Funds from the Private Fund Development Campaign; and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--Upon recommendation of the Asset Management Committee, the Board accepted a \$50,000 gift and a \$200,000 pledge, payable by January 31, 1997, from Occidental Chemical Corporation, Dallas, Texas, for a total of \$250,000 and established The Occidental Chemical Chair in Cancer Research at The University of Texas Southwestern Medical Center at Dallas.

Further, \$250,000 will be allocated from the \$25,000,000 challenge fund established by an anonymous donor as part of the Private Fund Development Campaign and will be used to increase the endowment to a total of \$500,000.

Additionally, the actual income that will be earned on the \$50,000 gift and \$200,000 pledge, as received, and the \$250,000 in challenge funds will be certified to the appropriate State authorities for matching under the

Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

Income earned from the endowment will be used to support the Chair.

25. U. T. Southwestern Medical Center - Dallas: Acceptance of Pledge from the Harry S. Moss Heart Trust, Dallas, Texas; Establishment of the Carolyn P. and Frank M. Ryburn, Jr. Distinguished Chair in Basic Research in Heart Disease; Allocation of Funds from the Private Fund Development Campaign; and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--The Board, upon recommendation of the Asset Management Committee, accepted a \$500,000 pledge, payable by December 31, 1998, from the Harry S. Moss Heart Trust, Dallas, Texas, and established the Carolyn P. and Frank M. Ryburn, Jr. Distinguished Chair in Basic Research in Heart Disease at The University of Texas Southwestern Medical Center at Dallas.

Further, \$500,000 will be allocated from the \$25,000,000 challenge fund established by an anonymous donor as part of the Private Fund Development Campaign and will be used to increase the endowment to a total of \$1,000,000.

Also, the actual income that will be earned on the \$500,000 pledge, as received, and the \$500,000 in challenge funds will be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

Income earned from the endowment will be used to support the Distinguished Chair.

26. U. T. Southwestern Medical Center - Dallas: Approval to Redesignate The Pauline Gill Sullivan Distinguished Chair in Neuroscience Research as the Gill Distinguished Chair in Neuroscience Research.--In accordance with the wishes of the donor and the original honoree, the Board redesignated The Pauline Gill Sullivan Distinguished Chair in Neuroscience Research at The University of Texas Southwestern Medical Center at Dallas as the Gill Distinguished Chair in Neuroscience Research.

27. U. T. Southwestern Medical Center - Dallas and U. T. Medical Branch - Galveston: Acceptance of Bequests from the Estate of Fred William Shelton, Sherman, Texas, and Establishment of the Fred W. Shelton Resident and Fellowship Research and Education Fund.--The Asset Management Committee recommended and the Board accepted bequests from the Estate of Fred William Shelton, Sherman, Texas, for the benefit of The University of Texas Southwestern Medical Center at Dallas and The University of Texas Medical Branch at Galveston as follows:

- a. A bequest of \$30,000 will be used for current purposes to support residents and resident research projects in the Department of Otolaryngology at the U. T. Southwestern Medical Center - Dallas

- b. A bequest of \$30,000 established a quasi-endowment at the U. T. Medical Branch - Galveston to be named the Fred W. Shelton Resident and Fellowship Research and Education Fund.

Income earned from this endowment will be used to support activities for residents and research fellowships in the Department of Otolaryngology.

28. U. T. Medical Branch - Galveston: Acceptance of Bequest from the Estate of Evelyn S. Cowles, Littleton, Colorado.--Pursuant to a settlement agreement dated December 30, 1993, the Board accepted a \$12,000 bequest from the Estate of Evelyn S. Cowles, Littleton, Colorado, to be used for unrestricted purposes at The University of Texas Medical Branch at Galveston.

29. U. T. Medical Branch - Galveston: Acceptance of Gifts from Various Donors and Establishment of The Titus Harris, M.D. Endowed Professorship in Psychiatry.--Upon recommendation of the Asset Management Committee, the Board accepted \$140,440 in gifts from various donors and established The Titus Harris, M.D. Endowed Professorship in Psychiatry at The University of Texas Medical Branch at Galveston.

Income earned from the endowment will be reinvested in the corpus of the endowment until the \$500,000 funding level for an endowed chair is reached.

See Page 93 related to an appointment to this Professorship.

30. U. T. Health Science Center - San Antonio: Authorization to Accept Gift from Mr. Ben F. Foster, Jr., San Antonio, Texas, and to Establish the Geriatrics & Gerontology Endowment in Aging Research and Education.--Authorization was granted to accept a \$10,000 gift from Mr. Ben F. Foster, Jr., San Antonio, Texas, and to establish the Geriatrics & Gerontology Endowment in Aging Research and Education at The University of Texas Health Science Center at San Antonio.

Income earned from the endowment will be used to further the mission and support the activities of the Aging Research and Education Center at the U. T. Health Science Center - San Antonio.

31. U. T. Health Science Center - San Antonio: Acceptance of Transfer of Funds for Addition to the Malcolm Jones Professorship in Radiology and Redesignation of the Professorship as the Malcolm Jones Distinguished Professorship in Radiology.--The Asset Management Committee recommended and the Board accepted a \$150,000 transfer of MSRDP funds for addition to the Malcolm Jones Professorship in Radiology at The University of Texas Health Science Center at San Antonio for a total endowment of \$259,925. In addition, the Professorship was redesignated as the Malcolm Jones Distinguished Professorship in Radiology.

32. U. T. Health Science Center - San Antonio: Acceptance of Pledge from Julio C. Palmaz, M.D., San Antonio, Texas, and Transfer of Funds; Establishment of the Stewart R. Reuter, M.D. Professorship in Radiology; and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--The Board, upon recommendation of the Asset Management Committee, accepted a \$120,000 pledge, payable by August 31, 1995, from Julio C. Palmaz, M.D., San Antonio, Texas, and a \$60,000 transfer of MSRDP funds for a total of \$180,000 and established the Stewart R. Reuter, M.D. Professorship in Radiology at The University of Texas Health Science Center at San Antonio.

Further, the actual income that will be earned on the \$120,000 pledge, as received, will be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

Income earned from the endowment will be reinvested into the corpus of the endowment until the Professorship is fully funded.

33. U. T. Health Science Center - San Antonio: Approval to Accept Gift and Pledge from Warm Springs Rehabilitation Foundation, Inc., Gonzales, Texas; Establishment of the Warm Springs and Dr. Arthur Grant Distinguished Professorship in Rehabilitation Medicine; and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--Approval was given to accept a \$50,000 gift and a \$200,000 pledge, payable by December 31, 1998, from Warm Springs Rehabilitation Foundation, Inc., Gonzales, Texas, for a total of \$250,000 and to establish the Warm Springs and Dr. Arthur Grant Distinguished Professorship in Rehabilitation Medicine at The University of Texas Health Science Center at San Antonio.

Further, the actual income that will be earned on the \$250,000 gift and pledge, as received, will be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

Income earned from the endowment will be used to support the Distinguished Professorship.

34. U. T. M.D. Anderson Cancer Center: Acceptance of Remainder Interest in the Randall F. Bevens Testamentary Trust, Muncie, Indiana.--Upon recommendation of the Asset Management Committee, the Board accepted a \$50,000 remainder interest in the Randall F. Bevens Testamentary Trust, Muncie, Indiana, for the benefit of The University of Texas M.D. Anderson Cancer Center to be used for cancer research.

III. INTELLECTUAL PROPERTY MATTERS

1. U. T. M.D. Anderson Cancer Center: Recommendation to Approve Patent and Technology License and Stockholder Agreements with Intron Therapeutics, Inc. (Intron), Austin, Texas, and Request for Approval to Accept Stock (Withdrawn).--Committee Chairman Cruikshank reported that the item related to proposed approval of the Patent and Technology License Agreement and the Stockholder Agreement between The University of Texas M.D. Anderson Cancer Center and Intron Therapeutics, Inc. (Intron), Austin, Texas, and the acceptance of Intron stock was withdrawn for consideration at a future meeting.

2. U. T. M.D. Anderson Cancer Center: Approval of Patent and Technology License, Stockholder, and Sponsored Research Agreements with RGene Therapeutics, Inc. (RGene), The Woodlands, Texas; Ratification of Assignment and Assumption Agreement Between Argus Pharmaceuticals, Inc. and RGene Therapeutics, Inc.; Acceptance of Stock in RGene Therapeutics, Inc. by Mien-Chie Hung, M.D., Ph.D.; and Approval for Gabriel Lopez-Berestein, M.D., Ph.D., to Serve on the Board of Directors of RGene.--The Board, upon recommendation of the Asset Management Committee:
 - a. Approved the Patent and Technology License Agreement (Pages 121 - 157), Stockholder Agreement (Pages 158 - 167), and Sponsored Research Agreements (Pages 168 - 183) between The University of Texas M.D. Anderson Cancer Center and RGene Therapeutics, Inc. (RGene), The Woodlands, Texas
 - b. Ratified the Assignment and Assumption Agreement between Argus Pharmaceuticals, Inc. and RGene Therapeutics, Inc. as set out on Pages 184 - 185
 - c. Approved the acceptance by U. T. M.D. Anderson Cancer Center of stock in RGene Therapeutics, Inc.
 - d. Authorized Mien-Chie Hung, M.D., Ph.D., of the U. T. M.D. Anderson Cancer Center to accept stock in RGene Therapeutics, Inc.
 - e. Authorized Gabriel Lopez-Berestein, M.D., Ph.D., to accept stock and to serve on RGene Therapeutics, Inc.'s board of directors.

RGene was formed and funded by The Woodlands Venture Partners, Essex Venture Partners, Triad Ventures, and Argus Pharmaceuticals, Inc. (Argus). Under the Patent and Technology License Agreement (License Agreement), RGene is granted a royalty-bearing, exclusive, worldwide license to make, have made, use

or sell products and procedures incorporating methods and compositions for the suppression of Her-2/Neu mediated transformation developed by Dr. Hung, et al., and liposomal antisense methyl phosphonate oligonucleotides and methods for their preparation and use developed by Dr. Lopez-Berestein of the U. T. M.D. Anderson Cancer Center.

RGene will pay the U. T. M.D. Anderson Cancer Center royalties equal to four percent (4%) of net sales, thirty percent (30%) of royalties received by RGene from sublicensees, and other royalty considerations. Pursuant to the Sponsored Research Agreement, RGene will provide \$250,000 per year in research funding for two years to support Dr. Lopez-Berestein's research projects.

RGene will issue shares of its common stock as follows:

- a. 642,307 shares to the U. T. M.D. Anderson Cancer Center
- b. 571,154 shares to Dr. Hung
- c. 321,154 shares to Dr. Lopez-Berestein.

The Stockholder Agreement places certain restrictions on the disposition of the shares and sets forth the U. T. M.D. Anderson Cancer Center's rights as a shareholder.

PATENT AND TECHNOLOGY LICENSE AGREEMENT

THIS AGREEMENT ("AGREEMENT") is made by and between the BOARD OF REGENTS ("BOARD") of THE UNIVERSITY OF TEXAS SYSTEM ("SYSTEM"), an agency of the State of Texas, whose address is 201 West 7th Street, Austin, Texas 78701, THE UNIVERSITY OF TEXAS M. D. ANDERSON CANCER CENTER ("MDA"), a component Institution of the SYSTEM and RGENE THERAPEUTICS, INC., a corporation having a principal place of business located at The Woodlands, Texas ("LICENSEE").

R E C I T A L S

- A. BOARD owns certain PATENT RIGHTS and TECHNOLOGY RIGHTS related to LICENSED **SUBJECT MATTER**, which were developed at MDA, a component institution of SYSTEM.
- B. BOARD desires to have the LICENSED SUBJECT MATTER developed and used for the benefit of LICENSEE, the inventor, BOARD, and the public as outlined in the Intellectual Property Policy promulgated by the BOARD.
- C. The LICENSED SUBJECT MATTER is the subject of SPONSORED RESEARCH AGREEMENTS between MDA and LICENSEE, copies of which are attached hereto as Exhibits **1A** and **1 B** for approval by BOARD, although certain LICENSED SUBJECT MATTER was developed with funding from, and is subject to the rights of, the Federal Government.
- D. LICENSEE is a company which was formed to develop and commercially exploit the inventions of LICENSED SUBJECT MATTER, and LICENSEE, therefore, wishes to obtain a license from BOARD to practice LICENSED SUBJECT MATTER.
- E. A copy of an executed Stock Purchase Agreement between LICENSEE and Gabriel Lopez-Berestein, M.D., an employee of MDA, which provides for, among other things, the circumstances and methods underwhich Gabriel Lopez-Berestein, M.D. shall be able to divest himself of stock in LICENSEE acquired under said Stock Purchase Agreement, is attached hereto as Exhibit 2 for approval by BOARD.
- F. A copy of an executed Stock Purchase Agreement between LICENSEE and Mien-Chie Hung, Ph.D., an employee of MDA, which provides for, among other things, the circumstances and methods under which Mien-Chic Hung, Ph.D. shall be able to divest himself of stock in LICENSEE acquired under said Stock Purchase Agreement, is attached hereto as Exhibit 3 for approval by BOARD.

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- G. A copy of an executed Stockholder Agreement between LICENSEE and BOARD is attached hereto as Exhibit 4 for approval by BOARD.

NOW, THEREFORE, in consideration of the mutual covenants and premises herein contained, the parties hereto agree as follows:

1. EFFECTIVE DATE

- 1.1 This AGREEMENT shall be effective as of March 1, 1994 subject to approval by BOARD ("EFFECTIVE DATE").

2. DEFINITIONS

As used in this AGREEMENT, the following terms shall have the meanings indicated:

- 2.1 IMPROVEMENTS shall mean any inventions and discoveries which are within the scope of either pending patent applications or issued patents included within PATENT RIGHTS and which are developed in the laboratories of either Mien Chie Hung, Ph.D. or Gabriel Lopez-Berestein, M.D. at MDA.
- 2.2 LICENSED FIELD shall mean all compositions and fields of use of the LICENSED SUBJECT MATTER.
- 2.3 LICENSED PRODUCT shall mean any product SOLD by LICENSEE or its sublicensees comprising LICENSED SUBJECT MATTER pursuant to this AGREEMENT.
- 2.4 LICENSED SUBJECT MATTER shall mean inventions and discoveries covered by PATENT RIGHTS, TECHNOLOGY RIGHTS, LICENSEE SPONSORED TECHNOLOGY and/or IMPROVEMENTS.
- 2.5 LICENSED TERRITORY shall mean the entire world.
- 2.6 LICENSEE SPONSORED TECHNOLOGY shall have the meaning given to it under either of the SPONSORED RESEARCH AGREEMENTS, or any extension thereof.
- 2.7 NET SALES shall mean the gross revenues received by LICENSEE from the SALE of LICENSED PRODUCTS less sales and/or use taxes actually paid, import and/or export duties actually paid, outbound transportation prepaid or allowed, and amounts allowed or credited due to returns (not to exceed the original billing or invoice amount).

- 2.0 PATENT RIGHTS shall mean BOARD'S rights in information or discoveries covered by patents and/or patent applications, whether domestic or foreign, and all divisionals, continuations, continuations-in-part, reissues, reexaminations or extensions thereof, and any letters patent that issue thereon, for the inventions listed on Attachment A hereto and incorporated herein and for any inventions comprising LICENSEE SPONSORED TECHNOLOGY and/or IMPROVEMENTS, from time to time.
- 2.9 SALE or SOLD shall mean the transfer or disposition of a LICENSED PRODUCT for value to a party other than LICENSEE or an AFFILIATE.
- 2.10 SPONSORED RESEARCH AGREEMENT shall mean each of the SPONSORED RESEARCH AGREEMENTS of even date herewith between LICENSEE and MDA, copies of which are attached as Exhibit 1A and Exhibit 1B hereto.
- 2.11 AFFILIATE shall mean any business entity more than 50% owned by LICENSEE, any business entity which owns more than 50% of LICENSEE, or any business entity that is more than 50% owned by a business entity that owns more than 50% of LICENSEE.
- 2.12 TECHNOLOGY RIGHTS shall mean BOARD'S rights in any technical information, know-how, process, procedure, composition, device, method; formula, protocol, technique, software, design, drawing or data relating to LICENSED SUBJECT MATTER, which is not covered by PATENT RIGHTS but which is necessary for practicing the invention at any time claimed in PATENT RIGHTS.

3. WARRANTY: SUPERIOR-RIGHTS

- 3.1 Except for the rights, if any, of the Government of the United States as set forth hereinbelow, BOARD represents and warrants that it is the owner of the entire right, title, and interest in and to LICENSED SUBJECT MATTER, and that it has the sole right to grant licenses thereunder, and that it has not granted licenses thereunder to any other entity that would restrict rights granted hereunder except as stated herein.
- 3.2 LICENSEE understands that the LICENSED SUBJECT MATTER may have been developed under a funding agreement with the Government of the United States of America and, if so, that the Government may have certain rights relative thereto. This AGREEMENT is explicitly made subject to the Government's rights under any such agreement and any applicable law or regulation, including P.L. 96-517 as amended by P.L. 98-620. To the extent that there is a conflict between any such agreement, applicable law or regulation and this AGREEMENT, the terms of such Government agreement, applicable law or regulation shall prevail.

3.3 LICENSEE understands that BOARD can make no representations or guarantees as to the patentability or breadth of the inventions contained in the PATENT RIGHTS. LICENSEE also understands that BOARD can make no representations or guarantees as to whether or not there are any patents now held, or which will be held, by others or by BOARD in the LICENSED FIELD or whether or not the inventions contained in PATENT RIGHTS may infringe any other patents now held or that will be held by others or by BOARD.

4. LICENSE

4.1 BOARD hereby grants to LICENSEE a royalty-bearing, exclusive license under LICENSED SUBJECT MATTER to manufacture, have manufactured, use and/or sell LICENSED PRODUCT within **LICENSED TERRITORY** for use within LICENSED FIELD and shall extend to BOARD's undivided interest in any LICENSED SUBJECT MATTER developed **during** the term of this AGREEMENT and jointly owned by BOARD and LICENSEE. This grant shall also extend to LICENSEE SPONSORED TECHNOLOGY and IMPROVEMENTS. The grant shall be subject to Paragraph 3.2, hereinabove, the payment by LICENSEE to BOARD of all consideration as provided in this AGREEMENT (including the timely payment of all amounts due under the SPONSORED RESEARCH AGREEMENT as well as reimbursement of MDA's patent expenses), and shall be further subject to rights retained by BOARD and MDA to:

- (a) Publish the general scientific findings from research related to LICENSED SUBJECT MATTER, provided that LICENSEE shall be provided written notice of any such proposed publication at least sixty (60) days in advance thereof in order to determine whether BOARD should file a patent application with respect to such scientific findings, and no such publication shall occur until BOARD has adequately protected the patentability of such findings.
- (b) Use any information contained in LICENSED SUBJECT MATTER for research, teaching, unreimbursed experimental patient care, and other educationally-related purposes.

4.2 LICENSEE shall have the right to extend the license granted herein to any AFFILIATE provided that such AFFILIATE consents to be bound by this AGREEMENT to the same extent as LICENSEE.

4.3 LICENSEE shall have the right to grant sublicenses consistent with this AGREEMENT provided that LICENSEE shall be responsible for the operations of its sublicensees relevant to this AGREEMENT as if such **operations** were carried out by LICENSEE. LICENSEE further agrees to 'deliver to BOARD a true and correct copy of each sublicense granted by LICENSEE, and any modification or

termination thereof, within thirty (30) days after execution, modification, or termination. Upon termination of this AGREEMENT, any and all existing sublicenses granted by LICENSEE may, at BOARD's sole discretion, be assigned to BOARD.

- 4.4** BOARD shall have the right at any time after (i) three (3) years from the date of this Agreement or (ii) termination of both of the SPONSORED RESEARCH AGREEMENTS, whichever is later, to terminate the exclusivity of the license granted herein in any national political jurisdiction in which patent protection for the LICENSED SUBJECT MATTER is either being sought or is in effect within LICENSED TERRITORY if LICENSEE, within ninety (90) days after written notice from BOARD as to such intended termination, fails to provide written evidence that it has commercialized or is actively **attempting** to commercialize an invention hereunder. Evidence provided by LICENSEE that it has an ongoing and active research, development, manufacturing, marketing or licensing program as appropriate, directed toward **production** and sale of products based on the invention disclosed and claimed in PATENTS or incorporating TECHNOLOGY within such jurisdiction shall be deemed satisfactory evidence. BOARD agrees to negotiate in good faith with LICENSEE for adjusting terms under such a non-exclusive arrangement.
- 4.5** The parties hereto agree to annually update the schedule of patents and patent applications listed on Attachment A.

5. PAYMENTS AND REPORTS

- 5.1 In consideration of rights granted by BOARD to LICENSEE under this AGREEMENT, LICENSEE agrees to pay MDA the following:
- (a) A running royalty equal to four percent (**4%**) of NET SALES for LICENSED PRODUCTS SOLD by LICENSEE;
 - (b) Thirty percent (**30%**) of all royalties received by LICENSEE for SALES by a sublicensee, but in no event more than four percent (**4%**) of NET SALES for LICENSED PRODUCT SOLD by such sublicensee, received by LICENSEE from a sublicensee from SALES of LICENSED PRODUCT by such sublicensee;
 - (c) Ten percent (10%) royalty on all cash considerations received by LICENSEE from a sublicensee as a result of a sublicense for Licensed Products in the form of licensing fees, **marketing** fees, milestone payments, bonus payments and the like, but excluding **payments** for equity and sponsored research; and

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- (d) Five percent (5%) royalty on all cash consideration received by LICENSEE from a sublicensee as a result of a sublicense for Licensed Products for sponsored research if, and only if, the SPONSORED RESEARCH AGREEMENT for such Licensed Products is not in existence at the time any such payment is received.
- 5.2 During the Term of this AGREEMENT and for one (1) year thereafter, LICENSEE shall keep complete and accurate records of its and its sublicensees' SALES and NET SALES of LICENSED PRODUCTS to enable the royalties and other amounts payable hereunder to be determined. LICENSEE shall permit BOARD or its representatives, at BOARD'S expense, to **periodically** examine its books, ledgers, and records during regular business hours for the purpose of and to the extent necessary to verify any report required under this AGREEMENT. In the event that the amounts due to BOARD are determined to have been underpaid by ten percent (**10%**) or more, LICENSEE shall pay the cost of such examination, and accrued interest at twelve percent (**12%**), or at the highest rate allowed by law, if lower, on which the amount which was deficient.
- 5.3 Within thirty (30) days after March 31, June 30, September 30, and December 31, LICENSEE shall deliver to BOARD and MDA a true and accurate report, giving such particulars of the business conducted by LICENSEE and its sublicensee, if any exist, during the preceding three (3) calendar months under this AGREEMENT as are pertinent to an account for payments hereunder. Such report shall include at least (a) the quantities of LICENSED SUBJECT MATTER that it has produced; (b) the total SALES, (c) the calculation of royalties thereon; and (d) the total royalties so computed and due BOARD. Simultaneously with the delivery of each such report, LICENSEE shall pay to BOARD the amount, if any, due for the period of such report. If no payments are due, it shall be so reported.
- 5.4 Upon the request of **BOARD** or MDA but not more often than once per calendar year, LICENSEE shall deliver to BOARD and MDA a written report as to LICENSEE'S efforts and accomplishments during the preceding year in commercializing LICENSED SUBJECT MATTER in the LICENSED TERRITORY and its commercialization plans for the upcoming year.
- 5.5 All amounts payable hereunder by LICENSEE shall be payable in United States funds without deductions for taxes, assessments, fees, or charges of any kind. Checks shall be made payable to The University of Texas M. D. Anderson Cancer Center.
- 5.6 LICENSEE shall reimburse BOARD for all its out-of-pocket expenses thus far incurred in filing, prosecuting, enforcing and maintaining PATENT RIGHTS exclusively licensed hereunder, and shall pay all such future expenses so long as and in such countries as its license remains exclusive. LICENSEE shall reimburse

all of BOARD's expenses thus far incurred upon execution of this AGREEMENT. To the extent such expenses are greater than \$10,000, the excess over \$10,000 shall be reimbursed within ninety (90) days after the EFFECTIVE DATE. Thereafter, MDA will invoice LICENSEE on a quarterly basis beginning July 1, 1994, with such invoices being due and payable within thirty (30) days thereafter.

- 5.7 No payments due or royalty rates under this AGREEMENT shall be reduced as the result of co-ownership of LICENSED SUBJECT MATTER by BOARD and LICENSEE.
- 5.8 Notwithstanding the above, MDA shall have the right, exercisable until such time as LICENSEE has completed a public offering of its equity securities under the Securities Act of 1933, as amended, pursuant to an effective registration statement filed with the Securities and Exchange Commission, to acquire **shares** of Common Stock of 'the LICENSEE in lieu of the payments due MDA under Section 5.1(c) above, in an amount determined by dividing the amount of payments otherwise due MDA under Section 5.1(c) by the sale price of the LICENSEE's equity securities stock determined by the Board of Directors of the LICENSEE in the most recent financing completed by LICENSEE prior to the date any such payments under Section 5.1 (c) accrued.

In the event that any payment under Section 5.1 (c) shall be due and so long as MDA's right under this Section 5.8 shall exist, LICENSEE shall provide written notice to MDA of the amount of the payment due to MDA under Section 5.1 (c) and the price of its most recent sale of preferred stock, together with the number of shares of Common Stock available to MDA hereunder. MDA shall have a period of thirty (30) days from the date of such notice to exercise its right hereunder, and shall provide written notice to LICENSEE prior to the expiration of such time period of its desire to exercise its rights hereunder. If MDA fails to provide such notice in such time period, or fails to exercise its rights hereunder, MDA shall receive such amounts owed under Section 5.1(c) in U.S. dollars, provided that such financing occurred within 12 months of the date such payments accrued. In the event that such financing occurred more than 12 months before the date such payments accrued, then in such event the fair market value of the LICENSEE's equity securities, as determined in the good faith opinion of the Board of Directors of the LICENSEE, shall be used instead of such sale price, provided however, that if LICENSOR disagrees with such determination, LICENSOR shall be able to appoint an independent third party knowledgeable and experienced in such matters, reasonably acceptable to LICENSEE, to make its own determination of such fair market value, at the sole expense of LICENSOR, which determination shall govern and control for the purposes hereof.

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- 5.9 LICENSEE agrees that it will not, during the term of this AGREEMENT, enter into a license agreement with another institution which license agreement licenses to the LICENSEE on an exclusive basis technology and/or patent rights on terms which are more favorable to such institution on an aggregate basis than the terms contained in this Agreement, taking into account all of ~~the~~ financial terms contained in any such license agreement, including but not limited to terms relating to the payment of royalties, sublicensee royalties, equity issued by LICENSEE to MDA or any such other institution as consideration for the license, milestone payments, annual license fees, minimum royalties and all other similar terms.

6. PATENTS AND INVENTIONS

- 6.1 LICENSEE shall reimburse BOARD for all reasonable future third party expenses incurred by BOARD in searching, filing, prosecuting and maintaining patent applications and patents relating to Patent Rights. If after consultation with LICENSEE it is agreed by BOARD and LICENSEE that a new patent application should be filed for LICENSED SUBJECT MATTER, BOARD will prepare and **file** appropriate patent applications, and LICENSEE will pay the reasonable third party cost of searching, preparing, filing, prosecuting and maintaining same. If LICENSEE notifies BOARD that it does not intend to pay the third party cost of an application, or if LICENSEE does not respond or make an effort to agree with BOARD on the disposition of rights of the subject invention, then BOARD may file such application at its own expense and LICENSEE shall have no rights to such invention other than TECHNOLOGY RIGHTS. BOARD shall provide LICENSEE with a copy of the application for which LICENSEE has paid the cost of filing, as well as copies of any documents received or filed during prosecution thereof.
- 6.2 The parties acknowledge that research in laboratories at MDA which are under the direct supervision of Mien Chie Hung, Ph.D. or Gabriel Lopez-Berestein, M.D. may result in discoveries and inventions which are in the field of the molecular biology of oncogenes and/or growth factors and lipid based gene, nucleic acid and/or oligonucleotide delivery technologies, are related to the LICENSED SUBJECT MATTER but not included therein, and did not result from the Sponsored Research Agreements attached hereto as Exhibit Ia and Ib (RELATED TECHNOLOGY). MDA hereby grants to the LICENSEE the right of first review with respect to the RELATED TECHNOLOGY (excluding, however, any RELATED TECHNOLOGY as to which any other commercial organization has rights therein) under the following terms:
- (a) MDA shall notify the LICENSEE in writing of the RELATED TECHNOLOGY and provide the LICENSEE with sufficient detail to evaluate the RELATED TECHNOLOGY.

- (b) The LICENSEE shall have ninety (90). days **after** such notification to evaluate the RELATED TECHNOLOGY and notify MDA in writing that the LICENSEE desires to license the RELATED TECHNOLOGY.
- (c) Upon notification by the LICENSEE of its desire to acquire rights in the RELATED TECHNOLOGY, the LICENSEE and MDA shall negotiate in good faith for a period not to exceed ninety (90) days, unless extended by mutual written agreement of MDA and the LICENSEE, in an effort to arrive **at** terms and conditions satisfactory to MDA and LICENSEE for the license by the LICENSEE of the RELATED TECHNOLOGY.
- (d) If MDA and the LICENSEE do not reach such agreement within said ninety (90) day period, MDA shall be free to deal with such RELATED TECHNOLOGY as it in its discretion may decide, and shall have no further obligations to the LICENSEE with respect to such RELATED TECHNOLOGY; provided that any subsequent license to a third party by MDA of such RELATED TECHNOLOGY shall be on terms no less favorable to MDA than were last offered by MDA to the LICENSEE in writing.

7. INFRINGEMENT BY THIRD PARTIES

- 7.1 LICENSEE shall have the obligation of enforcing at its expense any patent exclusively licensed hereunder against infringement by third parties and shall be entitled to retain recovery from such enforcement, LICENSEE shall pay MDA a royalty equal to the amount set out in Section 5.1 (a) on any monetary recovery to the extent that such monetary recovery by LICENSEE is in excess of the cost thereof and to the extent held to be damages or a reasonable royalty in lieu thereof. In the event that LICENSEE does not file suit against a substantial infringer of such patents within six (6) months of knowledge thereof, then BOARD shall have the right to enforce any patent licensed hereunder on behalf of itself and LICENSEE (MDA retaining all recoveries from such enforcement).
- 7.2 In any suit or dispute involving an infringer, the parties shall cooperate fully, and upon the request and at the expense of the party bringing suit, the other party shall make available to the party bringing suit at reasonable times and under appropriate conditions all relevant personnel, records, papers, information, samples, specimens, and the like which are in its possession.
- 7.3 In the event of any infringement or likely infringement by any of the LICENSED SUBJECT MATTER or LICENSEE SPONSORED TECHNOLOGY of any third party's intellectual property (collectively, **INFRINGING RIGHTS**), BOARD, SYSTEM and MDA shall, together with LICENSEE, **cooperate in good faith and on a mutual and reasonable basis**, with each party responsible for its respective expenses:

- (a) To negotiate and settle any dispute with any such third party concerning the INFRINGING RIGHTS, and otherwise resolve any such infringement and secure LICENSEE's continued rights to the INFRINGING RIGHTS; and
- (b) To make a reasonable and equitable adjustment, if any, to the royalties paid or otherwise due under this AGREEMENT in respect of licenses or other rights obtained by LICENSEE from third parties under such INFRINGING RIGHTS in order for LICENSEE to continue to exercise rights granted under this AGREEMENT.

8. PATENT MARKING

- 8.1 LICENSEE agrees that all packaging containing individual LICENSED PRODUCT(S), and documentation therefor, sold by LICENSEE, SUBSIDIARIES, and sublicensees of LICENSEE will be marked permanently and legibly with the number of the applicable patent(s) licensed herevnder in accordance with each country's patent laws, including Title 35, United States Code.

9 . INDEMNIFICATION

- 9 . 1 LICENSEE shall hold harmless and indemnify BOARD, SYSTEM, MDA, its Regents, **officers**, employees, students, and agents from and against those damages finally awarded a third party in respect of any claims, demand, or causes of action **whatsoever**, including without limitation those arising on account of any injury or death of persons or damage to property caused by, or arising out of, or resulting from, the exercise or practice of the license granted hereunder by LICENSEE or its officers, employees, agents or representatives, except to the extent such claim, demand or cause of action arose from the negligence, recklessness or willful misconduct of BOARD, SYSTEM, MDA, its Regents, officers, employees and agents, for which BOARD, SYSTEM, MDA, to the extent authorized under the constitution and laws of the State of Texas, shall similarly hold harmless and indemnify LICENSEE, its officers, employees, agents or representatives.
- 9.2 In no event shall any party to this AGREEMENT be liable for indirect, consequential or similar damages, even if advised of the possibility of such liability.

10. USE OF BOARD ANO COMPONENTS NAME

- 10.1 LICENSEE shall not use the name of MDA, SYSTEM or BOARD without express written consent. Notwithstanding the above, LICENSEE may use the **name of MDA**, BOARD or SYSTEM when indicating, as a factual **matter, that MDA is a licensor** of LICENSEE under this AGREEMENT and only in connection with either or both of the following:

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- (a) Communications associated with LICENSEE's financing activities; and
 - (b) Communications (other than promotions and advertisements) directed to describing or responding to inquiries concerning the business, technology, products, services and associated activities of LICENSEE.

LICENSEE may otherwise use the name of MDA, BOARD OR SYSTEM when and as required by applicable law, rules and regulations or upon MDA's consent, which shall not be unreasonable withheld or delayed.

11. CONFIDENTIAL INFORMATION

- 11.1 BOARD and LICENSEE each agree that all information contained in documents marked "confident/al" which are forwarded to one by the other shall be received in strict confidence, used only for the purposes of this AGREEMENT, and not disclosed by the recipient party (except as required by law or court order), its agents or employees without the prior written consent of the other party, **unless** such information (a) was in the public domain at the time of disclosure, (b) later became part of the public domain through no act or omission of the recipient party, its employees, agents, successors or assigns, (c) was lawfully disclosed to the recipient party by a third party having the right to disclose it, (d) was already known by the recipient party at the time of disclosure, (e) was independently developed or (f) is required to be submitted to a government agency pursuant to any preexisting obligation.
- 11.2 Each party's obligation of confidence hereunder shall be fulfilled by using at least the same degree of care with the other party's confidential information as it uses to protect its own confidential information. This obligation shall exist while this AGREEMENT is in force and for a period of three (3) years thereafter.

12. ASSIGNMENT

- 12.1 Except in connection with sale of LICENSEE's business, this AGREEMENT may not be assigned by LICENSEE without the prior written consent of BOARD, which shall not be unreasonably withheld.

13. TERMS AND TERMINATION

- 13.1 The term of this AGREEMENT shall extend from the EFFECTIVE DATE set forth hereinabove to the full end of the term or terms for which PATENT RIGHTS have not expired and if only TECHNOLOGY RIGHTS are licensed and no PATENT RIGHTS are applicable, for a term of fifteen (15) years.

- 13.2 BOARD shall have the right at any time after (i) five (5) years from the date of **this AGREEMENT** or (ii) termination of both of the SPONSORED RESEARCH AGREEMENTs, **whichever** is later, to terminate the license in any national political jurisdiction if **LICENSEE**, within ninety days after written notice from BOARD of such intended termination, fails to provide written evidence that it has commercialized or is actively attempting to commercialize an invention licensed hereunder within such jurisdiction. Evidence provided by LICENSEE that it has an ongoing and active research, development, manufacturing, marketing or licensing program as **appropriate**, directed toward **production** and sale of products based on the invention disclosed and claimed in PATENTS or incorporating TECHNOLOGY within such jurisdiction shall be deemed satisfactory evidence.
- 13.3 This AGREEMENT will earlier terminate in its entirety:
- (a) automatically if LICENSEE shall become bankrupt or insolvent and/or if the business of LICENSEE shall be placed in hand of a receiver, assignee, or trustee, whether by voluntary act of LICENSEE or otherwise;
 - (b) (i) upon thirty (30) days written notice from BOARD if LICENSEE shall breach or default on the payment obligations of Article V, or use of name obligations of **Article X**; or (ii) **()** upon ninety (90) days written notice if LICENSEE shall breach or default on any other obligation under this AGREEMENT; provided, however, LICENSEE may avoid such termination if before the end of such period LICENSEE **notifies** BOARD that such breach has been cured and states the manner of such cure;
- 13.4 Upon termination of this AGREEMENT for any cause, nothing herein shall be construed to release either party of any obligation matured prior to the effective date of **such** termination. LICENSEE may, after the effective date of such termination, sell all LICENSED PRODUCT that it may have on hand at the date of termination, provided that it pays earned royalty thereon as provided in this AGREEMENT.
- 13.5 Upon and effective as of the date of termination of this AGREEMENT pursuant to Paragraph 13.2 and 13.3 above, LICENSEE agrees to grant to BOARD a royalty bearing license with the right to sublicense others with respect to improvements made solely by LICENSEE in the LICENSED SUBJECT MATTER on terms to be negotiated.

14. GENERAL

14.1 This AGREEMENT and the SPONSORED RESEARCH AGREEMENTs constitute the entire and only AGREEMENT between the parties for LICENSED SUBJECT MATTER and all other prior negotiations, representations, agreements **and** understandings are superseded hereby. No agreements altering or supplementing the terms hereof may be made except by means of a written document signed by the duly authorized representatives of the parties.

14.2 Any notice required by this AGREEMENT shall be given by prepaid, first class, certified mail, return receipt requested, addressed in the case of BOARD to:

BOARD OF REGENTS
The University of Texas System
201 West Seventh Street
Austin, Texas 78701
ATTENTION: **Office** of General Counsel

with copy to:

The University of Texas
M.D. Anderson Cancer Center
Office of Technology Development
1020 Holcombe Boulevard, Suite 1405
Houston, Texas 77030
ATTENTION: William J. Doty

or in the case of LICENSEE to: Rgene Therapeutics, Inc.
2 170 Buckthorne Place, Suite 170
The Woodlands, Texas 77350
ATTENTION: Martin P. Sutter

or such other address as may be given from time to time under the terms of this notice provision.

14.3 LICENSEE shall comply with all applicable federal, state and local laws and regulations in connection with its activities pursuant to this AGREEMENT.

14.4 This AGREEMENT shall be construed and enforced in accordance with the laws of the United States of America and of the State of Texas.

14.5 Failure of a party to enforce a right under this AGREEMENT shall not act as a waiver of that right or the ability to later assert that right relative to the particular situation involved.

- 14.6 Headings included herein are for convenience only and shall not be used to construe this AGREEMENT.
- 14.7 If any provision of this AGREEMENT shall be found by a court to be void, invalid or unenforceable, the same shall be reformed to comply with applicable law or stricken if not so conformable, so as not to affect the validity or enforceability of this AGREEMENT.
- 14.8 This AGREEMENT may be executed in two counterparts, each of which shall be deemed an original but all of which, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, parties hereto have caused their duly authorized representatives to execute this AGREEMENT.

THE UNIVERSITY OF TEXAS
M.D. ANDERSON CANCER CENTER

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

By _____
David J. Bachrach
Executive Vice President
for Administration and Finance

By _____
Thomas G. Ricks
Vice Chancellor for
Asset Management



APPROVED AS TO CONTENT:



APPROVED AS TO FORM:

By William J. Doby
Director, Technology Development

By Dudley R. Dobie, Jr.
Manager, Intellectual Property

GENE THERAPEUTICS, INC.

By Martin P. Sutter
Chairman of the Board

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ATTACHMENT A

Patent and technology rights for U.S. Patent Application entitled:

- Methods and Compositions for the Suppression of Neu Mediated Transformation
Inventors: Mien-Chie Hung, Ph.D. and Di-hua Yu, M.D. Ph.D.; and
 - U.S. Serial No. 621,465, filed December 4, 1990, (MDA Ref: **UTSC:203**); and
 - Continuation+-part Serial No. 070,410, filed June 4, 1993, (MDA Ref: **UTSC:256**); and
 - Continuation-in-part, Serial No. 162,406, filed December 3, 1993, (MDA Ref: **UTSC:364**)

**RGENE THERAPEUTICS, INC.
GABRIEL LOPEZ-BERESTEIN**

Stock Purchase Agreement

This Stock Purchase Agreement (this "Agreement") dated February 14, 1994 is entered into by and between **RGene** Therapeutics, Inc., a Delaware corporation (the "Company") and **Gabriel Lopez-Berestein** (the "Buyer").

WITNESSETH:

WHEREAS, the Company desires to sell certain shares of common stock, **\$.001** par value, of the Company (the "Common Stock") to the Buyer, and

WHEREAS, the Buyer desires to purchase **certain** shares of Common Stock **from** the Company; and

WHEREAS, the Buyer and the Company desire that the Buyer **grant** to the Company, and under certain circumstances to holders of the Company's Preferred Stock or other securities issued by the Company to investors (the "Investors"), options to repurchase certain shares of Common Stock purchased by the Buyer on the terms and conditions set forth;

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and obligations contained herein, the parties agree as follows:

1. **Purchase and Sale of Shares.**

1.1 **Purchase and Sale of Shares.** Subject to the terms and conditions of this Agreement and in consideration of the payment of the Purchase Price (as defined below) by the Buyer to the Company at the Closing (as defined below), the Company agrees to sell to the Buyer, and the Buyer agrees to purchase from the Company, 321,154 shares of Common Stock (the "**Shares**").

1.2 **Purchase Price.** The Purchase Price payable to the Company shall be **\$.001** per Share, payable in cash at the Closing.

1.3 **Closing.** The closing for the sale of the Shares to the Buyer shall **occur** on or before February 15, 1994, or at such other date and time as **the parties** may agree (the "Closing"). Concurrent with the payment by Buyer **of** the **Purchase Price**, or within a reasonable time thereafter, the Company shall deliver to Buyer a **certificate** or certificates representing the number of Shares as set forth in Section 1.1 hereof, in the **name** of the **Buyer**.

2. **Representations and Warranties.** To **induce** the Company to deliver the **Shares** to the Buyer, the Buyer **represents** and Warrants to the Company:

(a) The Buyer is acquiring the Shares for his own account as principal, for investment purposes only, and not with a view to, or for, **resale** or distribution, and no other person has a direct or indirect beneficial interest in the Shares;

(b) The Buyer has not offered any of the Shares for resale and has no present intention of dividing his interest with others or of reselling or otherwise disposing of any of the Shares;

(c) Any information the Buyer has furnished to the Company with **respect** to the Buyer's status as a sophisticated or accredited investor, his business experience or financial position is correct;

(d) The **financial** capacity of the Buyer is such that the investment in the Shares is not material to his total financial capacity; the Buyer has the financial ability to **bear** the economic risk of his investment, has adequate means for providing for his **current** needs and personal contingencies and has no need for liquidity with **respect** to his investment in the Shares;

(e) The Buyer considers himself to be a sophisticated investor and has such knowledge and experience in financial and business matters as to **be** capable of evaluating the merits and risks of the prospective investment in the Shares;

(f) The Buyer has been furnished with all information concerning the Shares and the Company that he desires;

(g) The Buyer has been given the opportunity to ask questions of, and **receive** answers from, the Company with **respect** to the Shares, concerning the terms **and** conditions of the offering and other matters pertaining to this investment, and has been given the opportunity to obtain such additional information necessary to verify the accuracy of the information provided to him by the Company in order for him to evaluate the merits and risks of investment in the Shares to the extent that the Company possessed such information or could acquire it without unreasonable effort or expense; and

(h) The Buyer is not relying on the Company with **respect** to any economic considerations of the Buyer related to this investment. **In** regard to the economic considerations related to this investment, the Buyer has relied on the advice of, or has consulted with, only his own advisors.

The Buyer further represents, warrants and **agrees** that he will not **sell** or otherwise transfer the Shares without registration under the Securities Act of 1933, as amended (the "Act"), or an exemption **therefrom**, and **fully** understands and **agrees** that

he **must bear the** economic risk of his **purchase** for an **indefinite** period of time because, among other reasons, **the** Shares have not **been** registered under the Act or under the securities laws of any state and, therefore; cannot be resold, pledged, assigned or otherwise disposed of unless they are subsequently registered under the Act and under the applicable securities laws of such **states** or an exemption from such registration is available. He also understands that the Company is under no obligation to register the Shares on his behalf or to assist him in-complying with any exemption from **registration** under the Act. He further understands that any certificate evidencing the Shares will bear a legend restricting the transfer thereof consistent with the foregoing and that a notation may be made in the records of **the Company** restricting the transfer of any Shares in a manner consistent with the foregoing.

3 . Buyer Awareness The Buyer **acknowledges** that he is aware that:

(a) No federal or state agency has passed upon the Shares or made any **finding** or determination as to the **fairness** of this investment;

(b) There are substantial risks of loss of investment incident to an investment in the Shares and such an investment is highly speculative;

(c) The Company is only recently organized, has not conducted any substantial business to date and does not have any substantial working capital or financial resources. The **business** in which the Company proposes to engage is highly competitive and success in the Company's business may depend on, among other things, the Company's ability to obtain financing, to complete product development, to attract qualified employees and to obtain patent protection and governmental approvals, market acceptance of products and numerous other factors over which the Company does not have **control**.

4. Restrictions on Transfer: Right of First Refusal.

4.1 Compan ' Purchase Option Buyer shall not sell, transfer, **pledge**, **hypothecate** or otherwise dispose of any Shares which are purchased hereunder without first complying with the terms of this Section 4.

4.2 Right o f F i i . Before any of the **Shares** registered in the name of Buyer may be sold or transferred (including transfer by operation of law), except as permitted in Section 5, such Shares shall first be offered to the Company and to the Investors, **in** accordance with the terms set out herein, **provided, however, that until the Company has** completed a public offering of its equity securities pursuant to an effective registration statement filed with the Securities and Exchange Commission, no **transfer of Shares may be made** under any circumstances.

(i) Buyer shall deliver a notice ("Notice") to the Company and to the Investors stating (A) his bona fide intention to sell or transfer such Shares, (B) the number of such Shares

to be sold or transferred, **(C)** the price for which he proposes to sell or transfer such Shares, and **(D)** the name of the proposed purchaser or transferee.

(ii) Within thirty (30) days after receipt of the Notice, the Company and/or **the** Investors may elect to purchase some or all of the **Shares** to which the Notice refers, at the **price** per share specified in the Notice. **The closing** for such purchase by the Company and/or the Investors shall occur, unless otherwise agreed by the Company, the Investors electing to purchase Shares, and the Buyer, no later than 30 days after the election by the Company and/or the Investors to purchase same. In the event that the number of Shares which the Company and the Investors desire to purchase exceeds **the** number of Shares proposed for sale by Buyer in the Notice, then in such instance the Company **shall** have **full preference** to acquire such Shares to the exclusion of the Investors, and, to the extent that there are Shares **still** available for purchase by the Investors, the Investors desiring to purchase Shares **shall** be entitled to purchase the remaining amount thereof on a pro rata basis based upon the number of shares of Common Stock and Preferred **Stock**, or securities convertible into shares of Common Stock and Preferred Stock, then held by each of them so electing to purchase bears to the total number of shares of Common Stock and Preferred Stock, or securities convertible into shares of Common Stock and Preferred Stock, held by all Investors desiring to acquire Shares, on a **fully** diluted as if converted to Common Stock basis.

(iii) If **all** of the Shares to which the Notice refers are not purchased by the Company and the Investors, as provided in Section 4.2 (ii) hereof, Buyer may sell such Shares which the Company and the Investors elected not to purchase to any person or persons named in the Notice at the price specified in the Notice or at a higher price, provided that such sale or transfer is consummated within 120 days of the date of said Notice to the Company and the Investors, and provided, **further**, that any such sale is in accordance with **all** the terms and conditions hereof.

(iv) Upon the closing of a firm commitment public offering pursuant to an effective registration statement **filed** by the Company under the Securities Act of 1933, as amended (the "Act"), covering the **offering** and **sale** of shares of Common Stock for the account of the Company in which the aggregate gross proceeds received by the Company equal or exceed **\$7,500,000** and in which the public offering price per share **equals** or **exceeds** \$5.00 per share, the thirty (30) day period **specified** in Section **4.2(ii)** above **shall** be reduced to a ten (10) day period; and the requirement to identify the name of the proposed purchaser and the proposed price **shall** be inapplicable if the Buyer proposed to sell the **Shares** in an **over-the-counter** sale or on a national or regional exchange transaction. In such instance, any such sale to the Company and/or the Investors shall be at the average closing price of the Company's Common Stock on the date of notice of election to purchase such **shares** by **the** Company and/or the Investors. The average closing price is defined as the **last closing price regular** way on the exchange where the Common Stock is listed for trading or the average of the bid and ask prices if applicable.

4.3 **Standoff Agreement.** Buyer agrees, in connection with each of the Company's public offerings of its equity securities, and upon request of the Company or the underwriters managing such offering, not to **sell**, make any short sale of, loan, grant any option for the purchase of or otherwise dispose of any of the Shares (other than those included in the registration, if any) without the prior written consent of the Company or such underwriters, **as** the case may be, for such period of time from the effective date of such registration as may be requested by the Company or such underwriters; provided, that the officers and directors of the Company who own stock of the Company also agree to such restrictions.

4.4 **Other Restrictions on Transfer.** The Company shall not be required (i) to transfer on its books any of the Shares which shall have been sold or transferred in violation of any of the provisions set forth in this Agreement, or (ii) to treat as owner of such Shares or to accord the right to vote as such owner or to pay dividends to any transferee to whom such Shares shall have been so transferred.

5. **Exempt Transactions.**

5.1 **Certain Transactions.** The prohibition in Section 4 against the sale of the Shares shall not apply to the exchange of Shares pursuant to a plan or merger, consolidation, recapitalization, reorganization, or sale of the Company, in **which** the Company is the surviving entity, but any stock or securities received in exchange **therefor** shall also become subject to this Agreement.

5.2 **Permitted Transfers.** The prohibition in Section 4 against the sale of Shares shall not apply to a transfer by Buyer of all or part of his Shares during his lifetime or on death by will or by intestacy to or for the benefit of himself, his spouse, his ancestors or his lineal descendants, provided that any such transferee or transferees shall receive and hold **the** Shares subject to the terms of this Agreement, and there shall be no further transfer of such Shares except in accordance with the terms of this Agreement.

6. **Assignment.** The Company may assign this Agreement or any of its rights and obligations hereunder. **The** Buyer may not assign this Agreement or any of his rights and obligations hereunder. All **covenants** and agreements of, and benefits for, the Investors contained in this Agreement shall inure to the benefit of their **respective** successors and assigns and be binding on the Company and its successors and on the Buyer and his heirs, executors, administrators and successors. **All** such covenants and agreements are fully assignable by the Investors, **provided**, however, that any assignment of any of its rights under this **Agreement** by any **Investor** (other than to partners of such Investor or **successors** of such Investor or such partners by operation of law) **shall** be made only in **connection** with the sale or other **transfer** of **all** or any portion of the **Preferred** Stock, Common Stock, **convertible notes**, warrants, options or other securities of the Company which are exchangeable or **convertible** into **shares** of Common Stock or Preferred Stock of the Company held by such Investor and such assignee or transferee shall execute this Agreement.

7. **Adjustments.** If, from time to time during the term of this Agreement (i) there is any stock dividend or liquidating dividend of **cash** or property, stock split or other change in the character or amount of any of the outstanding securities of the Company, or (ii) there is any transaction involving the consolidation, merger or sale of all, or substantially **all**, of the assets of the Company, then, in such event, (x) any and all new, substituted or additional securities or other property to which the Buyer is **entitled** by **reason** of his ownership of the **Shares** shall be immediately **subject** to right of first refusal provided to the Company and the Investors as described in Section 4 hereof and (y) **all** Shares purchased by Buyer hereunder shall be treated on the same basis as all other outstanding shares of Common Stock of the Company so that Buyer's Shares shall not be diluted by any such event any differently than any other holder of Common Stock of the Company.

8. **Legends.** Certificates representing any of the Shares subject to the provisions of this **Agreement** shall have endorsed thereon a legend substantially as follows:

“ANY DISPOSITION, GRANT OR OTHER **TRANSFER** OF ANY INTEREST IN THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO CERTAIN RESTRICTIONS, AND THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A **RIGHT** OF FIRST REFUSAL, CONTAINED IN A CERTAIN AGREEMENT BY THE RECORDHOLDER HEREOF AND THE CORPORATION, A COPY OF WHICH WILL BE MAILED TO ANY HOLDER OF THIS CERTIFICATE WITHOUT CHARGE **AFTER** RECEIPT BY THE CORPORATION OF A **WRITTEN** REQUEST THEREFOR. ”

Upon presentation to the Company or any authorized **transfer** agent, the **certificates** representing the Shares or any appropriate portion thereof shall be exchanged for certificates not bearing such legend if the certificates are presented after the termination of this Agreement.

9. **Rights as a Stockholder: Voting Agreement.** Subject to the provisions of Section 4 above, the Buyer **shall, during** the term of this Agreement, exercise **all** rights and privileges of a stockholder of the Company with **respect** to the Shares, including the right to vote such Shares at any stockholder meeting. Notwithstanding anything herein to the contrary, Buyer hereby agrees that he will, for a ninety-day period **following** the issuance of the Shares or until the closing of the first round financing by the Company in an amount at least equal to **\$2,000,000**, whichever comes **first**, vote such Shares, at any stockholder meeting, in **person**, by proxy, by written consent, or **otherwise**, for the directors nominated for **election** to the **Board** of Directors of the Company by The Woodlands Venture Fund **and** no others, and, in any **other** matter coming before the stockholders of the Company, in **accordance** with the directive of The Woodlands Venture Fund.

In order to secure the obligation to **vote** in accordance with the provisions hereof, **the Buyer hereby appoints** Martin P. Sutter as **his** true and lawful proxy and attorney, with **full power** of substitution, to vote all of his Shares for the matters specified hereinabove. The **irrevocable** proxy granted **by** the Buyer may be exercised at any time Buyer fails to **comply** with the terms of this Section 9. The proxy and power granted by the Buyer pursuant to this section are coupled with an interest and are given to secure the duties of the Buyer pursuant hereto. Such proxy will be irrevocable and will survive the death, incompetency, and disability of Buyer, provided that it shall terminate upon the expiration of twelve months following the issuance of the Shares.

Buyer hereby consents to the placement of **an** appropriate legend evidencing the voting restrictions provided for in this Agreement, on the certificates representing the **Shares** and any **certificates** issued in replacement or exchange therefor, and Buyer will take **all** actions reasonably **requested** by the Company to effect such **placement**.

10. **Termination.** Except as may be otherwise provided herein, this Agreement shall terminate on the **91st** calendar day immediately succeeding the third anniversary of the public offering referenced **in** Section **4.2**.

11. **Miscellaneous**

11.1 **Notice.** For **purposes** of this Agreement, notices and all other communications provided for herein shall be in writing and shall be deemed to have been duly given when personally delivered **or when mailed** by United States registered **or certified mail**, return receipt requested, postage prepaid, addressed as follows:

If to the Company:

RGene Therapeutics, Inc.
% The Woodlands Venture Fund
2170 Buckthorne Place, Suite 170
The Woodlands, Texas 77380
Attention: Martin P. **Sutter**

If to the Buyer, at the address identified on the signature page hereof, and if to an Investor, at the address identified on the records of the Company hereto, or to such other address as either party or an Investor may furnish to the other in **writing** in accordance herewith, **except that** notices of change of address shall be effective only **upon receipt**.

11.2 **Applicable Law.** The substantive laws of the State of Texas, excluding any law, **rule** or principle which might refer to the **substantive law** of **another** jurisdiction, **will govern** the interpretation, validity and effect of this **Agreement** without regard to the **place** of execution or the place for performance thereof. **This Agreement is to be at least partially** negotiated, executed and **performed** in Harris County, Texas, and, as **such**, **the Company** and

the Buyer **agree** that personal jurisdiction and venue **shall** be proper with the state or **federal** courts situated in Harris County, Texas, to hear such disputes arising under this Agreement.

11.3 **No Waiver.** No failure by either party hereto at any time to give notice of any breach by the other party of, **or to require** compliance with, any condition or provision of this Agreement shall be deemed a **waiver** of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

11.4 **Severability.** If a court of competent jurisdiction determined that any provision of this Agreement, including any appendices attached hereto, is invalid or unenforceable, then the invalidity or unenforceability of that provision shall not affect the **validity** or enforceability of any other provision of this Agreement, and all other provisions **shall** remain **in** full force and effect. Further, such provision shall be reformed and construed to the extent permitted by law so that it may be valid, legal and **enforceable** to the maximum extent possible.

11.5 **Counterparts.** This Agreement **may** be executed in one or more counterparts, each of which **shall** be deemed to be an original, but all of which together will constitute one and the same Agreement.

11.6 **Headings.** The section headings have been inserted for purposes of **convenience** and shall not be used for interpretive purposes.

11.7 **Successors: Third Party Beneficiary.** This Agreement shall inure to the benefit of the successors and assigns of the Company and the Investors and be binding upon **the** Buyer and his heirs, executors, administrators and successors. The **Buyer** agrees that any and all Investors in the Company shall be treated as third party beneficiaries of this Agreement without the necessity of execution of this Agreement, and shall be entitled to **all** of **the** rights rendered to them herein.

11.8 **Entire Agreement.** This Agreement constitutes the entire agreement of the parties with regard to the subject matter hereof, and contains **all** the covenants, promises, representations, warranties and agreements between **the parties** with respect to the subject matter hereof. Each party to this Agreement acknowledges that no representation, inducement, promise or agreement, oral or written, with regard to the subject matter hereof, has been made by either party, or by anyone acting on behalf of either **party**, which is not embodied herein, and that no agreement, statement or promise relating to the subject matter hereof which is not contained in this Agreement or in such other agreements **shall** be valid and binding.

11.9 **Amendments.** No amendment **or modification** to this Agreement **will** be **effective unless** it is in writing and signed by the Company, the Buyer and, if such amendment alters or amends any of the rights of the Investors, by Investors **holding** a majority of the outstanding shares of capital stock of the Company held by such Investors, if any.

11.10 **Indemnity.** The Buyer agree-s to indemnify and hold harmless the Company and any person, if any, who **controls** the Company **or** such successor within the meaning of Section 15 of the Act against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all **expenses** whatsoever reasonably incurred in investigating, preparing or defending **against any** litigation commenced or threatened or any claim whatsoever) arising out of or based upon **any** false **representation** or warranty or breach or failure by the Buyer to comply with any covenant or agreement made by the Buyer herein or in any other document furnished by the Buyer in connection **with** this transaction.

11.11 **Injunctive Relief.** In **view** of the inadequacy of money damages, and in view of the fact that the stock of the Company cannot be readily purchased or sold in the general market, if the Buyer or any other person **shall fail** to comply with any provision of this Agreement, the Company shall be entitled, to the **extent** permissible by law, to injunctive relief in the case of the violation, or attempted or threatened violation, by Buyer or other person of any such provision, or to a decree **compelling** specific performance by the Buyer or other person, of any such provision, or to any other remedies legally available.

11.12 **Spouses.** The spouse of the Buyer, if any, hereby represents and acknowledges that he or she is **fully** aware of, understands, and fully consents and agrees to the provisions of this Agreement and its binding effect upon any community property interest he or she may now or hereafter own. Said spouse agrees that the termination of their marital relationship with the Buyer for any reason or his or her death shall not have the effect of removing any stock of the Company **otherwise** subject to this Agreement from its coverage. Said spouse's awareness, understanding, consent and agreement is evidenced by the execution of this Agreement. **All** stock described in **this** Agreement shall include the community property interest of the spouse of Buyer.

11.13 **Void Transfers.** If any Stock shall be sold or transferred otherwise than in accordance with the terms and conditions of this Agreement, such sale shall be void. Any such attempted sale or other transfer shall create a right in the Company to purchase the Stock which is the subject of such purported transfer at the applicable purchase price specified herein. Such right shall constitute an 'adverse claim' within the *meaning* of such term as used within the meaning of the **Uniform** Commercial Code of any State. In addition to, and without **prejudice** to, any and all other rights or remedies which may be available to the Company, **the** Buyer agrees that the Company may, but shall have no obligation to, hold and **refuse** to transfer any Stock, or any certificate therefor, tendered to it for transfer if the transfer violates the provisions of the Agreement.


11.14 **Tax Representations.** **The** Buyer acknowledges that the Company has made no warranties or other representations to Buyer **with** respect to the **income** tax consequences of the transactions contemplated by this Agreement and Buyer is **in** no manner relying on the Company or its representatives for an account of such tax consequences.

11.15 **Further Assurances.** The parties agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

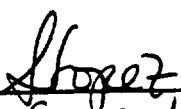
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered as of the day and year first above written.

Company


RGENE THERAPEUTICS, INC.

By: 
Name: MARTIN P. SUTTER
Title: CHAIRMAN

Buyer's Spouse

Signed: 
Print Name: SONIA LOPEZ
Address: _____

Buyer

Signed: 
Print Name: G. LOPEZ-BERSTEIN
Address: _____

**RGENE THERAPEUTICS, INC.
MIEN CHIE HUNG, PH.D.**

Stock Purchase Agreement

This Stock Purchase Agreement (this 'Agreement') dated February 14, 1994 is entered into by and between **RGene** Therapeutics, Inc., a Delaware corporation (the "Company") and Mien Chie Hung, Ph.D. (the 'Buyer').

W I T N E S S E T H:

WHEREAS, the Company desires to sell certain shares of common stock, **\$.001** par value, of the Company (the "Common Stock") to the Buyer; **and**

WHEREAS, the Buyer desires to **purchase** certain shares of Common Stock from the Company; **and**

WHEREAS, the Buyer **and the** Company desire that the **Buyer** grant to the Company options to repurchase certain shares of Common Stock purchased by the Buyer on the terms and conditions set forth;

NOW, **THEREFORE**, for and in consideration of the mutual promises, covenants and obligations contained herein, the parties agree as follows:

1. Purchase and Sale of Shares.

1.1 **Purchase and Sale of Shares.** Subject to the terms and conditions of **this** Agreement and in consideration of the payment of the Purchase Price (as defined below) by the Buyer to the Company at the Closing (as defined below), the Company agrees to sell to the Buyer, and the Buyer agrees to purchase from the Company, 571,154 shares of Common Stock (**the** "Shares").

1.2 **Purchase Price.** The Purchase Price payable to the Company shall be **\$.001** per Share, payable as follows: the Company shall deduct the **Purchase** Price from the first month's **consulting** fee owed to Buyer under that certain Consulting Agreement between the Buyer and the Company dated the date hereof (**the** "Consulting **Agreement**").

1.3 **Closing.** The closing for the sale of the Shares to the Buyer shall occur **on or** before February 15, 1994, or at such other date and time as the parties may agree (**the** "Closing"). Concurrent with the **payment by** Buyer of the **Purchase** Price, or within a reasonable time **thereafter**, the Company shall deliver to Buyer a **certificate** or certificates representing the number of Shares as set forth in Section 1.1 hereof, in the name of the Buyer.

2. Repurchase Option

(a) A total of **250,000** of the Shares purchased by Buyer pursuant to this Agreement (hereinafter; the "Option Shares") shall be subject to the option ("Repurchase Option") set forth in this Section 2. In the event the Buyer shall cease to be engaged by the Company (including a parent or subsidiary of the Company) as a Consultant for any reason, voluntarily or involuntarily, the Company shall have the right, at any time within 90 days after the date Buyer ceases to be so engaged, to exercise the Repurchase Option, which consists of the right to purchase from the Buyer at a purchase price of **\$.001** per share (the "**Unvested Option Price**"), up to but not **exceeding** the number of Option Shares specified in Section 2(b)(i) below, upon the terms hereinafter set forth.

(b)(i) If the Buyer's engagement by the Company under the Consulting Agreement is terminated at any time prior to **the** second anniversary thereof, the Company may exercise the Repurchase Option at the **Unvested Option Price** as to all or any number of the Option Shares less the number of *Option Shares* equal to **1/24th** of the balance of the Option Shares (rounded down to the nearest whole Option Share) for each and every full calendar month that the Buyer was engaged by the Company as a consultant pursuant to the Consulting Agreement.

(ii) The Repurchase *Option* provided in this Section 2 is assignable by the Company in whole or in part to the holders of the Company's Preferred Stock or **other** securities issued by the Company to investors (herein the "Investors"). If the Company should decide not to exercise the Repurchase Option or not to exercise the Repurchase Option for **all Option Shares**, it shall give the Investors (or the Investor if at the time there is only one **Investor**) the right to purchase **all** of the Option Shares or all of the remaining Option Shares, as the case may be, then subject to the Repurchase Option or such lesser portion thereof as may be selected by the Investors. Within 30 days **after** the Section 2(b) Event, the Company **shall notify** each Investor in writing thereof and the number of Option Shares remaining subject to the Repurchase Option. If within 30 days after the Company gives its aforesaid notice, one or more of the Investors do not notify the Company that they desire to purchase all of such Option Shares, the Repurchase Option shall expire. If the Investors oversubscribe for such Option Shares, each Investor who **notifies** the Company that it **desires** to purchase Option Shares shall have a right to purchase a pro rata portion of such Option Shares based on the percentage of Common Stock and Preferred Stock then owned by it or which may be **acquired** upon exercise of any outstanding **convertible** notes, warrants, options or other securities, on a fully diluted as if converted to Common Stock basis, bears to the number of shares of Common Stock and Preferred Stock then owned by all Investors who notify the Company of their desire to purchase any of such Option Shares or which may be acquired upon exercise of any outstanding convertible notes, warrants, options or other securities, on a **fully** diluted as if converted to Common Stock basis. The Company shall promptly advise each Investor of the amount of such Option Shares it is entitled to purchase as a result of such allocation.

(c) The Repurchase Option shall be exercised by written notice or notices signed by an **officer** of the **Company** or the purchasing Investors, as the case may be, and delivered or **mailed** as provided in Section 12.1 hereof. The Unvested Option Price shall be payable, at the option of the Company or the purchasing Investors, as the case may be, in cancellation of **all** or a portion of any outstanding indebtedness of the Company or the purchasing Investors, as the case may be, to **the** Buyer or in cash (by check) or both. The provisions of this Section 2(c) shall survive any termination of this Agreement.

(d) Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a parent or subsidiary of the Company, to terminate the Buyer's engagement, for any reason, with or **without** cause.

(e) The Buyer shall not sell, assign or **otherwise** transfer any of the Option Shares or any interest therein, or grant or otherwise **allow** to exist any lien, claim or other encumbrance on or with respect to any of the Option Shares then subject to the Repurchase Option.

3. **Representations and Warranties.** To induce the Company to deliver the Shares to the Buyer, the Buyer represents and warrants to the Company:

(a) The Buyer is acquiring the Shares for his own account as principal, for investment purposes only, and not with a view to, or for, resale or distribution, and no other person has a direct or indirect beneficial interest in the Shares;

(b) The Buyer has not offered any of the Shares for resale and has no present intention of dividing his interest with others or of **reselling** or otherwise disposing of any of the Shares;

(c) Any information the Buyer has furnished to the Company with respect to the Buyer's status as a sophisticated **or** accredited investor, his business experience or financial position is correct;

(d) The financial capacity of the Buyer is such that the investment in the Shares is not material to his total financial capacity; the Buyer has the financial ability to bear the economic risk of his investment, has adequate means for providing for his current needs and **personal** contingencies and has no need for liquidity with respect to his investment in the Shares;

(e) The Buyer considers himself to be a **sophisticated** investor and has such **knowledge** and experience in financial and business matters as to be capable of evaluating the merits and risks of the prospective investment **in** the Shares;

(f) The Buyer has been furnished with all information concerning the Shares and the Company that he **desires**;

(g) The Buyer has been **given** the opportunity to ask questions of, and **receive** answers **from**, the **Company** with **respect** to the Shares, concerning the terms and conditions of the offering and other matters pertaining to this investment, and has been given the opportunity to obtain such additional information **necessary** to verify the accuracy of the information **provided** to him by the Company in order for him to evaluate the merits and risks of investment in the Shares to the extent that the Company possessed such information or could acquire it without unreasonable effort or expense; and

(h) The Buyer is not **relying** on the Company with respect to any economic considerations of the Buyer related to this investment. In regard to the economic considerations related to this **investment**, the Buyer has relied on the advice of, or has consulted with, only his own advisors.

The Buyer further **represents, warrants** and agrees that he will not sell or otherwise transfer the Shares without registration under the Securities Act of **1933**, as amended (the "Act"), or an exemption therefrom, and **fully** understands and agrees that he must bear the economic risk of his purchase for an **indefinite** period of time because, among other reasons, the Shares have not been registered under the Act or under the securities laws of any state and, therefore, cannot be resold, pledged, assigned or otherwise disposed of unless they are subsequently registered under the Act and under the applicable securities laws of such states or an exemption from such registration is available. He also understands that the Company is under no obligation to register the Shares on his behalf or to assist him in complying with any exemption from registration under the Act. He further understands that any certificate evidencing the Shares will bear a legend restricting the transfer thereof consistent with the foregoing and that a notation may be made in the records of the Company restricting the transfer of any Sham in a manner consistent with the foregoing.

4. **Buyer Awareness**. The Buyer acknowledges that he is aware that:

(a) No **federal** or state agency has passed upon the Shares or made any finding or determination as to the **fairness** of this investment;

(b) There are substantial risks of loss of investment incident to an investment in the Shares and such an investment is highly **speculative**;

(c) The Company is only recently **organized**, has not conducted any substantial business to date and does not have any substantial working capital or financial resources. The business in which the Company proposes to engage is **highly** competitive and success in the Company's business may depend on, among other things, the Company's ability to obtain financing, to complete product development, to attract **qualified** employees and to obtain patent protection and governmental approvals, market **acceptance** of products and numerous other factors over which the Company does not have control.

5. Restrictions on Transfer: Right of First Refusal.

5.1 Company's Purchase Option. Buyer shall not sell, transfer, pledge, **hypothecate** or **otherwise** dispose of any Shares which are purchased hereunder without first complying with the terms of this Section 5.

5.2 Right of First Refusal Before any of the Shares registered in the name of Buyer that are not subject to the Repurchase Option may be sold or transferred (including transfer by operation of law), except as permitted in Section 6, such Shares shall **first** be offered to the Company and to the Investors, in accordance with the terms set out herein, **provided**, however, that until the Company has completed a public offering of its equity securities pursuant to an effective registration statement **filed** with the Securities and Exchange Commission, no transfer of the Shares may be made under any **circumstances**.

(i) Buyer shall deliver a notice ("Notice") to the Company and to the Investors stating (A) his bona fide intention to sell or transfer such Shares, (B) the number of such **Shares** to be sold or transferred, (C) the price for which he proposes to **sell** or transfer such Shares, and (D) the name of the proposed purchaser or transferee.

(ii) Within thirty (30) days after receipt of the Notice, the Company and/or the Investors may elect to purchase some or **all** of the Shares to which the Notice refers, at the price per share specified in the Notice. The closing for such purchase by the Company and/or the Investors shall occur, unless otherwise agreed by the Company, the Investors electing to purchase Shares, and the Buyer, no later than 30 days **after** the election by the Company and/or the Investors to purchase same. In the event that the number of Shares which the Company and the Investors desire to purchase exceeds the number of Shares proposed for sale by Buyer in the **Notice**, then in such instance the Company shall have full preference to acquire such Shares to the exclusion of the Investors, and, to the extent that there are Shares **still** available for purchase by the Investors, the Investors desiring to purchase Shares **shall** be entitled to purchase the remaining amount thereof on a pro rata basis based upon the number of shares of Common Stock and **Preferred** Stock, or securities convertible into shares of Common Stock and Preferred Stock, then held by each of them so electing to purchase bears to the **total** number of shares of Common Stock and Preferred Stock, or securities convertible into shares of Common Stock and Preferred **Stock**, held by all Investors desiring to acquire Shares, on a **fully** diluted as if converted to Common Stock basis.

(iii) If all of the Shares to which the Notice refers are not purchased by the Company and the Investors, as provided in Section 5.2 (ii) hereof, Buyer may **sell** such Shares which the Company and the Investors elected not to purchase to any person or persons named in the Notice at the price **specified** in the Notice or at a **higher** price, **provided** that such sale or **transfer** is consummated within 120 days of the date of said Notice to the Company and the Investors, and provided, further, that any such sale is in accordance with all the terms and conditions hereof.

(iv) Upon the closing of a **firm** commitment public offering pursuant to an effective registration statement **filed** by the Company under the Securities Act of 1933, as amended (the "Act"), covering the offering and sale of shares of Common Stock for the account of the Company in which the aggregate gross proceeds **received** by the Company **equal** or exceed **\$7,500,000** and in which the public offering **price** per share equals or exceeds \$5.00 **per** share, the thirty (30) day period specified in Section **5.2(ii)** above shall be reduced to a ten (10) day period; and the requirement to identify the name of the proposed purchaser and the proposed price shall be inapplicable if the Buyer proposed to sell the Shares in an **over-the-counter** sale **or** on a national or **regional** exchange transaction. **In** such instance, any such sale to the Company and/or the Investors shall be at the average closing price of the Company's Common Stock on the date of **notice of election** to purchase such shares by the Company and/or the **Investors**. The average closing price is defined as the last closing price regular way on the exchange where the Common Stock is listed for trading or the average of the bid and ask prices if applicable.

5.3 **Standoff Agreement.** Buyer agrees, in connection with each of the Company's public offerings of its equity securities, and upon request of the Company or the underwriters managing such offering, not to sell, make any short sale of, loan, grant any option for the purchase of or otherwise dispose of any of the Shares (other than those included in the registration, if any) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time from the effective date of such registration as may be requested by the Company or such underwriters; provided, that the officers and directors of the Company who own stock of the Company also agree to such restrictions.

5.4 **Other Restrictions on Transfer.** The Company shall not be required (i) to transfer on its books any of the Shares **which shall** have been sold or transferred in violation of any of the provisions set forth in this Agreement, or (ii) to treat as owner of such Shares or to accord the right to vote as such owner or to pay dividends to any transferee to whom such Shares shall have been so transferred.

6. **Exempt Transactions**

6.1 **Certain Transactions.** The prohibition in Section **5** against the sale of the Shares shall not apply to the exchange of Shares **pursuant** to a plan or merger, consolidation, **recapitalization, reorganization,** or sale of the Company, in which the Company is the **surviving** entity, but any stock or securities received **in exchange therefor shall** also become **subject** to this Agreement.

6.2 **Permitted Transfers.** The prohibition in Section **5** against the sale of Shares shall not apply to a transfer by Buyer of all or part of his **Shares** during his lifetime or on death by will or by intestacy to or for the benefit of himself, his spouse, his ancestors or **his** lineal descendants, provided that any such transferee or **transferees** shall receive and hold the Shares subject to the terms of this Agreement, and there shall be no further transfer of such Shares except in **accordance** with the **terms** of this Agreement.

7. **Assignment.** The Company may assign this Agreement or any of its rights and obligations hereunder. The Buyer may **not assign this** Agreement or any of his rights and obligations hereunder. **All covenants and agreements of,** and benefits for, the Investors **contained in this Agreement shall inure** to the benefit of their **respective** successors and assigns and be binding on the Company and its successors and on the Buyer and his heirs, executors, administrators and successors. All such **covenants and agreements are fully** assignable by the Investors, **provided,** however, that any assignment of any of its rights under this Agreement by any Investor (other than to partners of such Investor or successors of such Investor or such partners by operation of law) shall be made **only** in connection with the sale or other transfer of all or any portion of the Preferred Stock, Common Stock, convertible notes, warrants, options or other securities of the Company which are exchangeable or convertible into shares of Common Stock or Preferred Stock of the Company held by such Investor and such assignee or transferee shall execute this Agreement.

8. **Adjustments. If, from time to time during the term of this Agreement** (i) there is any stock dividend or liquidating dividend of cash or property, stock split or other change in the character or amount of any of the outstanding securities of the Company, or (ii) there is any transaction involving the **consolidation, merger** or sale of all, or substantially all, of the assets of the Company, **then, in such event, (x) any and all** new, substituted or additional securities or other property to which the Buyer is entitled by reason of his ownership of the Shares shall be immediately subject to right of first refusal provided to the Company **and the** Investors as described in **Section 5** hereof and to the Repurchase Option **and** be included in the term "Option Shares" for all purposes of the Repurchase **Option with the same** force and effect as the Option Shares subject to the Repurchase Option under the terms of **Section 2** hereof **and (y)** all Shares purchased by Buyer hereunder shall be treated on the same basis as all other outstanding shares of Common Stock of the Company **so that Buyer's Shares shall** not be diluted by any such **event** any **differently** than any **other** holder of Common Stock of the Company. **While** the total **Unvested** Option Price **shall remain the same after** each such event, the Unvested Option Price per Option Share upon exercise of the Repurchase Option shall be appropriately adjusted.

9. **Legends.** All certificates **representing** any of the Shares subject to the provisions of **this Agreement** shall have endorsed thereon a **legend substantially** as follows:

'ANY DISPOSITION, GRANT OR OTHER TRANSFER OF ANY INTEREST IN THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO CERTAIN RESTRICTIONS, AND THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A RIGHT OF REPURCHASE AND RIGHT OF FIRST REFUSAL, CONTAINED IN A CERTAIN AGREEMENT BY THE RECORDHOLDER HEREOF AND THE CORPORATION, A COPY OF WHICH WILL BE MAILED TO ANY HOLDER OF THIS CERTIFICATE WITHOUT CHARGE AFTER RECEIPT

BY THE CORPORATION OF A **WRITTEN REQUEST**
THEREFOR.”

Upon presentation to the Company or any authorized transfer agent, the **certificates** representing the Shares or any appropriate portion thereof shall be exchanged for certificates not bearing such legend if the certificates are presented after the termination of **this** Agreement.

10. **Rights as a Stockholder Agreement**. Subject to the provisions of Sections 2 and **5** above, the Buyer **shall**, during the term of this Agreement, exercise **all** rights and privileges of a stockholder of the Company with respect to the Shares, **including** the right to vote such Shares at any stockholder meeting. Notwithstanding anything herein to the contrary, Buyer hereby agrees that he will, for a ninety-day period following the issuance of the Shares or until the closing of the **first** round financing by the Company in an amount at least equal to **\$2,000,000**, whichever comes **first**, vote such Shares, at any **stockholder meeting**, in person, by proxy, by written consent, or otherwise, for the directors nominated for election to the Board of Directors of the Company by The Woodlands Venture Fund and no others, and, in any other matter coming before the stockholders of the Company, in accordance with the directive of The Woodlands Venture Fund.

In order to secure the obligation to vote in accordance with the provisions hereof, the Buyer hereby appoints Martin P. Sutter as his true and lawful proxy and attorney, with **full** power of substitution, to vote all of his Shares for the matters specified hereinabove. The irrevocable proxy granted by the Buyer may be exercised at any time Buyer fails to comply with the terms of this Section 10. The proxy and power granted by the Buyer pursuant to this section are coupled with an interest and are given to secure the duties of the Buyer pursuant hereto. Such proxy **will** be irrevocable and will survive the death, incompetency, and disability of Buyer, provided that it shall terminate upon the expiration of twelve months following the issuance of the Shares.

Buyer hereby consents to the placement of an appropriate legend evidencing the voting restrictions provided for in this Agreement, on the **certificates** representing the Shares and any certificates issued in replacement or exchange therefor, and Buyer will take all actions reasonably requested by the Company to effect such placement.

11. **Termination**. Except as may be otherwise provided herein, this Agreement shall terminate on the **91st** calendar day immediately succeeding the third anniversary of the public offering referenced in Section 5.2.

12. **Miscellaneous**

12.1 **Notice**. For purposes of this Agreement, notices and all other communications provided for herein **shall** be in writing and **shall** be deemed to have been duly

given when personally delivered or when mailed by United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company:

RGene Therapeutics, Inc.
% The Woodlands Venture Fund
2170 Buckthorn Place, Suite 170
The Woodlands, **Texas** 77380
Attention: Martin P. **Sutter**

If to the Buyer, at the address identified on the signature page hereof, and if to an Investor, at the address identified on the records of the Company hereto, or to such other address as either party or an Investor may **furnish** to the other in **writing** in accordance herewith, except that notices of change of address shall be effective only upon receipt.

12.2 **Applicable Law.** The substantive **laws** of the State of Texas, excluding any law, rule or principle which might refer to the substantive law of another jurisdiction, will govern the **interpretation**, validity and **effect** of this Agreement without regard to the place of execution or the place for performance thereof. This Agreement is to be at least partially negotiated, executed and performed in **Harris** County, Texas, and, as such, the Company and the Buyer agree that personal jurisdiction **and** venue shall be proper with the state or federal courts situated in Harris **County, Texas**, to hear such disputes arising under this Agreement.

12.3 **No Waiver.** No **failure** by either party hereto at any time to give notice of any breach by the other **party** of, or to require **compliance with**, any condition or provision of this Agreement shall be deemed a waiver of similar or dissimilar provisions or conditions at the same **or** at any prior or subsequent time.

12.4 **Severability.** If a court of **competent** jurisdiction determined that any provision of this Agreement, including any appendices attached hereto, is invalid or unenforceable, then the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in **full** force and effect. Further, such provision shall be reformed and **construed** to the extent permitted by law so **that** it may be valid, legal and enforceable to the maximum extent possible.

12.5 **Counterparts.** This Agreement may be executed in one or more **counterparts**, each of which shall be deemed to be an original, but all of which together **will** constitute one and the same Agreement.

12.6 **Headings.** The section headings have been inserted for purposes of convenience and shall not be used for **interpretive** purposes.

12.7 **Successors: Third Party Beneficiary.** This Agreement shall inure to the benefit of the successors and assigns of the Company and the Investors and be binding upon the Buyer and his heirs, executors, administrators and successors. The Buyer agrees that any and all Investors in the Company shall be treated as third party beneficiaries of this Agreement without the necessity of execution of this Agreement, and shall be entitled to all of the rights accorded to them herein.

12.8 **Entire Agreement.** This Agreement constitutes the entire agreement of the parties with regard to the subject matter hereof, and contains all the covenants, promises, representations, warranties and agreements between the parties with respect to the subject matter hereof. Each party to this Agreement acknowledges that no **representation**, inducement, promise or agreement, oral or written, with regard to the subject matter hereof, has been made by either party, or by anyone acting on behalf of either party, which is not embodied herein, and that no agreement, statement or promise **relating** to the **subject** matter hereof which is not contained in this Agreement or in such other agreements shall be valid and binding.

12.9 **Amendments.** No amendment or modification to this Agreement **will** be effective unless it is in writing and signed by the Company, the Buyer and, if such amendment alters or amends any of the rights of the Investors, by Investors holding a majority of the outstanding shares of capital stock of the Company held by such Investors, if any.

12.10 **Indemnity.** The **Buyer** agrees to indemnify and hold harmless the Company and any person, if any, who controls the Company or such successor 'within the meaning of Section 15 of the Act against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and **all** expenses whatsoever reasonably incurred in investigating, preparing or **defending** against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the Buyer to comply with any covenant or agreement made by the Buyer herein or in any other document furnished by the Buyer **in connection with this transaction.**

12.11 **Injunctive Relief.** In view of the inadequacy of money damages, and in view of the fact that the stock of the Company cannot be readily **purchased** or sold in the general market, if the Buyer or any other person shall **fail** to comply with any provision of this Agreement, **the** Company **shall** be entitled, to the extent permissible by law, to injunctive relief in the case of the violation, or attempted or threatened violation, by Buyer or other person of any such provision, or to a **decree** compelling specific performance by the Buyer or other person, of any such provision, or to any other remedies legally **available.**

12.12 ~~Spouse~~ spouse of the Buyer, if any, hereby represents and acknowledges that he or she is **fully** aware of, understands, and fully consents and agrees to the provisions of this Agreement and its binding effect upon any community **property** interest he or she may now or **hereafter** own. **Said spouse agrees that the termination of their marital relationship with the Buyer for any reason or his or her death shall not have the effect of removing any stock of the Company otherwise subject to this Agreement from its coverage.**

Said spouse's awareness, understanding, consent and agreement is evidenced by the execution of this Agreement. All stock described in **this** Agreement shall include the community property interest of the spouse of **Buyer**.

12.13 **Void Transfers.** If any Stock shall be **sold or** transferred otherwise than in accordance with the terms and conditions of this Agreement, **such sale shall be void**. Any such attempted sale or other transfer shall create a right in the Company to purchase the Stock which is the subject of such purported **transfer** at the applicable purchase price **specified** herein. Such **right shall constitute an "adverse claim"** within the meaning of such term **as** used within the **meaning** of the Uniform Commercial Code of any State. In addition to, and without prejudice to, any and all other rights or **remedies which may be available to the** Company, the Buyer agrees that the Company may, but shall have no obligation to, hold and refuse to transfer **any Stock, or any certificate** therefor, tendered to it for transfer if the transfer **violates** the provisions of the Agreement-

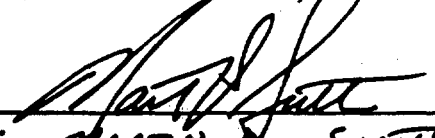
12.14 **Tax Representations.** The Buyer acknowledges that the Company has made no **warranties or other** representations **to Buyer with respect to the** income tax consequences of the transactions **contemplated** by this Agreement and Buyer is in no manner relying on the Company or its representatives for an account of such tax consequences.

12.15 **Further Assurances.** The Buyer agrees to execute such further instruments and to take such **further action** as may reasonably be **necessary** to **carry** out the intent of this Agreement.

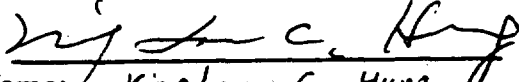
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered as of the day and year first above written.

Company

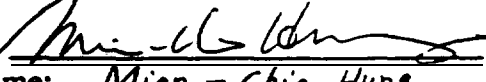
RGENE THERAPEUTICS, INC.

By: 
Name: MARTIN R. SUTTER
Title: CHAIRMAN

Buyer's Spouse

Signed: 
Print Name: King Lan C. Hung
Address: 5762 Birdwood Rd.
Houston, Texas 77096
USA

Buyer

Signed: 
Print Name: Mien-Chie Hung
Address: 5762 Birdwood Rd.
Houston, Texas 77096

RGENE THERAPEUTICS, INC.

Stockholder Agreement

This Stockholder Agreement (this "Agreement") dated March __, 1994 is entered **into** by and between **RGene Therapeutics, Inc.**, a **Delaware** corporation (the "Company") and Board of Regents of the University of Texas System, an agency of the State of **Texas** ("Stockholder").

WITNESSETH:

WHEREAS, the Company desires to issue certain shares of common stock, **\$.001** par value, of the Company (the "Common Stock") to the Stockholder; and

WHEREAS, the Stockholder desires to acquire certain shares of Common Stock from the Company; and

WHEREAS, the Stockholder and the Company desire that the Stockholder grant to the Company, and under certain circumstances to holders of the Company's Preferred Stock or other securities issued by the Company to investors (the "Investors"), options to repurchase certain shares of Common Stock purchased by the Stockholder on the terms and conditions set forth;

NOW, **THEREFORE**, for and in consideration of the mutual promises, *covenants* and obligations contained herein, the parties agree as follows:

1. **Issuance of Shares.**

1.1 **Purchase and Sale of Shares.** Subject to the terms and conditions of this Agreement and in consideration of the **execution** of the Patent and Technology License Agreement between the Company and the Stockholder dated the date hereof relating to certain patent applications and technology owned by Stockholder and invented by Dr. Mien **Chie** Hung, the Company agrees to issue to the Stockholder 642,307 shares of Common Stock (the "Shares").

1.2 **Closing.** The closing for the issuance of the Shares to the Stockholder **shall occur on** or before March __, 1994, or at such other date and time as the parties may agree (the "Closing"). At the Closing, or within a reasonable time thereafter, the Company shall deliver to Stockholder a certificate or certificates representing the number of Shares as set forth in Section 1.1 hereof, in the name of the Stockholder.

2. **Representations and Warranties.** To induce the Company to deliver the Shares to the **Stockholder**, the Stockholder represents and warrants to the Company:

(a) The Stockholder is acquiring the Shares for its own account as principal, for investment purposes only, and not with a view to, or for, resale or distribution, and no other person or entity has a direct or indirect beneficial interest in the Shares;

(b) The Stockholder has not offered any of the Shares for resale and has no present intention of dividing its interest with others **or** of **reselling** or otherwise disposing of any of the Shares;

(c) Any information the Stockholder has furnished to the Company with respect to the Stockholder's status as a sophisticated or accredited investor, its business experience or financial position is correct;

(d) The financial capacity of the Stockholder is such that the investment in the Shares is not material to its total financial capacity; the Stockholder has the financial ability to bear the economic risk of its investment, has adequate means for providing for its current needs and personal contingencies and has no need for liquidity with respect to its investment in the Shares;

(e) The Stockholder considers itself to be a sophisticated investor and has such knowledge and experience in financial and business matters as to be capable of evaluating **the** merits and risks of the prospective investment in the Shares;

(f) The Stockholder has been furnished with all information concerning the Shares and the Company that it desires;

(g) The Stockholder has been given the opportunity to ask questions of, and receive answers **from**, the Company with respect to the Shares, concerning the terms and conditions of the offering and other matters pertaining to this investment, and has been given the opportunity to obtain such additional information **necessary** to verify the accuracy of the information provided to him by the Company in order for him to evaluate the merits and risks of investment in the Shares to the extent that the Company possessed such information or could acquire it without unreasonable effort or expense; and

(h) The Stockholder is not relying on the Company with respect to any economic considerations of the Stockholder related to this investment. In regard to the economic considerations related to this investment, the Stockholder has relied on the advice of, or has consulted with, only its own advisors.

The Stockholder further represents, **warrants and agrees that it will not sell or** otherwise transfer the Shares without registration under the Securities Act of 1933, as amended (the "Act"), or an exemption therefrom, and fully understands and agrees that

it must bear the economic risk of its purchase for an **indefinite** period of time because, among other reasons, the Shares have not been registered under the Act or under the securities laws of any state and, therefore, **cannot** be resold, pledged, assigned or otherwise disposed of unless they are subsequently registered under the Act and under the applicable securities laws of such **states** or an exemption from such registration is available. It also understands that the Company is under no obligation to register the Shares on its behalf or to assist him in complying with any exemption from registration under the Act. It further understands that any certificate evidencing the Shares will bear a legend restricting the transfer thereof consistent with the foregoing and that a notation may be made in the records of the Company restricting the transfer of any Shares in a manner consistent with the foregoing.

that: 3. Stockholder Awareness. The Stockholder acknowledges that it is aware

(a) No federal or state agency has passed upon the Shares or made any finding or determination as to the fairness of this investment;

(b) There are substantial risks of loss of investment incident to an investment in the Shares and such an investment is highly speculative;

(c) The Company is only recently organized, has not conducted any substantial business to date and does not have any substantial working capital or financial resources. The business in which the Company proposes to engage is highly competitive and success in the Company's business may depend on, among other things, the Company's ability to obtain financing, to complete product development, to attract qualified employees and to obtain patent protection and governmental approvals, market acceptance of **products** and numerous other factors over which the Company does not have control.

4. Restrictions on Transfer: Right of First Refusal.

4.1 Company's Purchase Option. Stockholder shall not sell, transfer, pledge, hypothecate or otherwise dispose of any Shares which are purchased hereunder without first complying with the terms of this Section 4.

4.2 Right of First Refusal. Before any of the Shares registered in the name of Stockholder may be sold or transferred (including transfer by operation of law), **except** as permitted in Section 5, such Shares shall **first** be offered to the Company and to the Investors, **in accordance with the terms set out** herein.

(i) Stockholder shall deliver a notice ("Notice") to the Company and to the Investors stating (A) its bona fide intention to sell or transfer such Shares, (B) the number of such Shares to be sold or transferred, (C) the price for which it proposes to sell or transfer such Shares, and (D) the name of the proposed purchaser or transferee.

(ii) Within thirty (30) days after receipt of the Notice, the Company and/or the Investors may elect to purchase some or all of the Shares to which the Notice refers, at the price per share specified in the Notice. The closing for such purchase by the Company and/or the Investors shall occur, unless otherwise agreed by the Company, the Investors electing to purchase Shares, and the Stockholder, no later than 30 days after the election by the Company and/or the Investors to purchase same. In the event that the number of Shares which the Company and the Investors desire to purchase exceeds the number of Shares proposed for sale by Stockholder in the Notice, then in such instance the Company shall have full preference to acquire such Shares to the exclusion of the Investors, and, to the extent that there are Shares still available for purchase by the Investors, the Investors desiring to purchase Shares shall be entitled to purchase the remaining amount thereof on a pro rata basis based upon the number of shares of Common Stock and Preferred Stock, or securities convertible into shares of Common Stock and Preferred Stock, then held by each of them so electing to purchase bears to the total number of shares of Common Stock and Preferred Stock, or securities convertible into shares of Common Stock and Preferred Stock, held by all Investors desiring to acquire Shares, on a fully diluted as if converted to Common Stock basis.

(ii) If all of the Shares to which the Notice refers are not purchased by the Company and the Investors, as provided in Section 4.2 (ii) hereof, Stockholder may sell such Shares which the Company and the Investors elected not to purchase to any person or persons named in the Notice at the price specified in the Notice or at a higher price, provided that such sale or transfer is consummated within 120 days of the date of said Notice to the Company and Investors, and provided, further, that any such sale is in accordance with all the terms and conditions hereof.

(iv) Upon the closing of a firm commitment public offering pursuant to an effective registration statement filed by the Company under the Securities Act of 1933, as amended (the "Act"), covering the offering and sale of shares of Common Stock for the account of the Company in which the aggregate gross proceeds received by the Company equal or exceed \$7,500,000 and in which the public offering price per share equals or exceeds \$5.00 per share, the thirty (30) day period specified in Section 4.2(ii) above shall be reduced to a ten (10) day period; and the requirement to identify the name of the proposed purchaser and the proposed price shall be inapplicable if the Stockholder proposed to sell the Shares in an over-the-counter sale or on a national or regional exchange transaction. In such instance, any such sale to the Company and/or the Investors shall be at the average closing price of the Company's Common Stock on the date of notice of election to purchase such shares by the Company and/or the Investors. The average closing price is defined as the last closing price regular way on the exchange where the Common Stock is listed for trading or the average of the bid and ask prices if applicable.

4.3 **Standoff Agreement.** Stockholder agrees, in connection with each of the Company's public offerings of its equity securities, and upon request of the Company or the underwriters managing such offering, not to sell, make any short sale of, loan, grant any option for the purchase of or otherwise dispose of any of the Shares (other than those included in the

registration, if any) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time from the effective date of such registration as may be requested by the Company or such underwriters; provided, that the officers and directors of the Company who own stock of the Company also agree to such restrictions.

4.4 Other Restrictions on Transfer. The Company shall not be required (i) to transfer on its books any of the Shares which shall have been sold or transferred in violation of any of the provisions set forth in this Agreement, or (ii) to treat as owner of such Shares or to accord the right to vote as such owner or to pay dividends to any transferee to whom such **Shares** shall have been so transferred.

5. Remot Transactions.

The prohibition in Section 4 against the sale of the Shares shall not apply to the exchange of Shares pursuant to a plan or merger, consolidation, **recapitalization**, reorganization, or sale of the Stockholder in which the Stockholder is the surviving entity, but any stock or securities received in exchange **therefor** shall also become subject to this Agreement.

6. Assignment. The Company may assign this Agreement or any of its rights and obligations hereunder. The Stockholder may not assign this Agreement or any of its rights and obligations hereunder. All covenants and agreements of, and benefits for, the Investors **contained** in this Agreement **shall** inure to the benefit of their respective successors and assigns and be binding on the Company and its successors and on the Stockholder and its successors and assigns. All such covenants and agreements are fully assignable by the Investors, **provided, however,** that any assignment of any of its rights under this Agreement by any Investor (other than to partners of such Investor or successors of such Investor or such partners by operation of law) shall be made only in connection with the sale or other transfer of **all** or any portion of the Preferred Stock, Common Stock, convertible notes, warrants, options or other securities of the Company which are exchangeable or convertible into shares of Common Stock or Preferred Stock of the Company held by such Investor and such assignee or transferee shall execute this Agreement.

7. Adjustments. If, from time to time during the term of this Agreement (i) there is any stock dividend or liquidating dividend of cash or property, stock split or other change in the character or amount of any of the outstanding securities of the Company, or (ii) there is any transaction involving the consolidation, merger **or sale** of all, or substantially all, of the assets of the Company, then, in such event, (x) any and all new, substituted or additional securities or other property to which the Stockholder is entitled by reason of its ownership of the Shares shall be immediately subject to right of first refusal provided to the Company and the Investors as described in Section 4 hereof and (y) all Shares purchased by Stockholder hereunder **shall** be treated on the same basis as **all** other outstanding shares of Common Stock of the Company so that Stockholder's Shares shall not be diluted by any such event any differently than any other holder of Common Stock of the Company.

8. Legends. All certificates representing any of the Shares subject to the provisions of this Agreement shall have endorsed thereon a legend substantially as follows:

“ANY DISPOSITION, GRANT OR OTHER **TRANSFER OF ANY INTEREST IN THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO CERTAIN RESTRICTIONS, AND THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A RIGHT OF FIRST REFUSAL, CONTAINED IN A CERTAIN AGREEMENT BY THE RECORDHOLDER HEREOF AND THE CORPORATION, A COPY OF WHICH WILL BE MAILED TO ANY HOLDER OF THIS CERTIFICATE WITHOUT CHARGE AFTER RECEIPT BY THE CORPORATION OF A WRITTEN REQUEST THEREFOR.** .

Upon presentation to the Company or any authorized transfer agent, the **certificates** representing the Shares or any appropriate portion thereof shall be exchanged for certificates not bearing such legend if the certificates are presented after the termination of this Agreement.

9. Rights as a Stockholder: Voting Agreement. (a) Subject to the provisions of Section 4 above, the Stockholder shall, during the term of this Agreement, exercise all rights and privileges of a stockholder of the Company with respect to the Shares, including the right to vote such Shares at any stockholder meeting. Notwithstanding anything herein to the contrary, Stockholder hereby agrees that it will, for a ninety-day period following the issuance of the Shares or until the closing of the first round **financing** by the Company in an amount at least equal to **\$2,000,000**, whichever comes **first**, vote such Shares, at any stockholder meeting, in person, by proxy, by written consent, or otherwise, for the directors nominated for election to the Board of Directors of the Company by The Woodlands Venture Fund and no others, and, in any other matter coming before the stockholders of the Company, in accordance with the directive of The Woodlands Venture Fund.

In order to secure the obligation to vote in accordance with the provisions hereof, the Stockholder hereby appoints Martin P. **Sutter** as its true and lawful proxy and attorney, with full power of substitution, to vote all of its Shares for the matters specified hereinabove. The irrevocable proxy **granted** by the Stockholder may be exercised at any time Stockholder fails to comply with the terms of this Section 9. The proxy and power granted by the Stockholder pursuant to this section are coupled with an interest and **are given to secure** the duties of the Stockholder pursuant hereto. Such proxy will be irrevocable and **will survive the death, incompetency, and disability** of Stockholder, provided that it shall terminate upon the expiration of ninety days following the issuance of the Shares or until the above-referenced closing, if earlier.

Stockholder **hereby** consents to the placement of an appropriate legend evidencing the voting restrictions provided for in this Agreement, on the **certificates** representing the Shares and any certificates issued in replacement or exchange therefor, and Stockholder will take **all** actions reasonably requested by the Company to effect such placement.

10. **Termination.** Except as may be otherwise provided herein, this Agreement **shall** terminate on the **91st** calendar day immediately succeeding the third anniversary of the public offering referenced in Section 4.2.

11. **Miscellaneous.**

11.1 **Notice.** For purposes of this Agreement, notices and **all** other communications provided for herein **shall** be in writing and **shall** be deemed to have been duly given when personally delivered or when mailed by United **States** registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company:

RGene Therapeutics, Inc.
% The Woodlands Venture Fund
2170 Buckthorn Place, Suite 170
The Woodlands, Texas 77380
Attention: Martin P. Sutter

If to the Stockholder, at the address identified on the signature page hereof, and if to an Investor, at **the** address identified on the records of the Company hereto, or to such other address as either party or an **Investor** may furnish to the other in writing in accordance herewith, except that notices of change of address **shall** be effective only upon receipt.

11.2 **Applicable Law.** The substantive laws of the State of Texas, excluding any law, rule or principle which might refer to the substantive law of another jurisdiction, will govern the interpretation, validity and effect of this Agreement without regard to the place of execution of the place for performance thereof. This Agreement is to be at least partially negotiated, executed and performed in Harris **County**, Texas, and, as **such**, the Company and the Stockholder agree that personal jurisdiction and venue **shall** be proper with the state or **federal** courts situated in Harris County, Texas, to hear such disputes arising under this Agreement.

11.3 **No Waiver.** No failure by either party hereto at any time **to** give notice of any breach by the other party of, or to require **compliance** with, any condition or provision of **this** Agreement **shall** be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

11.4 **Severability.** If a court of competent jurisdiction determined that any provision of this Agreement, including any appendices attached hereto, is invalid or unenforceable, then the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect. Further, such provision shall be reformed and construed to the extent permitted by law so that it may be valid, legal and enforceable to the maximum extent possible.

11.5 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together **will** constitute one and the same Agreement.

11.6 **Headings.** The section headings have been inserted for purposes of convenience and shall not be used for interpretive purposes.

11.7 **Successors: Third Party Beneficiary.** This Agreement shall inure to the benefit of the successors and assigns of the Company and the Investors and be binding upon the Stockholder and its successors and assigns. The Stockholder agrees that any and all Investors in the Company shall be treated as third party beneficiaries of this Agreement without the necessity of execution of this Agreement, and shall be entitled to all of the rights rendered to them herein.

11.8 **Entire Agreement.** This Agreement constitutes the entire agreement of the parties with regard to the subject matter hereof, and contains all the covenants, promises, representations; warranties and agreements between the parties with respect to the subject matter hereof. Each party to this Agreement acknowledges that no representation, inducement, promise or agreement, oral or written, with regard to the subject matter hereof, has been made by either party, or by anyone acting on behalf of either party, which is not embodied herein, and that no agreement, statement or promise relating to the subject matter hereof which is not contained in this Agreement or in such other agreements shall be valid and binding.

11.9 **Amendments.** No amendment or modification to this Agreement **will** be effective unless it is in writing and signed by the Company; the Stockholder and, if such amendment alters or amends any of the rights of the Investors, by Investors holding a majority of the outstanding shares of capital stock of the Company held by such Investors, if any.

11.10 **Indemnity.** The Stockholder agrees to indemnify **and** hold harmless the Company and any person, if any, who controls the Company or such successor within the meaning of Section 15 of the Act against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all expenses whatsoever **reasonably** incurred in investigating, preparing or defending against any litigation commenced or **threatened** or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the Stockholder to comply with any covenant or agreement made by the

Stockholder herein or in any other document furnished by the Stockholder in connection with this transaction.

11.11 **Injunctive Relief**. In view of the inadequacy of money damages, and in view of the fact that the stock of the Company cannot be readily purchased or sold in the general market, if the Stockholder or any other person shall **fail** to comply with any provision of this Agreement, the Company shall be entitled, to the extent permissible by law, to injunctive relief in the case of the violation, **or** attempted **or** threatened violation, by Stockholder **or** other person of any such provision, or to a decree compelling specific performance by the Stockholder or other person, of any such provision, or to any other remedies legally available.

11.12 **Void Transfers**. If any Stock shall be sold or transferred otherwise than in accordance with the terms and conditions of this Agreement, such sale shall be void. Any such attempted sale or other transfer shall create a right in the Company to purchase the Stock which is the subject of such purported transfer at the applicable purchase price specified herein. Such right shall constitute an "adverse claim" within the meaning of such term as used within the meaning of the Uniform Commercial Code of any State. In addition to, and without prejudice to, any and **all** other rights or remedies which may be available to the Company, the Stockholder agrees that the Company may, but shall have no obligation to, hold and refuse to transfer any Stock, or any certificate therefor, tendered to it for transfer if the transfer violates the provisions of the Agreement.

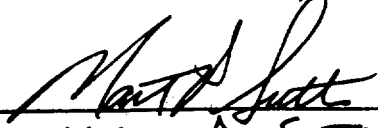
11.13 **Tax Representations**. The Stockholder acknowledges that the Company has made no warranties or other representations to Stockholder with respect to the income tax consequences of the transactions contemplated by this Agreement and Stockholder is in no manner relying on the Company or its representatives for an account of such tax consequences.

11.14 **Further Assurances**. The Stockholder agrees to execute such further instruments **and** to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered as of the day and year first above written.

Company

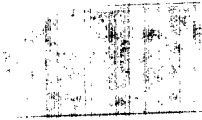
RGENE THERAPEUTICS, INC.

By: 
Name: MARTIN P. SWITZER
Title: CHAIRMAN

Stock-holder

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

By: _____
Name: _____
Title: _____



SR94-02

SPONSORED RESEARCH AGREEMENT

Agreement, made this _____ day of _____, 1994, by and between The University of Texas M.D. Anderson Cancer Center (hereinafter referred to as "Cancer Center"), a component institution of The University of Texas System (hereinafter referred to as "System"), located in Houston, Texas, and RGene Therapeutics, Inc., (hereinafter referred to as "Sponsor"), located in The Woodlands, Texas.

WITNESSETH:

WHEREAS, Sponsor is the manufacturer or licensee of the lipid based gene and oligonucleotide delivery technologies which have potential utilization in patient care and treatment: and

WHEREAS, Cancer Center has research facilities and situations which would allow investigation and study of "Targeting and Delivery of Oligonucleotides to Leukemic Cells" as described in Exhibit I (hereinafter referred to as "Research"), a copy of which is attached hereto and incorporated herein by reference; and

WHEREAS, both Sponsor and Cancer Center consider it necessary and desirable to perform the Research;

NOW, THEREFORE, the parties agree as follows:

1. **Evaluation.** Sponsor agrees to engage the services of Cancer Center as an independent contractor to perform the Research. The Research will be under the supervision of Gabriel Lopez-Berestein, M.D. (Principal Investigator) at Cancer Center, with the assistance of appropriate associates and colleagues at Cancer Center as may be required.

2. **Research.** Cancer Center agrees as an independent contractor to conduct the Research. Such Research was originally approved by Cancer Center in accordance with Cancer Center policy and may be subsequently amended only in accordance with Cancer Center policy and the written agreement of Cancer Center and Sponsor as provided for in Article 16 herein below. Cancer Center shall provide written report to Sponsor as requested, summarizing results of the Research, and all such reports, test data, information, etc. shall be the property of Sponsor.

3. **Invention and Patents.**

a. For all purposes herein, "Invention" shall mean any discovery, concept or idea whether or not patentable or copyrightable, which (i) arises out of work performed pursuant to the obligations of this Agreement: (ii) is conceived and reduced to practice during the term of the Agreement as defined in Article 14 hereinbelow and within the six (6) month period thereafter; and (iii) includes but is not limited to processes, methods, software,

formulae, techniques, compositions of matter, devices, and improvements thereof and know-how relating thereto. Inventions made solely by the Principal Investigator, and/or other Cancer Center personnel as identified in Article 1 hereinabove or agents of Cancer Center shall be the sole property of Cancer Center. Inventions made jointly by employees or agents of Cancer Center and Sponsor shall be jointly owned by Cancer Center and Sponsor. Inventions made solely by employees or agents of Sponsor shall be the sole property of Sponsor.

b. In the event that an Invention is made, either solely by employees or agents of Cancer Center or jointly by employees or agents of Cancer Center and Sponsor, Cancer Center and Sponsor agree to give notice of such Invention to each other within thirty (30) days of the identification of such Invention. Within thirty (30) days of notice of Invention, Cancer Center and Sponsor will thereupon exert their best reasonable efforts in cooperation with each other to investigate, evaluate and determine to the mutual satisfaction of both parties, the disposition of rights to the Invention, including whether, by whom, and where any patent applications are to be filed, subject to the terms of this Article 3.

c. If, after consultation with Sponsor, it is agreed by the parties that a patent application should be filed, Cancer Center will prepare and file appropriate United States and foreign patent applications on Inventions made under this Agreement and owned by Cancer Center, in whole or in part, and Sponsor will pay the cost of preparing, filing and maintenance thereof. If Sponsor notifies Cancer Center that it does not intend to pay the costs of an application, or if Sponsor does not respond or make an effort to agree with Cancer Center on the disposition of rights to the Invention, then Cancer Center may file such application at its own expense, and Sponsor shall have no rights to such Invention. Cancer Center will provide Sponsor a copy of the application filed for which Sponsor has paid the cost of filing, as well as copies of any documents received or filed during prosecution thereof. Sponsor agrees to maintain any such application in confidence until it is published by Cancer Center or by the respective patent office.

d. Any Invention made hereunder which is in the field of the molecular biology of oncogenes and/or growth factors and/or nucleic acid, lipid based gene, and/or oligonucleotide delivery technology and which results from the research described in this Agreement ("Licensee Sponsored Technology") shall be automatically licensed to Sponsor pursuant to the terms of the Patent and Technology License Agreement dated March 1, 1994 between Cancer Center, the Board of Regents of The University of Texas System and Sponsor (the "Patent and Technology License Agreement"), a copy of which is attached hereto and incorporated herein as Exhibit II, without any further action. This shall apply with like result to any Invention which constitutes an Improvement (as defined in the Patent and Technology License Agreement).

e. Any Invention made hereunder which is outside of the field identified in Article 3(d) shall be subject to an option to Sponsor to negotiate and acquire an exclusive, worldwide, **royalty-bearing** license to commercialize such Invention (as well as patent applications, patents and copyrights thereon), provided that Sponsor shall pay all costs and expenses associated with patent and copyright filing, prosecution, issuance, and maintenance relating thereto. Sponsor shall have ninety (90) days from the date of notice of Invention from Cancer Center pursuant to Article 3(b) hereinabove, to give written notice to Cancer Center exercising said option. In the event that Sponsor elects to exercise its option to negotiate and acquire such a license in the time and manner provided hereinabove, the parties agree to enter into good faith negotiations regarding the terms and conditions of said license and further agree to negotiate license fee rates and other payments which are fair and reasonable to both parties.

f. In the event that parties fail to reach an agreement regarding the terms and conditions of said license, within ninety (90) days after Sponsor's notification to Cancer Center of Sponsor's exercise of said option pursuant to Articles 3 (e) hereinabove, Cancer Center shall have the right to enter into license agreements concerning the same Inventions with third parties on terms no less favorable to Cancer Center than were last offered in writing by Sponsor.

4. Confidentiali. Because Cancer Center and Sponsor will be cooperating with each other in this Research, and because each may reveal to the other in the course of this Research certain confidential information, Cancer Center and Sponsor agree to hold any confidential information which (a) is obtained during the course of and as a result of this work and (b) is related thereto and (c) is marked as "CONFIDENTIAL" in confidence, and each party will not disclose same to any third party without the express written consent of the other party to this Agreement. This requirement shall remain in force during the term of this Agreement and for a period of three (3) years following completion of work under this Agreement. Nothing in this paragraph shall in any way restrict the rights of either Cancer Center or Sponsor to use, disclose or otherwise deal with any information which:

a. Can be demonstrated to have been in public domain as of the effective date of this Agreement or comes into the public domain through the term of this Agreement through no act of the recipient; or

b. Can be demonstrated to have been known to the recipient prior to the execution of this Agreement; or

c. Can be demonstrated to have been rightfully received by the recipient after disclosure under this Agreement from a third party who did not require the recipient to hold it in confidence or limit its use and who did not acquire it,

directly or indirectly, under obligation of confidentiality to the disclosing party; or

d. Shall be required for disclosure to Federal regulatory agencies pursuant to approval for use; or

e. Is independently invented by researchers of the recipient, which in the case of Cancer Center includes System, who have not had access to the information provided to the recipient hereunder.

Except as permitted under the Patent and Technology License Agreement, nothing herein is intended to give Sponsor the right to use for any purpose pre-existing confidential information of Cancer Center. Notwithstanding the confidentiality obligations of this Agreement, nothing herein shall prevent Cancer Center and any other component of System from using any information generated hereunder for ordinary research and educational purposes of a university.

5. **Publication Rights.** Notwithstanding the provisions of Article 4 of this Agreement, Cancer Center may publish scientific papers relating to the collaborative research performed under this Agreement. In the event that Cancer Center wishes to publish, Cancer Center shall notify Sponsor of its desire to publish at least thirty (30) days in advance of publication and shall furnish to Sponsor a written description of the subject matter of the publication in order to permit Sponsor to review and comment thereon. Sponsor shall notify Cancer Center in writing within thirty (30) days of receipt of such draft whether such draft contains information deemed to be confidential under the provisions of Article 4, or information that if published within thirty (30) days would have an adverse effect on a patent application in which Sponsor owns full or part interest, or intends to obtain an interest from Cancer Center pursuant to this Agreement. In the latter case Sponsor has the right to request a delay and Cancer Center agrees to delay said publication for a period not exceeding ninety (90) days. In any such notification, Sponsor shall indicate with specificity to what manner and degree Cancer Center may disclose said information. Cancer Center shall have the final authority to determine the scope and content of any publication, provided that such authority shall be exercised with reasonable regard for the commercial interests of Sponsor.

6. **Publicity.** Cancer Center acknowledges Sponsor's intention to distribute periodically informational releases and announcements to the news media regarding the progress of research hereunder. Sponsor shall not release such materials containing the name of Cancer Center or any of its employees without prior written approval by an authorized representative of Cancer Center, and said approval shall not be unreasonably withheld. Should Cancer Center reject the news release, Cancer Center and Sponsor agree to discuss the reasons for Cancer Center's rejection, and every effort shall be made to develop an appropriate informational news release within the bounds of accepted academic practices. Sponsor reserves the same right in the event that Cancer Center desires to distribute a

news release concerning the research program. Nothing herein shall be construed as prohibiting Cancer Center or Sponsor from reporting on this study to a governmental agency or as prohibiting Sponsor from using the name of Cancer Center or its employees, but only when indicating, as a factual matter, that Sponsor is sponsoring research at Cancer Center under this Agreement and only in connection with either **or** both of the following: (a) communications associated with Sponsor's financing activities; and (b) communications (**other** than promotions and advertisements) directed to describing or responding to inquiries concerning the business, technology products, services and associated activities of Sponsor. Sponsor may otherwise use the name of Cancer Center when and as required by applicable law, rules and regulations, or upon Cancer Center's consent, which shall not be unreasonably withheld or delayed.

7. **Responsibility.** The parties each agree to assume individual responsibility for the actions and omissions of their respective employees, agents and assigns in conjunction with this evaluation.

8. **Independent Contractor.** Sponsor will not have the right to direct or control the activities **of** Cancer Center in performing the services provided herein, and Cancer Center shall perform services hereunder only as an independent contractor, and nothing herein contained shall be construed to be inconsistent with this relationship or status. Under no circumstances shall Cancer Center be considered to be an employee or agent of Sponsor. This Agreement shall not constitute, create or in any way be interpreted as a joint venture, partnership or formal business organization of any kind.

9. **Title to Equipment.** Cancer Center shall retain title to all equipment purchased and/or fabricated by it with funds provided by Sponsor under this Agreement.

10. **Survivorship.** The provisions of Article 3, 4, 5, 6, and 12 shall survive any expiration or termination of this Agreement.

11. **Assignment.** This Agreement may not be assigned by either party without the prior written consent of the other party; provided, however, that Sponsor may assign this Agreement to any purchaser or transferee of all or substantially all of Sponsor's business upon prior written notice to Cancer Center.

12. **Indemnification.** Cancer Center shall, to the extent authorized under the Constitution and the laws of the State of Texas, indemnify and hold Sponsor and its officers, directors, employees, agents and stockholders harmless from any and all liability resulting from the negligent acts or omissions of Cancer Center, its agents or employees pertaining to the activities to be carried out pursuant to the obligations of this Agreement: provided, however, that Cancer Center shall not hold Sponsor harmless from claims arising out of the negligence of Sponsor/its

officers, agents or any person or entity not subject to Cancer Center's supervision or control.

Sponsor shall indemnify and hold harmless System, Cancer Center, their regents, officers, agents and employees from any liability or loss resulting from judgments or claims against them arising out of the activities to be carried out pursuant to the obligations of this Agreement or the use by Sponsor of the results of the Research, provided, however, that the following is excluded from Sponsor's obligation to indemnify and hold harmless:

- a. the negligent failure of Cancer Center to comply with any applicable governmental requirements; or
- b. the negligence or willful malfeasance by a regent, officer, agent or employee of Cancer Center or System.

13. **Award.** Sponsor agrees to pay Cancer Center a fee of Five Hundred One Thousand Nine Hundred Seventy-Six and **No/100** Dollars (**\$501,976.00**) for expenses and other related costs incurred in conjunction with the Research. This fee, as shown by approximate category of expense in the attached Exhibit I which is attached hereto and is incorporated herein by reference, for information only, shall be payable in equal installments of **Sixty-TWO** Thousand Seven Hundred Forty-Seven and **No/100** Dollars (**\$62,747.00**) each by Sponsor to Cancer Center. The first such installment shall be **due within** thirty (30) days of the date of execution of this Agreement. The subsequent installments shall be due and payable on a quarterly basis.

14. **Basic Term.** This Agreement shall become effective as of the date first hereinabove written and unless earlier terminated as hereinafter provided, shall continue in force for a period of two (2) years after the same, except as otherwise provided herein.

15. **Default and Termination.** In the event that either party to this Agreement shall be in default of any of its material obligations hereunder and shall fail to remedy such default within thirty (30) days after receipt of written notice thereof, the party not in default shall have the option **of terminating this** Agreement by giving written notice thereof, notwithstanding anything to the contrary contained in this Agreement. Termination of this Agreement **shall** not affect the rights and obligations of the parties which accrued prior to the effective date of termination. Sponsor shall pay Cancer Center for all reasonable expenses incurred or committed to be expended as of the effective termination date, subject to the maximum amount as specified in Article 13.

16. **Entire Aareement.** The parties acknowledge that this Agreement and Exhibit I and Exhibit II (the Patent **and Technology** License Agreement) attached hereto represent the sole and entire Agreement between the parties hereto pertaining to the Research and that such supersedes all prior Agreements, understandings,

negotiations and discussions between the parties regarding **same**, whether oral or written. **There** are no warranties, representations **or** other Agreements between the parties in connection with the subject matter hereof except as specifically set forth herein. No supplement, amendment, alteration, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the parties hereto.

17. **Reform of Agreement.** If any provision of this Agreement is, **becomes or is deemed invalid, illegal or** unenforceable in any United States jurisdiction, such provision shall be deemed amended to conform to applicable laws so as to be valid and enforceable; or if it cannot be so amended without materially altering the intention of the parties, it shall be stricken, and the remainder of this Agreement **shall** remain in full force and effect.

18. **Notices.** Any notices, statements or **reports** required by this Agreement shall be considered given if **sent by** United States Certified Mail, postage prepaid and addressed **as** follows:

If to Cancer Center:

Michael J. Best
Chief Financial Officer
The University of Texas M.D. Anderson Cancer Center
1515 Holcombe Blvd.
Houston, Texas 77030

If to Sponsor:

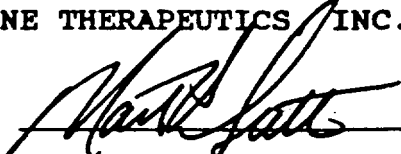
Martin P. Sutter
President
RGene Therapeutics, Inc.
2.170 Buckthorne Place, Suite 170
The Woodlands, Texas 77380

19. **Captions.** The captions in this Agreement are for convenience only and shall not be considered a part of or affect the construction or interpretation of any provision of this Agreement.

20. **Governing Law.** This Agreement shall be governed and interpreted in accordance with the substantive laws of the State of Texas and with applicable laws of the United States of America.

IN WITNESS WHEREOF, Cancer Center and Sponsor entered into this Agreement effective as of the date first hereinabove written and have executed two (2) originals each of which are of equal dignity.

RGENE THERAPEUTICS INC.

BY: 
TITLE: CHAIRMAN

I have read this agreement and understand my obligations hereunder:

BY: _____
Gabriel Lopez-Berestein, M.D.
Principal Investigator

BY: _____
Martin N. Raber, M.D.
Acting Head, Div. of Medicine

Make Payment To:
The University of Texas
M.D. Anderson Cancer Center
Atten: Manager, Sponsored Programs
P. O. Box 297402
Houston, TX 77297
Tax I.D. 74 6001118 A1

THE UNIVERSITY OF TEXAS
M.D. ANDERSON CANCER CENTER

BY: _____
Michael J. Best
Chief Financial Officer

CONTENT APPROVED:

BY: _____
Donna S. Gilberg, CPA
Manager, Sponsored
Programs

FORM APPROVED:

BY: 
Matthew E. Burr, J.D.
Legal Services officer

SPONSORED RESEARCH AGREEMENT

Agreement, made this _____ day of _____ 1994, by and between The University of Texas M.D. Anderson Cancer Center (hereinafter referred to as "Cancer Center"), a component institution of The University of Texas System (hereinafter referred to as "System"), located in Houston, Texas, and RGene Therapeutics, Inc., (hereinafter referred to as "Sponsor"), located in The Woodlands, Texas.

WITNESSETH:

WHEREAS, Sponsor is the manufacturer or licensee of the HER-2/neu gene which has potential utilization in patient care and treatment; and

WHEREAS, Cancer Center has research facilities and situations which would allow investigation and study of "HER-2/neu Targeting Cancer Therapy" as described in Exhibit I (hereinafter referred to as "Research"), copy of which is attached hereto and incorporated herein by reference; and

WHEREAS, both Sponsor and Cancer Center consider it necessary and desirable to perform the Research:

NOW, THEREFORE, the parties agree as follows:

1. **Evaluation.** Sponsor agrees to engage the services of Cancer Center as an independent contractor to perform the Research. The Research will be under the supervision of Mien-Chie Hung, Ph.D. (Principal Investigator) at Cancer Center, with the assistance of appropriate associates- and colleagues at Cancer Center as may be required.

2. **Research.** Cancer Center agrees as an independent contractor to conduct the Research. Such Research was originally approved by Cancer Center in accordance with Cancer Center policy and may be subsequently amended only in accordance with Cancer Center policy and the written agreement of Cancer Center and Sponsor as provided for in Article 16 herein below. Cancer Center shall provide written report to Sponsor as requested, summarizing results of the Research, and all such reports, test. data, information, etc. shall be the property of Sponsor.

3. **Invention and Patents.**

a. For all purposes herein, "Invention" shall mean any discovery, concept or idea whether or not patentable or copyrightable, which (i) arises out of work performed pursuant to the obligations of this Agreement; (ii) is conceived and reduced to practice during the term of the Agreement as defined in Article 14 hereinbelow and within the six (6) month period thereafter; and (iii) includes but is not limited to processes, methods, software,

formulae, techniques, compositions of matter, devices, and improvements thereof and know-how relating thereto. Inventions made solely by the Principal Investigator and/or other Cancer Center personnel as identified in Article 1 hereinabove or agents of Cancer Center shall be the sole property of Cancer Center. Inventions made jointly by employees or agents of Cancer Center and Sponsor shall be jointly owned by Cancer Center and Sponsor. Inventions made solely by employees or agents of Sponsor shall be the sole property of Sponsor.

b. In the event that an Invention is made, either solely by employees or agents of Cancer Center or jointly by employees or agents of Cancer Center and Sponsor, Cancer Center and Sponsor agree to give notice of such Invention to each other within thirty (30) days of the identification of such Invention. Within thirty (30) days of notice of Invention, Cancer Center and Sponsor will thereupon exert their best reasonable efforts in cooperation with each other to investigate, evaluate and determine to the mutual satisfaction of both parties, the disposition of rights to the Invention, including whether, by whom, and where any patent applications are to be filed, subject to the terms of this Article 3.

c. If, after consultation with Sponsor, it is agreed by the parties that a patent application should be filed, Cancer Center will prepare and file appropriate United States and foreign patent applications on Inventions made under this Agreement and owned by Cancer Center, in whole or in part, and Sponsor will pay the cost of preparing, filing and maintenance thereof. If Sponsor notifies Cancer Center that it does not intend to pay the costs of an application, or if Sponsor does not respond or make an effort to agree with Cancer Center on the disposition of rights to the Invention, then Cancer Center may file such application at its own expense, and Sponsor shall have no rights to such Invention. Cancer Center will provide Sponsor a copy of the application filed for which Sponsor has paid the cost of filing, as well as copies of any documents received or filed during prosecution thereof. Sponsor agrees to maintain any such application in confidence until it is published by Cancer Center or by the respective patent office.

d. Any Invention made hereunder which is in the field of the molecular biology of oncogenes and/or growth factors and/or nucleic acid, lipid based gene, and/or oligonucleotide delivery technology and which results from the research described in this Agreement ("Licensee Sponsored Technology") shall be automatically licensed to Sponsor pursuant to the terms of the Patent and Technology License Agreement dated March 1, 1994 between Cancer Center, the Board of Regents of The University of Texas System and Sponsor (the "Patent and Technology License Agreement"), a copy of which is attached hereto and incorporated herein as Exhibit II, without any further action. This shall apply with like result to any Invention which constitutes an Improvement (as defined in the Patent and Technology License Agreement).

e. Any Invention made hereunder which is outside of the field identified in Article 3(d) shall be subject to an option to Sponsor to negotiate and acquire an exclusive, worldwide, **royalty-bearing** license to commercialize such Invention (as well as patent applications, patents and copyrights thereon), provided that Sponsor shall pay all costs and expenses associated with patent and copyright filing, prosecution, issuance, and maintenance relating thereto. Sponsor shall have ninety (90) days from the date of notice of Invention from Cancer Center pursuant to Article 3(b) hereinabove, to give written notice to **Cancer** Center exercising said option. In the event that Sponsor elects to exercise its option to negotiate and acquire such a license in the time and manner provided hereinabove, the parties agree to enter into good faith negotiations regarding the terms and conditions of said license and further agree to negotiate license fee rates and other payments which are fair and reasonable to both parties.

f. In the event that parties fail to reach an agreement regarding the terms and conditions of said license, within ninety (90) days after Sponsor's notification to Cancer Center of Sponsor's exercise of said option pursuant to Articles 3 (e) hereinabove, Cancer Center shall have the right to enter into license agreements concerning the same Inventions **with** third parties on terms no less favorable to Cancer Center than were last offered in writing by Sponsor.

4. **Confidentiali** . Because **Cancer** Center and Sponsor will be cooperating with each other in this Research, and because each may reveal to the other in the course of this Research certain confidential information, Cancer Center and Sponsor agree to hold any confidential information which (a) is obtained during the course of and as a result of this work and (b) is related thereto and (c) is marked as "CONFIDENTIAL" in confidence, and each party will not disclose same to any third party without the **express** written consent of the other party to this Agreement. This requirement shall remain in force during the term of this Agreement and for a period of three (3) years following completion of work under this Agreement. Nothing in this paragraph shall in any way restrict the rights of either Cancer Center **or** Sponsor to use, disclose or otherwise deal with any information which:

a. Can be demonstrated to have been in public domain as of the effective date of this Agreement or comes into the public domain through the term of this Agreement through no **act** of the recipient; or

b. Can be demonstrated to have been known to the recipient prior **to** the execution of this Agreement; or

c. Can be demonstrated to have been rightfully received by the recipient after disclosure under this Agreement from a third party who did not **require** the recipient to hold it in confidence or limit its use and who did not acquire it,

directly or indirectly, under obligation of confidentiality to the disclosing party; or

d. Shall be required for disclosure to Federal regulatory agencies pursuant to approval for use; or

e. is independently invented by researchers of the recipient, which in the case of Cancer Center includes System, who have not had access to the information provided to the recipient hereunder.

Except as permitted under the Patent and Technology License Agreement, nothing herein is intended to give Sponsor the right to use for any purpose pre-existing confidential information of Cancer Center. Notwithstanding the confidentiality obligations of this Agreement, nothing herein shall prevent Cancer Center and any other component of System from using any information generated hereunder for ordinary research and educational purposes of a university.

5. **Publication Rights.** Notwithstanding the provisions of Article 4 of this Agreement, Cancer Center may publish scientific papers relating to the collaborative research performed under this Agreement. In the event that Cancer Center wishes to publish, Cancer Center shall notify Sponsor of its desire to publish at least thirty (30) days in advance of publication and shall furnish to Sponsor a written description of the subject matter of the publication in order to permit Sponsor to review and comment thereon. Sponsor shall notify Cancer Center in writing within thirty (30) days of receipt of such draft whether such draft contains information deemed to be confidential under the provisions of Article 4, or information that if published within thirty (30) days would have an adverse effect on a patent application in which Sponsor owns full or part interest, or intends to obtain an interest from Cancer Center pursuant to this Agreement. In the latter case Sponsor has the right to request a delay and Cancer Center agrees to delay said publication for a period not exceeding ninety (90) days. In any such notification, Sponsor shall indicate with specificity to what manner and degree Cancer Center may disclose said information. Cancer Center shall have the final authority to determine the scope and content of any publication, provided that such authority shall be exercised with reasonable regard for the commercial interests of Sponsor.

6. **Publicity.** Cancer Center acknowledges Sponsor's intention to distribute periodically informational releases and announcements to the news media regarding the progress of research hereunder. Sponsor shall not release such materials containing the name of Cancer Center or any of its employees without prior written approval by an authorized representative of Cancer Center, and said approval shall not be unreasonably withheld. Should Cancer Center reject the news release, Cancer Center and Sponsor agree to discuss the reasons for Cancer Center's rejection, and every effort shall be made to develop an appropriate informational news release within the bounds of accepted academic practices. Sponsor reserves the same right in the event that Cancer Center desires to distribute a

approval shall not be unreasonably withheld. Should Cancer Center reject the news release, **Cancer Center** and Sponsor agree to discuss the reasons for Cancer Center's rejection, and every effort shall be made to develop an appropriate informational news release within the bounds of accepted academic practices. Sponsor reserves the same right in the event that Cancer Center desires to distribute a news release concerning the research program. Nothing herein shall be construed as prohibiting Cancer Center or Sponsor from reporting on this study to a governmental agency or as prohibiting Sponsor from using the name of Cancer Center or its employees, but only when indicating, as a factual matter, that Sponsor is sponsoring research at Cancer Center under this Agreement and only in connection with either or both of the following: (a) communications associated with Sponsor's financing activities; and (b) communications (other than promotions and advertisements) directed to describing or responding to inquiries concerning the business, technology products, services and associated activities of Sponsor. Sponsor may otherwise use the name of Cancer Center when and as required by applicable law, rules and regulations, or upon Cancer Center's consent, which shall not be unreasonably withheld or delayed.

7. **Responsibility.** The parties each agree to assume individual responsibility for the actions and omissions of their respective employees, agents and assigns in conjunction with this evaluation.

a. **Independent Contractor.** Sponsor will not have the right to direct or control the activities of Cancer Center in performing the services provided herein, and Cancer Center shall perform services hereunder only as an independent contractor, and nothing herein contained shall be construed to be inconsistent with this relationship or status. Under no circumstances shall Cancer Center be considered to be an employee or agent of Sponsor. This Agreement shall not constitute, create or in any way be interpreted as a joint venture, partnership or formal business organization of any kind.

9. **Title to Equipment.** Cancer Center shall retain title to all equipment purchased and/or fabricated by it with funds provided by Sponsor under this Agreement.

10. **Survivorship.** The provisions of Article 3, 4, 5, 6, and 12 shall survive any expiration or termination of this Agreement.

11. **Assignment.** This Agreement may not be assigned by either party without the prior written consent of the other party; provided, however, that Sponsor may assign this Agreement to any purchaser or transferee of all or substantially all of Sponsor's business upon prior written notice to Cancer Center.

12. **Indemnification.** Cancer Center shall, to the extent authorized under the Constitution and the laws of the State of Texas, indemnify and hold Sponsor and its officers, directors,

employees, agents and stockholders harmless **from** any and all liability resulting from the negligent **acts** or omissions of Cancer Center, its agents or employees pertaining to the activities to be carried out pursuant to the obligations of this Agreement: provided, however, that Cancer Center shall not hold Sponsor harmless from claims arising out of the negligence of Sponsor, its officers, agents or any person or entity not subject to Cancer Center's supervision or control.

Sponsor shall indemnify and hold harmless System, Cancer Center, their regents, officers, agents and employees from any liability or loss resulting from judgments or claims against them arising out of the activities to be carried out pursuant to the obligations of this Agreement or the use by Sponsor of the results of the Research, provided, however, that the following is excluded from Sponsor's obligation to indemnify and hold harmless:

a. the negligent failure of Cancer Center to comply with any applicable governmental requirements; or

b. the negligence or willful malfeasance by a regent, officer, agent or employee of Cancer Center or System.

13. **Award.** Sponsor agrees to pay Cancer Center a fee of Five Hundred and **No/100** Dollars (**\$500,000.00**) for expenses and other related costs incurred in conjunction with the Research. This fee, **as** shown by approximate category of expense in the attached Exhibit I which is attached hereto and is incorporated herein by reference, for information only, shall be payable in **equal** installments of Sixty-Two Thousand Five Hundred and **No/100** Dollars (**\$62,500.00**) each by Sponsor to Cancer Center. The first such installment shall be due within thirty (30) days of the date of execution of this Agreement. The subsequent installments shall be due and payable on a quarterly basis.

14. **Basic Term.** This Agreement shall become effective as of the date first hereinabove written and unless earlier terminated as hereinafter provided, shall continue in force for a period of two (2) years after the same, except as otherwise provided herein.

15. **Default and Termination.** In the event that either party to this Agreement shall be in default of **any** of its material obligations hereunder and shall fail to remedy such default within thirty (30) **days** after receipt of written notice thereof, the party not in default shall have the option of terminating this Agreement by giving written notice thereof, notwithstanding anything to the contrary contained in this Agreement. Termination of this Agreement shall not affect the rights and obligations of the parties which accrued prior to the effective date of termination. Sponsor shall pay Cancer Center for all reasonable expenses incurred or committed to be expended **as** of the effective termination date, subject to the maximum amount as specified in Article 13.

16. **Entire Agreement.** The parties acknowledge that this Agreement, Exhibit I and Exhibit II (the Patent and Technology License Agreement) attached hereto represent the sole and entire Agreement between the parties hereto pertaining to the Research and that such supersedes all prior Agreements, understandings, negotiations and discussions between the parties regarding same, whether oral or written. There are no warranties, representations or other Agreements between the parties in connection with the subject matter hereof except as specifically set forth herein. No supplement, amendment, alteration, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the parties hereto.

17. **Reform of Agreement.** If any provision of this Agreement is, **becomes or is deemed invalid, illegal or unenforceable** in any United States jurisdiction, such provision shall be deemed amended to conform to applicable laws so as to be valid and enforceable; or if it cannot be so amended without materially altering the intention of the parties, it shall be stricken, and the remainder of this Agreement shall remain in full force and effect.

18. **Notices.** Any notices, statements or reports required by this Agreement shall be considered given if sent by United States Certified Hail, postage prepaid and addressed as follows:

If to Cancer Center:

Michael J. Best
Chief Financial Officer
The University of Texas M.D. Anderson Cancer Center
1515 Holcombe Blvd.
Houston, Texas 77030

If to Sponsor:

Martin P. Sutter
President
RGene Therapeutics, Inc.
2170 Buckthorne Place, Suite 170
The Woodlands, Texas 77380

19. **Captions.** The captions in this Agreement are for convenience only and shall not be considered a part of or affect the construction or interpretation of any provision of this Agreement.

20. **Governing Law.** This Agreement shall be governed and interpreted in accordance with the substantive laws of the State of Texas and with applicable laws of the United States of America.

IN WITNESS WHEREOF, Cancer Center and Sponsor entered into this Agreement effective as of the date first hereinabove written and have executed two (2) originals each of which are of equal dignity.

RGENE THERAPEUTICS, INC.

BY: *Mark Satt*

TITLE: CHAIRMAN

I have read this agreement and understand my obligations hereunder:

BY: Mien-Chie Hung, Ph.D.
Principal Investigator

BY: Garth L. Nicolson, Ph.D.
Chairman, Dept. of Tumor Biology

**THE UNIVERSITY OF TEXAS
M.D. ANDERSON CANCER CENTER**

BY: Michael J. Best
Chief Financial Officer

CONTENT APPROVED:

BY: Donna S. Gilberg, CPA
Manager, Sponsored Programs

FORM APPROVED:

BY: Matthew E. Burr, J.D.
Legal Services Officer

Make Payment To:
The University of Texas
M.D. Anderson Cancer Center
Atten: Manager, Sponsored Programs
P. O. Box 297402
Houston, TX 77297
Tax I.D. 74 6001118 A1

ASSIGNMENT AND ASS-ON

THIS **ASSIGNMENT** AND ASSUMPTION AGREEMENT ("Agreement") is entered into this ____ day of _____, 1994, by and between Argus Pharmaceuticals, **Inc.**, a **Delaware corporation** ("Argus") and RGene Therapeutics, Inc., a Delaware corporation ("RGene").

WHEREAS, Argus is the exclusive licensee of certain Technology under that certain Exclusive License Agreement dated July 1, 1988 by and among Argus, the University of **Texas** Board of Regents and the University of Texas M. D. Anderson Cancer Center as amended ("Exclusive License Agreement");

WHEREAS, in exchange for the issuance of shares in RGene under that certain Stockholder Agreement dated March _____, 1994 by and between Argus and RGene, Argus wishes to assign to RGene its rights and obligations with respect to the Technology licensed under the **Exclusive** License Agreement; and

WHEREAS, RGene is desirous of obtaining the entire right and interest of Argus in and to the Exclusive License Agreement as it relates to the Technology and assume the obligations of Argus therefor, all pursuant to the terms and conditions set forth below.

NOW, THEREFORE, for good and valuable consideration, the receipt of which **is** hereby acknowledged, the parties agree as follows:

I. ASSIGNMENT.

1.1 Argus hereby assigns to RGene, its successors and assigns, all of the right, title and interest of Argus in and to the Exclusive License Agreement to the extent and only to the extent that the Exclusive License Agreement relates to the Invention identified in Amendment No. 3 to the Exclusive License Agreement.

1.2 By its acceptance of this Assignment, RGene hereby accepts all of the benefits and assumes all of the obligations of Argus under the Exclusive License Agreement to the extent the Exclusive License Agreement relates to the Invention identified in Amendment No. 3 thereto., including but not limited to all costs and fees relating to the filing and prosecuting of patent applications on the Invention and the payment of royalties and other payments required by the Exclusive License Agreement to the **extent the** Exclusive License Agreement relates to the Invention identified in Amendment No. 3 thereto.

1.3 Argus agrees to execute such further instruments as RGene reasonably requests to secure or perfect in RGene the full benefit of the Assignment set forth herein.

II. NEGATION OF WARRANTIES

2.1 Argus makes no representation or warranty (a) that any patent application on the Technology will ultimately issue as a patent, (b) that any patent application which issues into a

patent is valid and enforceable, (c) that the use of the Technology in the manufacture, use or sale of any product will be free **from** infringement of patents of third parties, or (d) as to the safety, reliability, or efficacy of the Technology which may ultimately be incorporated in any product.

2.2 Argus makes no representations, extends no warranties of any kind, either express or implied, and assumes no responsibilities whatever with respect to the manufacture, use, or sale, or other disposition of any products incorporating the Technology.

III. MISCELLANEOUS.

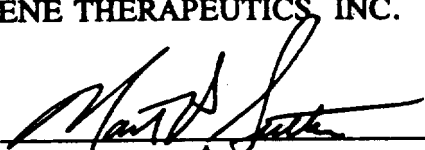
3.1 The execution of **this** Agreement by the University of Texas **Board** of Regents and **the** University **of Texas M.D.** Anderson Cancer Center, as the **licensor** of the Technology, is for the purpose of indicating their approval of the provisions of this Agreement.

3.2 It is understood that this Assignment contains the entire agreement between the parties relating to the subject matter of this Agreement.

3.3 This Assignment is deemed to have been made in the State of Texas and shall be interpreted and construed in accordance with the laws of the State of Texas.

IN WITNESS WHEREOF, signifying their acceptance of and agreement to be bound by the terms and conditions of this Agreement, the signatures of the parties are affixed hereto.

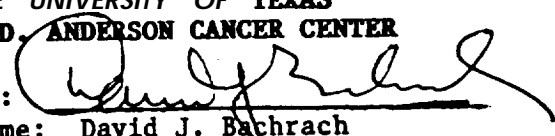
ARGENE THERAPEUTICS, INC.

By: 
Name: MARTIN P. SUTTER
Title: CHAIRMAN
Date: 4-5-94

ARGUS PHARMACEUTICALS, INC.

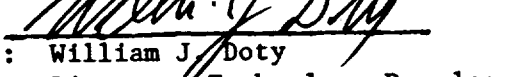
By: 
Name: David M. Leech
Title: President & CEO
Date: _____

**THE UNIVERSITY OF TEXAS
M.D. ANDERSON CANCER CENTER**

By: 
Name: David J. Bachrach
Title: Executive Vice President
for Administration and Finance
Date: 3/25/94



APPROVED AS TO CONTENT

By: 
Name: William J. Doty
Title: Director, Technology Development
Date: 3/22/94

APPROVED As TO FORM

By: _____
Name: Dudley R. Dobie, Jr.
Title: Manager, Intellectual Property
Date: _____

IV. OTHER MATTERS

1. U. T. System: Amendment of the Authorization Regarding Use of the Income from the Quasi-Endowment for Investment Excellence and Approval of the Office of Asset Management Employee Performance Compensation Plan Effective September 1, 1994.--In December 1988, the U. T. Board of Regents authorized the assessment of an investment fee for all endowments and trusts managed by the Office of Asset Management of The University of Texas System. The fee was authorized at an annual rate equal to one-tenth of one percent of the funds' market value and was to be used to fund the Quasi-Endowment for Investment Excellence. In addition, the Vice Chancellor for Asset Management was authorized, with the approval of the Asset Management Committee, to use the income from the Quasi-Endowment for Investment Excellence to provide performance compensation to professionals employed by the Office of Asset Management.

In order to recognize endowment payout formulas other than income, conform the authorization to recent Attorney General opinions concerning performance compensation, and provide for the payment of performance compensation in accordance with the terms of the Office of Asset Management Employee Performance Compensation Plan, the Board, upon recommendation of the Asset Management Committee, amended the authorization regarding use of the income from the Quasi-Endowment for Investment Excellence as set forth below:

- c. Authorize the Vice Chancellor for Asset Management, after obtaining approval of the Asset Management Committee, to use distributions from the Quasi-Endowment for Investment Excellence to provide performance compensation to professionals employed by the Office of Asset Management, in accordance with the terms of the Office of Asset Management Employee Performance Compensation Plan.

Further, the Board approved the Office of Asset Management Employee Performance Compensation Plan as set out on Pages 187 - 191 to be effective September 1, 1994.

The Office of Asset Management Employee Performance Compensation Plan is designed to carry out the original intent of the Board in establishing the Quasi-Endowment for Investment Excellence. It will provide a means whereby fund managers or portfolio managers within the Office of Asset Management may develop a sense of commitment and personal involvement in the investment performance of the U. T. System endowments and other funds as well as attract and retain employees of outstanding competence and encourage them to remain with and devote their best efforts to the interests of the U. T. System.

OFFICE OF ASSET MANAGEMENT
EMPLOYEE PERFORMANCE COMPENSATION PLAN

I. PURPOSE

The Office of Asset Management Employee Performance Compensation Plan (the "Plan") is intended to provide a means whereby fund managers or portfolio managers within the Office of Asset Management (the "OAM") may develop a sense of commitment and personal involvement in the development and financial success of The University of Texas System endowment and other assets, to attract and retain employees of outstanding competence and ability, to encourage them to remain with and devote their best efforts to the business of The University of Texas System, and to reward such employees for outstanding performance, thereby advancing the interests of the U. T. System and its beneficiaries.

II. DEFINITIONS

Where the following words and phrases appear in the Plan they shall have the respective meaning as set forth below unless their context clearly indicates to the contrary:

- a. Award. Performance Compensation Awards
- b. Board. The Board of Regents of The University of Texas System
- c. Committee. The OAM Performance Compensation Committee as appointed by the Asset Management Committee of the Board
- d. Common Trust Fund. The Common Trust Fund of The University of Texas System
- e. Effective Date. September 1, 1994
- f. Employee Performance Pool Account. The account receiving distributions from the Quasi-Endowment for Investment Excellence
- g. Eligible Employee. The Vice Chancellor for Asset Management, any fund manager, or portfolio manager within OAM as designated by the Committee
- h. Performance Compensation Award. An award granted to an Eligible Employee pursuant to Article VI which is payable following the termination of each Performance Period
- i. Performance Period. Any period of one or more years beginning on or after September 1, 1994, as determined by the Committee
- j. Plan. The Office of Asset Management Employee Performance Compensation Plan, as amended from time to time
- k. Quasi-Endowment for Investment Excellence. The quasi-endowment established by the Board on December 8, 1988, to pay performance compensation to Office of Asset Management staff.

III. ADMINISTRATION OF PLAN

The Plan shall be administered by the Committee which shall consist of not less than the Chairman of the Asset Management Committee, Chancellor, and the Vice Chancellor for Asset Management. The Asset Management Committee shall have the power from time to time to add or remove members of the Committee and to fill vacancies thereon arising by resignation, death, removal, or otherwise. Meetings shall be held at such times and places as shall be determined by the Committee. A majority of the members of the Committee shall constitute a quorum for the transaction of business. The vote of a majority of those members present at any meeting shall decide any question brought before that meeting provided that (a) the Chairman of the Asset Management Committee shall vote with the majority of Committee members voting on a given question and (b) the Vice Chancellor for Asset Management shall be prohibited from voting on any questions relating to his or her receipt of an Award.

The Committee shall have sole authority to:

- (i) Select the Eligible Employees who are to be granted Awards under the Plan
- (ii) Establish the amounts with respect to each Performance Period which shall be granted as Awards to the Eligible Employees selected by the Committee to receive an Award for a Performance Period provided that the cumulative amount of awards granted to Eligible Employees shall not exceed the cumulative amount credited to the Employee Performance Pool Account from and including September 1, 1994
- (iii) Establish conditions for an Award, which may include provisions based upon the Performance Period including performance benchmarks (total funds, fund, employee group, individual or otherwise or combinations thereof) or such other criteria as the Committee may determine to be appropriate
- (iv) Establish the amount of an award to be granted to an Eligible Employee with respect to a Performance Period and the terms thereof, and,
- (v) Subject to the terms of the Plan, determine the amount and timing of distributions under the Plan.

The Committee is authorized to interpret the Plan and may from time to time adopt such rules and regulations, consistent with the provisions of the Plan and state statutes, that it may deem advisable to carry out the Plan. All decisions made by the Committee in selecting the Eligible Employees who shall be granted Awards and the amount thereof and in construing the provisions of the Plan or the terms of any Award shall be final and binding on all Eligible Employees.

IV. ELIGIBILITY

All Eligible Employees shall be eligible to participate in the Plan. The persons who shall be granted Awards with respect to a Performance Period shall be such Eligible Employees as the Committee shall select. Such Employees must be employed within OAM from and including the first day of a Performance Period through and including the last day of a Performance Period and must have been recommended by the Vice Chancellor for Asset Management or his or her successor to receive an Award. Awards may be granted to the same Eligible Employee on more than one occasion.

V. DETERMINATION OF AMOUNTS FOR AWARDS FOR A PERFORMANCE PERIOD

- a. The amounts which shall be eligible to be granted as Awards for a Performance Period shall be determined pursuant to the provisions of this Section.
- b. Amounts equal to the distributions paid from the Quasi-Endowment for Investment Excellence shall be credited to the Employee Performance Pool Account at the time that such distributions are recorded on the Common Trust Fund books.
- c. The cumulative amount credited to the Employee Performance Pool Account from and including September 1, 1994, shall be the amount available to be awarded to Eligible Employees as Awards under the Plan.

VI. DETERMINATION OF PERFORMANCE COMPENSATION AWARDS

Within 60 days following the end of a Performance Period, the Committee shall grant Awards to such Eligible Employees that it determines in its sole discretion have met the performance benchmarks for the Performance Periods established for each Eligible Employee.

The Committee shall have the right to grant Awards to Eligible Employees in any amount and on any basis as determined by the Committee in its discretion provided that the cumulative amount of Awards granted to Eligible Employees shall not exceed the cumulative amount credited to the Employee Performance Pool Account from and including September 1, 1994. The Committee shall have the right to transfer to the Quasi-Endowment for Investment Excellence any Employee Performance Pool Account balances in excess of the maximum amount payable at the end of any and all unexpired Performance Periods established by the Committee prior to such date of transfer.

The Committee is hereby empowered to make all determinations concerning (a) which Eligible Employees shall be granted Awards, (b) the amount, if any, of such Awards granted to an Eligible Employee, and (c) the terms, provisions, conditions, and limitations of such Awards. The Committee shall consider the recommendations of the Vice Chancellor for Asset Management in making such determinations.

The Committee shall promptly notify each Eligible Employee who has been granted an Award under the Plan as to the amount of such Award, and the terms, provisions, conditions, and limitations of such award.

VII. PAYMENT OF AWARDS

- a. The amounts awarded to an Eligible Employee at the end of a Performance Period shall be payable to the Eligible Employee not later than 60 days following the date of award. The amounts payable to any Eligible Employee for a Performance Period shall be paid through the U. T. System Administration payroll agent, shall be included in the Eligible Employee's salaries and wages, and shall be reported to the Board for ratification via the System Administration Docket.
- (1) Unless otherwise expressly provided by the Committee, any Eligible Employee who terminates employment within OAM for any reason other than death or permanent disability prior to termination of the Performance Period shall forfeit any and all eligibility to receive an Award and shall not be entitled to receive any further payments under the Plan.
 - (2) Any Eligible Employee whose employment with U. T. System is terminated prior to the termination of a Performance Period shall forfeit any and all eligibility to receive an Award and shall not be entitled to receive any further payments under the Plan.
 - (3) In the event an Eligible Employee's employment within OAM terminates prior to the termination of a Performance Period by reason of his or her death, disability, or transfer within OAM or the U. T. System, the Committee shall determine such Eligible Employee's Award, if any, on a prorated basis from the first day of the unexpired Performance Periods to the quarterly performance measurement date immediately preceding the date of such Eligible Employee's death, disability, or transfer. The Board shall pay to the estates of such Eligible Employee or to such Eligible Employee, as the case may be, such Awards, if any, within 60 days of the granting of such Awards.
- b. For purposes of this Plan, a leave of absence authorized by OAM shall not be considered a termination of employment.

VIII. NATURE OF THE PLAN

The establishment of the Plan or the granting of Awards shall not be deemed to create a trust. The Plan shall constitute an unfunded, unsecured liability of the U. T. System to make payments in accordance with the provisions of the Plan, and no Eligible Employee shall have any security or other interest in any assets of the U. T. System.

IX. DURATION, AMENDMENT AND TERMINATION

The Board shall have the right to amend the Plan from time to time, to terminate it entirely, or to direct the discontinuance of Awards either temporarily or permanently. However, no amendment, discontinuance, or termination of the Plan shall operate to annul an Award during any unexpired Performance Period unless otherwise provided by the terms of this Plan. The term of the Plan shall be from its Effective Date until terminated by the Board.

X. GENERAL CONDITIONS

- a. The Committee shall have the discretion and authority to make such nonsubstantive changes in the administration of the Plan if circumstances outside the control of the Eligible Employees or the Committee have occurred during the Performance Period so as to make such adjustment appropriate in the opinion of the Committee.
- b. An employee shall be considered to be employed within OAM as long as he or she remains an employee within OAM. Nothing in the adoption of this Plan nor the granting of Awards shall confer on any employee the right to continued employment within OAM or with the U. T. System, or affect in any way the right of the U. T. System to terminate his/her employment at any time.
- c. Except to the extent set forth herein as to the rights of the estates or beneficiaries of Eligible Employees to receive payments, awards under this Plan are nonassignable and nontransferable and are not subject to anticipation, adjustment, alienation, encumbrance, garnishment, attachment, or levy of any kind.
- d. Nothing contained in the Plan shall be deemed to give any Eligible Employee, or any personal representative or beneficiary, any interest or title to any specific property of the U. T. System, or any right against the U. T. System other than as set forth in the Plan.
- e. Neither the officers nor the Board nor the members of the Committee shall under any circumstances have any liabilities with respect to the Plan or its administration except for gross and intentional malfeasance. Neither the officers nor the Board nor the members of the Committee may rely upon opinions of counsel as to all matters, including the creation and operation of the Plan.
- f. No portion of the Plan shall be effective at any time when such portion violates an applicable State or Federal law, regulation or governmental order or directive which is subject to sanctions whether direct or indirect.
- g. Any Award payable under this Plan shall be subject to any deductions required by federal, state, or local law. The U. T. System shall not be obligated to advise an employee of the existence of the tax or the amount which the U. T. System will be required to withhold.
- h. Accounting for the Plan shall be in accordance with generally accepted accounting principles.

2. U. T. System: Rescission of the Regental Policy Statement Regarding South African Investments; Amendments to the Regents' Rules and Regulations, Part Two, Chapter IX, Section 3, Subsection 3.2 (Reports Regarding Asset Management) and Subsection 3.4, Subdivision 3.43 (Policies with Respect to Stock Rights, Fractional Shares, and Proxies); and Authorization to Amend the Investment Guidelines Sections of the Permanent University Fund Investment Policy Statement, Common Trust Fund Investment Policy Statement, Medical Liability Self-Insurance Fund Investment Policy Statement, and Operating Funds Investment Policy Statement.--At the February 1986 meeting, the U. T. Board of Regents adopted a policy statement regarding investments in corporations doing business in or with South Africa and denounced the appalling and repugnant system of apartheid in South Africa. That Policy Statement, the Regents' Rules and Regulations, and certain limitations in the Permanent University Fund, the Common Trust Fund, the Medical Liability Self-Insurance Fund, and the Operating Funds investment guidelines were adopted to assist in the dismantling of the system of apartheid in South Africa.

The Policy Statement further provided for its amendment upon the implementation of genuine reforms of the apartheid system. The transition to a multi-racial democracy in South Africa, as evidenced by implementation of the interim constitution on April 26, 1994, and the election of Nelson Mandela as President on May 2, 1994, constitutes definitive reform that demolishes the legal basis of the apartheid system.

For this reason, the Board, upon recommendation of the Asset Management Committee, took the following actions to lift economic sanctions against South Africa:

- a. Rescinded the February 1986 U. T. Board of Regents' Policy Statement regarding investments in corporations doing business in or with South Africa
- b. In consonance with the above action, amended the Regents' Rules and Regulations, Part Two, Chapter IX, Section 3, Subsection 3.2 and Subsection 3.4, Subdivision 3.43 to read as set forth below:
 - 3.2 Reports Regarding Asset Management.
 - 3.21 All purchases, sales, and exchanges of investments shall be reported for ratification by the Board via the Docket.
 - 3.22 The investment performance of the PUF, as measured by an unaffiliated organization, shall be reported to the Regents' Asset Management Committee at least annually.
 - 3.23 The nature and extent of any investments in or business transacted with any firm with which a member of The University of Texas System investment staff is affiliated will be reported to the Regents' Asset Management Committee annually.

- 3.3 The Chancellor, the Vice Chancellor for Asset Management, or the Executive Director for Fixed Income Investments are each authorized to take any and all steps as may be considered necessary or advisable to protect the interest of the PUF in event of default or any other significant changes occurring with respect to any investment.
- 3.4 Policies with Respect to Stock Rights, Fractional Shares, and Proxies.
- 3.41 Exercise of or sale of stock rights and warrants is to be made at the discretion of the Chancellor, the Vice Chancellor for Asset Management, the Executive Director for Fixed Income Investments, or the Portfolio Managers. Stock rights or warrants which arise in connection with funds under control of an unaffiliated investment manager shall be handled by that manager at its discretion.
- 3.42 Fractional shares which arise in connection with funds under control of an unaffiliated investment manager or the System investment staff shall be handled by that manager or the staff at its discretion.
- 3.43 As a general rule, voting stocks held are to be voted by returning proxies to present management. When the Portfolio Managers or the Manager - Asset Strategy and Analysis determines that a vote with management would not be in the shareholder's best financial interest, or when a proposal under consideration is of a social nature, the matter will be referred to the Chancellor or the Vice Chancellor for Asset Management, or, in the event both of them are absent, to the Chairman of the Asset Management Committee.

- c. Deleted from the Investment Guidelines sections of the Permanent University Fund Investment Policy Statement, the Common Trust Fund Investment Policy Statement, the Medical Liability Self-Insurance Fund Investment Policy Statement, and the Operating Funds Investment Policy Statement the directive under "investment restrictions" which reads "No investments may be made in securities of the South African government, its government agencies, or firms headquartered in South Africa."

These investment policy statements, as amended through June 9, 1994, are set forth in their entirety on Pages 195 - 216.

NOTE: Within the Material Supporting the Agenda for the June 1994 meeting, there was no request to amend the Investment Guidelines section of The University of Texas System Operating Funds Investment Policy Statement. However, this policy statement is herewith included in the Minutes to reflect the deletion of Item 2 under the "investment restrictions" related to South African investments.

In response to Regent Holmes' inquiry as to what other institutions were doing related to lifting economic sanctions against South Africa, Vice Chancellor for Asset Management Ricks reported that because of the recent political changes in that country, the Investor Responsibility Research Center, which monitors corporate policies for institutional investors, found that nearly all of the 50 best endowed colleges and universities in the United States have removed most of their restrictions on investing in South Africa.

Mr. Ricks noted that as of March 31, 1994, only 47 public pension funds continue to prohibit investments in South Africa, down from about 180 pension funds in September 1993. He emphasized that there had been a universal response to the call for lifting economic sanctions and it was appropriate for the U. T. System to lift those sanctions.

Chancellor Cunningham commented "I don't think we'll be subject to any criticism over this action, but we would be if we didn't take this action."

PERMANENT UNIVERSITY FUND
INVESTMENT POLICY STATEMENT

FUND CHARACTERISTICS

The Permanent University Fund is a perpetual endowment in support of The University of Texas and The Texas A&M University Systems. The Fund is authorized by the State Constitution and supplies resources in two ways:

- 1) Beneficiary university systems may sell bonds up to 30% of their share of the book value of the Fund, secured and payable from a lien on their portion of the cash income of the Fund. Therefore, The University of Texas System and The Texas A&M University System may sell bonds, respectively, up to 20% and 10% of the book value of the Fund.
- 2) Cash income in excess of debt service requirements is available for current expenditures relating to academic enrichment and excellence at The University of Texas at Austin and Texas A&M University at College Station and Prairie View A&M University.

The Fund was generated and is increased principally by oil and gas royalties and lease bonuses from Permanent University Fund Lands. Cash inflow to the Fund is subject to fluctuation due to petroleum production, prices, and industry economics. Since oil and gas is depleting in nature and the Fund continues to grow from this source as well as appreciation of investments, cash inflow over time will tend to decline as a percentage of the value of the Fund.

The State Constitution requires that all cash income of the Fund consisting of interest and dividends on investments be paid out. Therefore, only the appreciation of securities is able to provide internal growth of the Fund.

RESPONSIBILITY AND MANAGEMENT OF THE FUND

The State Constitution vests fiduciary responsibility for the Fund with the Board of Regents of The University of Texas System. The Board employs an investment and administrative staff, headed by the Vice Chancellor for Asset Management. Specific investment decisions are handled by the investment staff as well as unaffiliated investment managers, who are employed from time to time. The Board retains an Investment Advisory Committee to provide counsel concerning portfolio and economic issues affecting the Fund.

CONFLICT OF INTEREST

Members of the Board and the Investment Advisory Committee are frequently persons of wide-ranging business interests. Therefore, a prudent, independent investment decision process may result in investments in firms or organizations with which a member of the Board or the Investment Advisory Committee is affiliated. Affiliation shall be interpreted within this section to mean an employee, officer, director, or owner of

five percent or more of the voting stock of a firm or organization. The investment staff or an unaffiliated investment manager may invest in such securities. However, the following restrictions shall apply:

- A member of the Board or the Investment Advisory Committee shall not direct nor participate in the decision to purchase or sell securities of a firm with which such member is affiliated.
- Securities will not be purchased from or sold to a member of the Board or the Investment Advisory Committee.
- All members of The University of Texas System investment and administrative staff must report any affiliation with another firm or organization to the Regents' Asset Management Committee. On an annual basis, the staff will report the nature and extent of any investments in or business transacted with such firms.

INVESTMENT OBJECTIVES

There are two primary investment objectives. One is to provide a continuing and dependable cash income stream, stable and preferably growing in real terms, after giving effect to inflation. The second is to cause the total value of the Fund to appreciate over time.

The cash income requirement on the Fund is substantial and continuous. Income must be sufficient to provide debt service coverage of all bonds payable from the Fund as well as provide a residual income stream for academic enrichment programs.

The Fund needs to appreciate to insure preservation of the purchasing power of the Fund and also to satisfy the need for income growth in the future.

Management of the Fund attempts to meet these objectives by maximizing the return on the Fund's investments, consistent with an appropriate level of risk and subject to generation of adequate current income. Additionally, the Fund shall be diversified at all times to provide reasonable assurance that investment in a single security, a class of securities, or industry will not have an excessive impact on the Fund.

ASSET MIX

Asset mix is the primary determinant of Fund performance and is the responsibility of the Regents' Asset Management Committee. Asset mix may be changed from time to time based on the economic and security market outlook as well as income requirements.

In establishing asset mix, recognition of the role of various classes of investments will be considered. These include:

- The principal purpose of fixed income investments is to provide a dependable and predictable source of income. Adequate bonds with low enough book yield to meet arbitrage requirements relating to debt secured and payable from the Fund must be owned.
- Equity investments provide both current income and growth of income, but their principal purpose is to provide appreciation of the Fund.

- Cash equivalent-short-term investments provide current income, but their principal purpose is to store purchasing power to fund longer term investments. Cash inflow from Permanent University Fund Lands is recognized as a continuing source of Fund liquidity.
- Other investments, such as venture capital, real estate and other privately placed investments, would be undertaken to provide exceptional returns to the Fund.

In order to meet the Fund's investment objectives and in recognition of the role of various classes of investments, it shall be the policy to invest this Fund's assets with an annual average market value asset mix of each class of investments within the following limits:

	<u>Minimum</u>	<u>Maximum</u>	<u>Long-Term Optimal</u>
Unallocated funds	0%	10%	0%
Fixed income securities(1)	30%	60%	45%
Equity securities(1)	35%	60%	45%
Other investments(1)	0%	15%	10%

(1) Includes allocated cash and cash equivalents

PERFORMANCE GOALS

To accomplish the investment objectives for the Fund and recognizing the critical role of asset mix, specific performance goals exist for the total Fund as well as separate categories of assets. Achievement of these goals is most appropriately determined over a full market cycle time period . . . generally four to five years.

Specific performance goals for the Fund are:

- Common Stocks - Performance equal to or greater than the Standard & Poor's 500 Index.
- Bonds - Performance equal to or greater than the Shearson Lehman Government/Corporate Bond Index or other appropriate bond index.
- Total Fund Return - Performance equal to or greater than that of other comparable funds.

Given the income requirements on the Fund, the performance goal for fixed income securities (bonds) is recognized as imperfect and potentially inappropriate in situations where a substantial and prolonged change in the market level of interest rates occurs. A bond index is a useful comparative device, but income protection, maturity control and portfolio quality are other important performance indices as well as critical elements of portfolio strategy. Active trading of bonds is necessary to prevent deterioration of portfolio market value and may result in the realization of book losses from time to time.

PERFORMANCE MEASUREMENT

The investment performance of the Fund will be measured by an unaffiliated organization with recognized expertise in this field and compared against the stated performance goals of the Fund. Measurement will occur at least annually, and will be used to evaluate the results of the total Fund, major classes of investment assets, and individual management organizations.

INVESTMENT GUIDELINES

The Fund must be invested at all times in strict compliance with the State Constitution and other applicable law. The primary and constant standard for making investment decisions is the "Prudent Person Rule."

Investment restrictions include the following:

- All investments must be U. S. dollar denominated unless held by an investment manager retained to manage an international portfolio.
- Commercial paper must be rated in the two highest quality classes by Moody's Investors Service, Inc. (P1 or P2) or Standard & Poor's Corporation (A1 or A2).
- Negotiable certificates of deposit must be with a bank that is associated with a holding company meeting the commercial paper rating criteria specified above or that has a certificate of deposit rating of 1 or better by Duff & Phelps.
- Bankers' Acceptances must be guaranteed by an accepting bank with a minimum certificate of deposit rating of 1 by Duff & Phelps.
- Repurchase Agreements and Reverse Repurchase Agreements must be with a domestic dealer selected by the Federal Reserve as a primary dealer in U. S. Treasury securities; or a bank that is associated with a holding company meeting the commercial paper rating criteria specified above or that has a certificate of deposit rating of 1 or better by Duff & Phelps.
- Investment policies of any unaffiliated liquid investment fund must be reviewed and approved by the Vice Chancellor for Asset Management prior to investment of Fund monies in such liquid investment fund. No requirement exists that such funds conform to the above restrictions on money market instruments.
- Corporate bonds and preferred stocks must be rated a minimum of Baa3 by Moody's Investors Service, Inc. or BBB- by Standard & Poor's Corporation, respectively, when purchased unless approved by the Vice Chancellor for Asset Management. Bonds rated below A3 or A- shall not constitute an excessive portion of the total bond portfolio. Unrated bonds or preferred stocks may be purchased prior to review by the Asset Management Committee if, in the opinion of the System's investment staff, they are at least equal in quality to publicly offered securities eligible for purchase. The cost of bonds or preferred stocks rated below Baa3 or BBB-, unrated bonds, and unrated preferred stocks which have been purchased but have not been reviewed by the Asset Management Committee may not exceed 1% of the book value of the Fund.
- The weighted average maturity of the fixed income portfolio shall not exceed 17.5 years.
- Less than five percent of the voting securities of a corporation may be owned unless additional ownership is specifically authorized by the Vice Chancellor for Asset Management.
- No securities may be purchased or held which would jeopardize the Fund's tax-exempt status.
- No securities may be purchased on margin or leverage.
- No transactions in short sales will be made.

- Transactions in derivative instruments (other than those received as part of an investment unit) must be authorized by the Vice Chancellor for Asset Management and may occur only as part of a hedging, asset allocation, or other program authorized by the Asset Management Committee. For purposes of this policy, derivatives shall be defined as any instrument whose value is derived, in whole or part, from the value of any one or more underlying assets, or index of assets (such as stocks, bonds, commodities, interest rates, and currencies) and evidenced by forward, futures, swap, cap, floor, option, and other applicable contracts.
- Unaffiliated investment managers transacting solely within their assigned assets:
 - shall hold no more than 25% of their managed portfolio in any one industry at cost unless the manager was retained to concentrate in an industry or industries.
 - shall hold no more than 10% of their managed portfolio in the securities of one corporation at cost.
 - shall not hold investment in real estate, partnerships, and other such illiquid assets unless retained to manage this type of asset and shall hold no more than 10% of their managed portfolio at cost in any other asset category different than the type they were retained to manage. Short-term liquid investments are excluded from this limitation. Convertible securities are considered to be equity equivalents for purposes of this restriction.
 - shall hold no securities traded only in foreign markets unless they were retained to manage an international portfolio.

INVESTMENT MANAGEMENT FIRMS

Unaffiliated investment managers may be hired from time to time to provide the Fund with increased diversity through their unique style and approach to investing. Their purpose is to improve the Fund's return and to alter its volatility. Other than as limited by this Policy Statement, investment managers shall have complete investment discretion. In addition to performance, investment managers shall be monitored for adherence to their investment style and shall be available as reasonably requested for open communication with the Board and The University of Texas System's investment and administrative staff.

FUND ADMINISTRATION

Administration of the Fund is recognized as vital to Fund stability and fulfillment of objectives. Areas of emphasis shall include record keeping, internal controls, protection of assets, cash management and processing efficiency.

Transaction and accounting records shall be complete and prepared on a timely basis with consideration at all times to the adequacy of an audit trail.

Internal controls will assure responsible separation of duties and diminish the real and prospective burden on individual employees.

Custody of the Fund's assets shall be in compliance with applicable law and arranged to provide as much security, trading speed and flexibility as possible. Adequate insurance levels will be maintained by any custodian or transportation agent employed by the Fund.

The daily cash position will be monitored to insure that non-interest bearing cash is minimized. The collection time of all dividend and interest payments will be accelerated to the extent possible.

Operational efficiency is imperative, and computer capabilities shall be extensively used to reduce manual processing and duplication of activities.

System investment and administrative staff will conduct business for the Fund with organizations which, after review, are believed to exercise professional integrity and have financial substance judged adequate in light of the size and nature of the business involved. Normal business entertainment of the staff is recognized as a customary medium for conducting this type of business. Acceptance of material gifts from unaffiliated vendors is prohibited.

Additionally, transactions to purchase or sell securities shall be entered into on the basis of "best execution," which normally means best realized net price for the security. Commissions may be paid for investment services rendered to the Fund including securities research.

INVESTOR RESPONSIBILITY

The Fund supports higher education, which has a special and unique role in society. It follows that, subject to the "Prudent Person Rule," investment of the Fund must be sensitive to major issues affecting its constituency including the State of Texas and supporters of higher education.

As a significant shareholder, the Fund has the right to a voice in corporate affairs consistent with those of any shareholder. These include the right and obligation to vote proxies in a manner consistent with the unique role and mission of higher education as well as for the economic benefit of the Fund.

The primary basis for all investment decisions is the "Prudent Person Rule" (see Investment Guidelines). The Fund shall not be invested to achieve temporal benefits for any purpose including use of its economic power to advance social or political purposes.

COMMON TRUST FUND
INVESTMENT POLICY STATEMENT

FUND CHARACTERISTICS

The Common Trust Fund was established by the Board of Regents to allow for the pooled investment of privately-sourced endowment and trust funds held by The University of Texas System or by the U. T. Board of Regents in a fiduciary capacity. These endowment and trust funds are collectively invested to enhance the diversification of the assets held and to streamline investment and administrative operations.

The endowment and trust funds were given to provide a permanent funding source to support specified academic and enrichment programs at donor-designated components of The University of Texas System. The principal of these funds may not be spent, and therefore only cash income earned on investments is available for distribution. Internal growth of the Fund may occur through capital appreciation or retention of income in excess of distributions.

RESPONSIBILITY AND MANAGEMENT OF THE FUND

Fiduciary responsibility for the Fund rests with the Board of Regents of The University of Texas System. The Board employs an investment and administrative staff, headed by the Vice Chancellor for Asset Management. Specific investment decisions are handled by the investment staff as well as unaffiliated investment managers, who are employed from time to time. The Board retains an Investment Advisory Committee to provide counsel concerning portfolio and economic issues affecting the Fund.

CONFLICT OF INTEREST

Members of the Board and the Investment Advisory Committee are frequently persons of wide-ranging business interests. Therefore, a prudent, independent investment decision process may result in investments in firms or organizations with which a member of the Board or the Investment Advisory Committee is affiliated. Affiliation shall be interpreted within this section to mean an employee, officer, director, or owner of five percent or more of the voting stock of a firm or organization. The investment staff or an unaffiliated investment manager may invest in such securities. However, the following restrictions shall apply:

- A member of the Board or the Investment Advisory Committee shall not direct nor participate in the decision to purchase or sell securities of a firm with which such member is affiliated.
- Investments will not be purchased from or sold to a member of the Board or the Investment Advisory Committee.
- All members of The University of Texas System investment and administrative staff must report any affiliation with another firm or organization to the Regents' Asset Management Committee. On an annual basis the staff will report the nature and extent of any investments in or business transacted with such firms.

INVESTMENT OBJECTIVES

There are two primary investment objectives. One is to provide a continuing and dependable cash payout, stable and preferably growing in real terms, after giving effect to inflation. The second is to cause the total value of the Fund to appreciate, over time, exclusive of growth derived from donations.

The cash payout requirement on the Fund is substantial and continuous. Income must be sufficient to provide an adequate cash stream for the development of excellence and distinction in the academic programs of the System. In addition, the Fund needs to appreciate to insure preservation of the purchasing power of the Fund and also to satisfy the need for payout growth in the future.

Management of the Fund attempts to meet these objectives by maximizing the return on the Fund's investments, consistent with an appropriate level of risk and subject to generation of adequate current income. Additionally, the Fund shall be diversified at all times to provide reasonable assurance that investment in a single security, a class of securities, or industry will not have an excessive impact on the Fund.

ASSET MIX

Asset mix is the primary determinant of Fund performance and is the responsibility of the Regents' Asset Management Committee. Asset mix may be changed from time to time based on the economic and security market outlook as well as income requirements.

In establishing asset mix, recognition of the role of various classes of investments will be considered. These include:

- The principal purpose of fixed income investments is to provide a dependable and predictable source of income.
- Equity investments provide both current income and growth of income, but their principal purpose is to provide appreciation of the Fund.
- Cash equivalent-short-term investments provide current income, but their principal purpose is to store purchasing power to fund longer term investments.
- Other investments, such as venture capital, real estate and other privately placed investments, would be undertaken to provide exceptional returns to the Fund.

In order to meet the Fund's investment objectives and in recognition of the role of various classes of investments, it shall be the policy to invest this Fund's assets with an annual average market value asset mix of each class of investments within the following limits:

	<u>Minimum</u>	<u>Maximum</u>	<u>Long-Term Optimal</u>
Unallocated funds	0%	10%	0%
Fixed income securities(1)	30%	60%	40%
Equity securities(1)	35%	60%	50%
Other investments(1)	0%	15%	10%

(1) Includes allocated cash and cash equivalents

PERFORMANCE GOALS

To accomplish the investment objectives for the Fund and recognizing the critical role of asset mix, specific performance goals exist for the total Fund as well as separate categories of assets. Achievement of these goals is most appropriately determined over a full market cycle time period . . . generally four to five years.

Specific performance goals for the Fund are:

- Common Stocks - Performance equal to or greater than the Standard & Poor's 500 Index.
- Bonds - Performance equal to or greater than the Shearson Lehman Government/Corporate Bond Index or other appropriate bond index.
- Total Fund Return - Performance equal to or greater than that of other comparable funds.

Given the income requirements on the Fund, the performance goal for fixed income securities (bonds) is recognized as imperfect and potentially inappropriate in situations where a substantial and prolonged change in the market level of interest rates occurs. A bond index is a useful comparative device, but income protection, maturity control and portfolio quality are other important performance indices as well as critical elements of portfolio strategy. Active trading of bonds is necessary to prevent deterioration of portfolio market value and may result in the realization of book losses from time to time.

PERFORMANCE MEASUREMENT

The investment performance of the Fund will be measured by an unaffiliated organization with recognized expertise in this field and compared against the stated investment objectives of the Fund. Such measurement will occur at least annually, and evaluate the results of the total Fund, major classes of investment assets, and individual management organizations.

INVESTMENT GUIDELINES

The Fund must be invested at all times in strict compliance with the Texas Trust Code (Subtitle B, Title 9, Texas Property Code) and other applicable law. The primary and constant standard for making investment decisions is the "Prudent Person Rule."

Investment restrictions include the following:

- All investments must be U. S. dollar denominated unless held by an investment manager retained to manage an international portfolio.
- Commercial paper must be rated in the two highest quality classes by Moody's Investors Service, Inc. (P1 or P2) or Standard & Poor's Corporation (A1 or A2).
- Negotiable certificates of deposit must be with a bank that is associated with a holding company meeting the commercial paper rating criteria specified above or that has a certificate of deposit rating of 1 or better by Duff & Phelps.
- Bankers' Acceptances must be guaranteed by an accepting bank with a minimum certificate of deposit rating of 1 by Duff & Phelps.

- Repurchase Agreements and Reverse Repurchase Agreements must be with a domestic dealer selected by the Federal Reserve as a primary dealer in U. S. Treasury securities; or a bank that is associated with a holding company meeting the commercial paper rating criteria specified above or that has a certificate of deposit rating of 1 or better by Duff & Phelps.
- Investment policies of any unaffiliated liquid investment fund must be reviewed and approved by the Vice Chancellor for Asset Management prior to investment of Fund monies in such liquid investment fund. No requirement exists that such funds conform to the above restrictions on money market instruments.
- Corporate bonds and preferred stocks must be rated a minimum of Baa3 by Moody's Investors Service, Inc. or BBB- by Standard & Poor's Corporation, respectively, when purchased unless approved by the Vice Chancellor for Asset Management. Bonds rated below A3 or A- shall not constitute an excessive portion of the total bond portfolio. Unrated bonds or preferred stocks may be purchased prior to review by the Asset Management Committee if, in the opinion of the System's investment staff, they are at least equal in quality to publicly offered securities eligible for purchase. The cost of bonds or preferred stocks rated below Baa3 or BBB-, unrated bonds, and unrated preferred stocks which have been purchased but have not been reviewed by the Asset Management Committee may not exceed 1% of the book value of the Fund.
- Less than five percent of the voting securities of a corporation may be owned unless additional ownership is specifically authorized by the Vice Chancellor for Asset Management.
- No securities may be purchased or held which would jeopardize the Fund's tax-exempt status.
- No securities may be purchased on margin or leverage.
- No transactions in short sales will be made.
- Transactions in derivative instruments (other than those received as part of an investment unit) must be authorized by the Vice Chancellor for Asset Management and may occur only as part of a hedging, asset allocation, or other program authorized by the Asset Management Committee. For purposes of this policy, derivatives shall be defined as any instrument whose value is derived, in whole or part, from the value of any one or more underlying assets, or index of assets (such as stocks, bonds, commodities, interest rates, and currencies) and evidenced by forward, futures, swap, cap, floor, option, and other applicable contracts.
- Unaffiliated investment managers transacting solely within their assigned assets:
 - shall hold no more than 25% of their managed portfolio in any one industry at cost unless the manager was retained to concentrate in an industry or industries.
 - shall hold no more than 10% of their managed portfolio in the securities of one corporation at cost.
 - shall not hold investment in real estate, partnerships, and other such illiquid assets unless retained to manage this type of asset and shall hold no more than 10% of their managed portfolio at cost in any

other asset category different than the type they were retained to manage. Short-term liquid investments are excluded from this limitation. Convertible securities are considered to be equity equivalents for purposes of this restriction.

- shall hold no securities traded only in foreign markets unless they were retained to manage an international portfolio.

INVESTMENT MANAGEMENT FIRMS

Unaffiliated investment managers may be hired from time to time to provide the Fund with increased diversity through their unique style and approach to investing. Their purpose is to improve the Fund's return and to alter its volatility. Other than as limited by this Policy Statement, investment managers shall have complete investment discretion. In addition to performance, investment managers shall be monitored for adherence to their investment style and shall be available as reasonably requested for open communication with the Board of Regents and The University of Texas System's investment and administrative staff.

FUND ADMINISTRATION

Administration of the Fund is recognized as vital to Fund stability and fulfillment of objectives. Areas of emphasis shall include record keeping, internal controls, protection of assets, cash management and processing efficiency.

Transaction and accounting records shall be complete and prepared on a timely basis with consideration at all times to the adequacy of an audit trail.

Internal controls will assure responsible separation of duties and diminish the real and prospective burden on individual employees.

Custody of the Fund's assets shall be in compliance with applicable law and arranged to provide as much security, trading speed and flexibility as possible. Adequate insurance levels will be maintained by any custodian or transportation agent employed by the Fund.

The daily cash position will be monitored to insure that non-interest bearing cash is minimized. The collection time of all dividend and interest payments will be accelerated to the extent possible.

Operational efficiency is imperative, and computer capabilities shall be extensively used to reduce manual processing and duplication of activities.

System investment and administrative staff will conduct business for the Fund with organizations which, after review, are believed to exercise professional integrity and have financial substance judged adequate in light of the size and nature of the business involved. Normal business entertainment of the staff is recognized as a customary medium for conducting this type of business. Acceptance of material gifts from unaffiliated vendors is prohibited.

Additionally, transactions to purchase or sell securities shall be entered into on the basis of "best execution," which normally means best realized net price for the security. Commissions may be paid for investment services rendered to the Fund including securities research.

INVESTOR RESPONSIBILITY

The Fund supports higher education, which has a special and unique role in society. It follows that, subject to the "Prudent Person Rule," investment of the Fund must be sensitive to major issues affecting its constituency including the State of Texas and supporters of higher education.

As a significant shareholder, the Fund has the right to a voice in corporate affairs consistent with those of any shareholder. These include the right and obligation to vote proxies in a manner consistent with the unique role and mission of higher education as well as for the economic benefit of the Fund.

The primary basis for all investment decisions is the "Prudent Person Rule" (see Investment Guidelines). The Fund shall not be invested to achieve temporal benefits for any purpose including use of its economic power to advance social or political purposes.

MEDICAL LIABILITY SELF-INSURANCE FUND
INVESTMENT POLICY STATEMENT

FUND CHARACTERISTICS

The University of Texas System Professional Medical Liability Self-Insurance Plan, authorized by Chapter 59 of the Texas Education Code went into effect on April 1, 1977, to provide malpractice insurance coverage for staff physicians, medical students, residents, and fellows at the U. T. System health components. The Self-Insurance Plan's assets, excluding the assets held in an operating account, constitute the "Medical Liability Self-Insurance Fund." Internal growth of the Fund may occur through capital appreciation and retention of income in excess of settlement payments.

RESPONSIBILITY AND MANAGEMENT OF THE FUND

Fiduciary responsibility for the Plan and the Fund rests with the Board of Regents of The University of Texas System. Pursuant to the Board of Regents Order of April 15, 1977, and the Regents' Rules and Regulations, the Office of General Counsel administers the Plan. As administrator of the Plan, the Office of General Counsel has the responsibility for interpretation and implementation of the Plan; investigation of all medical malpractice claims; decisions regarding the trial or settlement of claims; retention of outside defense counsel for malpractice litigation; selection of insurance actuaries and consultants to review and make recommendations regarding premium changes, reserve procedures, and loss experiences; coordinating and participating in all risk management programs at health components; and performing such other functions as are appropriate for administration of the Plan. The Office of Business Affairs has responsibility for the accounting for the Plan, the Plan's operating account monies, and the cash receipts and disbursements of the Plan.

The Office of the Vice Chancellor for Asset Management administers the investment of the Self-Insurance Fund. Specific investment decisions are handled by the investment staff of the Asset Management Office as well as unaffiliated investment managers, who are employed from time to time. The Board retains an Investment Advisory Committee to provide counsel concerning portfolio and economic issues affecting the Fund.

CONFLICT OF INTEREST

Members of the Board and the Investment Advisory Committee are frequently persons of wide-ranging business interests. Therefore, a prudent, independent investment decision process may result in investments in firms or organizations with which a member of the Board or the Investment Advisory Committee is affiliated. Affiliation shall be interpreted within this section to mean an employee, officer, director, or owner of five percent or more of the voting stock of a firm or organization. The investment staff or an unaffiliated investment manager may invest in such securities. However, the following restrictions shall apply:

- A member of the Board or the Investment Advisory Committee shall not direct nor participate in the decision to purchase or sell securities of a firm with which such member is affiliated.
- Investments will not be purchased from or sold to a member of the Board or the Investment Advisory Committee.
- All members of The University of Texas System investment and administrative staff must report any

affiliation with another firm or organization to the Regents' Asset Management Committee. On an annual basis the staff will report the nature and extent of any investments in or business transacted with such firms.

INVESTMENT OBJECTIVES

The primary investment objective is to appreciate the total value of the Fund, over time, through capital appreciation and income generation. Management of the Fund attempts to meet this objective by maximizing the return on the Fund's investments, consistent with an appropriate level of risk and subject to maintaining adequate cash equivalent-short-term investments to meet potential near-term settlement payments. Additionally, the Fund shall be diversified at all times to provide reasonable assurance that investment in a single security, a class of securities, or industry will not have an excessive impact on the Fund.

ASSET MIX

Asset mix is the primary determinant of Fund performance and is the responsibility of the Regents' Asset Management Committee. Asset mix may be changed from time to time based on the economic and security market outlook.

In establishing asset mix, recognition of the role of short-term investments must be considered. Cash equivalent-short-term investments provide current income, but their principal purposes are to store purchasing power to fund longer term investments and to store the ability to meet potential near-term settlement payments. In order to insure that the Fund is able to meet settlement payments without suffering principal exposure, the following levels of short-term investments will be maintained:

- A minimum of 2 times the difference between the maximum and the minimum amount to be maintained in the operating account will be held in cash equivalent-short-term investments.
- A minimum of .50 times the total of the reserves for legal expenses plus the reserves for claim liabilities will be held in investments with a maturity of six months or less.

Equity, fixed income, and other investments will be held based on their potential risk-adjusted total return.

In order to meet the Fund's investment objectives and in recognition of the role of various classes of investments, it shall be the policy to invest this Fund's assets with an annual average market value asset mix of each class of investments within the following limits:

	<u>Minimum</u>	<u>Maximum</u>	<u>Long-Term Optimal</u>
Unallocated funds	(1)	15%	5%
Fixed income securities(2)	30%	60%	40%
Equity securities(2)	35%	60%	50%
Other investments(2)	0%	10%	5%

- (1) As calculated based on the short-term investment minimum requirements established above
- (2) Includes allocated cash and cash equivalents

PERFORMANCE GOALS

To accomplish the investment objectives for the Fund and recognizing the critical role of asset mix, specific performance goals exist for the total Fund as well as separate categories of assets. Achievement of these goals is most appropriately determined over a full market cycle time period . . . generally four to five years.

Specific performance goals for the Fund are:

- Common Stocks - Performance equal to or greater than the Standard & Poor's 500 Index.
- Bonds - Performance equal to or greater than the Shearson Lehman Government/Corporate Bond Index or other appropriate bond index.
- Total Fund Return - Performance equal to or greater than that of other comparable funds.

Active trading of bonds is necessary to prevent deterioration of portfolio market value and may result in the realization of book losses from time to time.

PERFORMANCE MEASUREMENT

The investment performance of the Fund will be measured by an unaffiliated organization with recognized expertise in this field, and compared against the stated investment objectives of the Fund. Such measurement will occur at least annually, and will contain data on the results of the total Fund, major classes of investment assets, and individual management organizations.

INVESTMENT GUIDELINES

The Fund must be invested at all times in strict compliance with the Texas Trust Code (Subtitle B, Title 9, Texas Property Code) and other applicable law. The primary and constant standard for making investment decisions is the "Prudent Person Rule."

Investment restrictions include the following:

- All investments must be U. S. dollar denominated unless held by an investment manager retained to manage an international portfolio.
- Commercial paper must be rated in the two highest quality classes by Moody's Investors Service, Inc. (P1 or P2) or Standard & Poor's Corporation (A1 or A2).
- Negotiable certificates of deposit must be with a bank that is associated with a holding company meeting the commercial paper rating criteria specified above or that has a certificate of deposit rating of 1 or better by Duff & Phelps.
- Bankers' Acceptances must be guaranteed by an accepting bank with a minimum certificate of deposit rating of 1 by Duff & Phelps.
- Repurchase Agreements and Reverse Repurchase Agreements must be with a domestic dealer selected by the Federal Reserve as a primary dealer in U. S. Treasury securities; or a bank that is associated with a holding company meeting the commercial paper rating criteria specified above or that has a certificate of deposit rating of 1 or better by Duff & Phelps.
- Investment policies of any unaffiliated liquid investment fund must be reviewed and approved by the

Vice Chancellor for Asset Management prior to investment of Fund monies in such liquid investment fund. No requirement exists that such funds conform to the above restrictions on money market instruments.

- Corporate bonds and preferred stocks must be rated a minimum of Baa3 by Moody's Investors Service, Inc. or BBB- by Standard & Poor's Corporation, respectively, when purchased unless approved by the Vice Chancellor for Asset Management. Bonds rated below A3 or A- shall not constitute an excessive portion of the total bond portfolio. Unrated bonds or preferred stocks may be purchased prior to review by the Asset Management Committee if, in the opinion of the System's investment staff, they are at least equal in quality to publicly offered securities eligible for purchase. The cost of bonds or preferred stocks rated below Baa3 or BBB-, unrated bonds, and unrated preferred stocks which have been purchased but have not been reviewed by the Asset Management Committee may not exceed 1% of the book value of the Fund.
- Less than five percent of the voting securities of a corporation may be owned unless additional ownership is specifically authorized by the Vice Chancellor for Asset Management.
- No securities may be purchased or held which would jeopardize the Fund's tax-exempt status.
- No securities may be purchased on margin or leverage.
- No transactions in short sales will be made.
- Transactions in derivative instruments (other than those received as part of an investment unit) must be authorized by the Vice Chancellor for Asset Management and may occur only as part of a hedging, asset allocation, or other program authorized by the Asset Management Committee. For purposes of this policy, derivatives shall be defined as any instrument whose value is derived, in whole or part, from the value of any one or more underlying assets, or index of assets (such as stocks, bonds, commodities, interest rates, and currencies) and evidenced by forward, futures, swap, cap, floor, option, and other applicable contracts.
- Unaffiliated investment managers transacting solely within their assigned assets:
 - shall hold no more than 25% of their managed portfolio in any one industry at cost unless the manager was retained to concentrate in an industry or industries.
 - shall hold no more than 10% of their managed portfolio in the securities of one corporation at cost.
 - shall not hold investment in real estate, partnerships, and other such illiquid assets unless retained to manage this type of asset and shall hold no more than 10% of their managed portfolio at cost in any other asset category different than the type they were retained to manage. Short-term liquid investments are excluded from this limitation. Convertible securities are considered to be equity equivalents for purposes of this restriction.
 - shall hold no securities traded only in foreign markets unless they were retained to manage an international portfolio.

INVESTMENT MANAGEMENT FIRMS

Unaffiliated investment managers may be hired from time to time to provide the Fund with increased diversity through their unique style and approach to investing. Their purpose is to improve the Fund's return and to alter its volatility. Other than as limited by this Policy Statement, investment managers shall have complete investment discretion. In addition to performance, investment managers shall be monitored for adherence to their investment style, and shall be available as reasonably requested for open communication with the Board of Regents and The University of Texas System's investment and administrative staff.

FUND ADMINISTRATION

Administration of the Fund is recognized as vital to Fund stability and fulfillment of objectives. Areas of emphasis shall include record keeping, internal controls, protection of assets, cash management and processing efficiency.

Transaction and accounting records shall be complete and prepared on a timely basis with consideration at all times to the adequacy of an audit trail.

Internal controls will assure responsible separation of duties and diminish the real and prospective burden on individual employees.

Custody of the Fund's assets shall be in compliance with applicable law and arranged to provide as much security, trading speed and flexibility as possible. Adequate insurance levels will be maintained by any custodian or transportation agent employed by the Fund.

The daily cash position will be monitored to insure that non-interest bearing cash is minimized. The collection time of all dividend and interest payments will be accelerated to the extent possible.

Operational efficiency is imperative, and computer capabilities shall be extensively used to reduce manual processing and duplication of activities.

System investment and administrative staff will conduct business for the Fund with organizations which, after review, are believed to exercise professional integrity and have financial substance judged adequate in light of the size and nature of the business involved. Normal business entertainment of the staff is recognized as a customary medium for conducting this type of business. Acceptance of material gifts from unaffiliated vendors is prohibited.

Additionally, transactions to purchase or sell securities shall be entered into on the basis of "best execution," which normally means best realized net price for the security. Commissions may be paid for investment services rendered to the Fund including securities research.

INVESTOR RESPONSIBILITY

The Fund provides financial support to activities related to higher education institutions which have a special and unique role in society. It follows that, subject to the "Prudent Person Rule," investment of the Fund must be sensitive to major issues affecting its constituency including the State of Texas and supporters of higher education.

As a significant shareholder, the Fund has the right to a voice in corporate affairs consistent with those of any shareholder. These include the right and obligation to vote proxies in a manner consistent with the unique role and mission of higher education as well as for the economic benefit of the Fund.

The primary basis for all investment decisions is the "Prudent Person Rule" (see Investment Guidelines). The Fund shall not be invested to achieve temporal benefits for any purpose including use of its economic power to advance social or political purposes.

THE UNIVERSITY OF TEXAS SYSTEM
OPERATING FUNDS INVESTMENT POLICY STATEMENT

SCOPE

This investment policy statement shall govern the investment of institutional funds, as defined by Sections 51.008 and 51.009 of the Texas Education Code, under the control of The University of Texas System and its component institutions, excluding the following funds:

- a. Endowment funds and funds functioning as endowments, trust funds, and agency funds administered by the Office of Asset Management
- b. Medical Liability Self-Insurance Fund authorized by Chapter 59 of the Texas Education Code administered by the Office of Asset Management
- c. Investment income related to endowment funds and funds functioning as endowments, trust funds, agency funds and the self-insurance fund in b. above as long as such income remains administered by the Office of Asset Management.

Funds governed by this investment policy statement shall hereinafter be referred to as "operating funds." Nothing in this investment policy statement shall be construed to limit the holding, management, or sale of non-cash gifts or bequests by The University of Texas System and its component institutions.

BACKGROUND

The investment of operating funds under the control of component institutions of The University of Texas System is governed by the following statutes:

- a. Section 51.0031 of the Texas Education Code, and
- b. The Public Funds Investment Act of 1987 (Article 842a-2, Texas Revised Civil Statutes Annotated), as amended.

This policy is written in compliance with Section 5 of the Public Funds Investment Act of 1987 which requires that investments be made in accordance with written policies approved by the governing body of an institution of higher education.

INVESTMENT OBJECTIVE

The primary objective of the operating funds investment program is to generate a high rate of income and secondly to produce capital appreciation when consistent with the reasonable preservation of principal and the maintenance of adequate liquidity. Within the exposure limits contained herein, investments shall be diversified among authorized investment categories and issuers in order to minimize portfolio risk for a given level of expected return. Volatility of interest rates is expected and, therefore, periodic maturities of portions of each portfolio afford opportunities to restructure portfolios through yield and maturity adjustment.

INVESTMENT GUIDELINES

Investment restrictions include the following:

1. All investments must be U. S. dollar denominated.
2. Commercial paper must be rated in the two highest quality classes by Moody's Investors Service, Inc. (P1 or P2) or Standard & Poor's Corporation (A1 or A2).
3. Negotiable certificates of deposit must be with a bank that is associated with a holding company meeting the commercial paper rating criteria specified above or that has a certificate of deposit rating of 1 or better by Duff & Phelps.
4. Bankers' Acceptances must be guaranteed by an accepting bank with a minimum certificate of deposit rating of 1 by Duff & Phelps.
5. Repurchase Agreements and Reverse Repurchase Agreements shall conform to the Repurchase Agreement Investment Guidelines as approved by the Operating Funds Advisory Board.
6. All investments in bonds or other evidence of indebtedness shall be issued by or guaranteed by the U. S. government or U. S. government agencies or instrumentalities except for the securities listed in restrictions 2, 3, 4, and 5 above.
7. No preferred or common stocks or other ownership interests or securities convertible into ownership interests may be purchased.
8. No securities may be purchased or held which would jeopardize the Fund's tax exempt status.
9. No securities may be purchased on margin or leverage.
10. No transactions in short sales will be made.
11. Transactions in derivative instruments (other than those received as part of an investment unit) must be authorized by the Vice Chancellor for Asset Management and may occur only as part of a hedging, asset allocation, or other program authorized by the Operating Funds Advisory Board and the Asset Management Committee. For purposes of this policy, derivatives shall be defined as any instrument whose value is derived, in whole or part, from the value

of any one or more underlying assets, or index of assets (such as stocks, bonds, commodities, interest rates, and currencies) and evidenced by forward, futures, swap, cap, floor, option, and other applicable contracts. (See Secretary's Note on Page 216.)

12. Any unaffiliated liquid investment fund must be reviewed and approved by the Vice Chancellor for Asset Management and the Funds Advisory Board prior to investment of Fund monies in such liquid investment fund.

BIDS

Investments in bank common trust funds may be made only after oral or written competitive bids have been solicited from at least three banks located within Texas. Investments in bank and S&L certificates of deposits may be made after electronic, oral or written bids have been solicited.

INVESTMENT MANAGEMENT

Overall fiduciary responsibility for the investment of operating funds resides with the U. T. Board of Regents. U. T. System component institutions shall be responsible for the allocation of investments between eligible money market funds, collateralized bank and S&L certificates of deposit and the Operating Funds Short/Intermediate Term Fund ("the Fund") subject to prescribed limits for each U. T. System component institution. The Fund shall be managed per the terms of the Fund Information Memorandum and governed by a nine-member Advisory Board ("Operating Funds Advisory Board") consisting of representatives from U. T. System component institutions and System Administration. The Operating Funds Advisory Board shall approve investment policy, selection and evaluation of the Fund investment manager and other Fund agents and annual Fund budgets. Fund portfolio management shall be the responsibility of the Office of Fixed Income Investments for an initial period of five years from the creation of the Fund. The Fund shall be administered on a day-to-day basis by the Office of Asset Management.

REPORTING

Component business officers shall be responsible for transmitting all necessary information to the Office of Asset Management in order to permit periodic reporting by System Administration to the Board concerning portfolio balances and yields for individual components and for the U. T. System as a whole.

STANDARD OF CARE

Investments should be made with judgement and care, under circumstances then prevailing, that persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

EFFECTIVE DATE

This policy shall be effective concurrent with the establishment of the Fund and shall remain in effect until amended or revoked by the U. T. Board of Regents.

Secretary's Note: At the April 1994 meeting, the U. T. Board of Regents amended the Investment Guidelines section of the Permanent University Fund, Common Trust Fund, and Medical Liability Self-Insurance Fund Investment Policy Statements to allow for the use of derivative instruments in the management of these funds. In reviewing the records, it was determined that these amendments would also be applicable to The University of Texas System Operating Funds Investment Policy Statement. To correct that inadvertent oversight, Item 11 under the Investment Guidelines section of the U. T. System Operating Funds Investment Policy Statement above is amended to conform to the April 1994 Board action.

RECONVENE.--At 11:50 a.m., the Board reconvened as a committee of the whole to consider those items remaining on the agenda.

ITEMS FOR THE RECORD

1. U. T. Austin - Alan and Nancy Hamm Endowed Presidential Scholarship in the College of Pharmacy: Amendment to Minute Order of December 2, 1993, to Reflect Endowment Name as the Alan and Nancy Hamm Endowed Presidential Scholarship in Pharmacy.--At the December 1993 meeting, the U. T. Board of Regents, at the request of The University of Texas at Austin, established the Alan and Nancy Hamm Endowed Presidential Scholarship in the College of Pharmacy. The words "in Pharmacy," which are consistent with the donor's understanding, were inadvertently omitted from the endowment title by U. T. Austin.

Thus the December 1993 Board action was amended to reflect the Scholarship name as the Alan and Nancy Hamm Endowed Presidential Scholarship in Pharmacy.

2. U. T. Austin - Tracy-Locke/Morris Hite Endowed Presidential Scholarship Fund for Advertising Studies in the College of Communication: Amendment to Minute Order of August 12, 1993, to Reflect Correct Amount of Matching Funds Under The Brackenridge Matching Program #2.--It was reported that at the August 1993 meeting the U. T. Board of Regents, at the request of The University of Texas at Austin, allocated \$59,937.50 of matching funds from The Brackenridge Matching Program #2 to the Tracy-Locke/Morris Hite Endowed Presidential Scholarship Fund for Advertising Studies in the Department of Advertising within the College of Communication. The matching allocation, which was to be calculated on a one for two basis on \$101,875 of qualifying gifts, was incorrectly listed as \$59,937.50.

Therefore, the August 1993 Board action was amended to reflect \$50,937.50 as the correct amount of matching funds to be allocated from The Brackenridge Matching Program #2.

3. U. T. Austin: Report on Change of Call Letters for the Student Radio Station Operated by Texas Student Publications from KTSB to KVRX.--The U. T. Board of Regents, at the August 1993 meeting, adopted a resolution authorizing a time-sharing agreement between The University of Texas at Austin, on behalf of the radio operations of Texas Student Publications (KTSB), and Texas Educational Broadcasting Co-operative, Inc., Austin, Texas, doing business as Austin Co-op Radio, Inc. (KOOP).

The student radio station operated by Texas Student Publications on the U. T. Austin campus originally used the call letters KTSB. These call letters were not subject to approval by the Federal Communications Commission (FCC) during the several year period when the station did not broadcast on the public airwaves. The radio signal was carried by wire by the local cable company, Austin CableVision, to cable subscribers.

After obtaining a license from the FCC to operate a non-commercial FM radio station jointly with another applicant, it was necessary to select new call letters since KTSB was in use in Ohio. A listing of five choices was approved by the Texas Student Publications Board of Operating Trustees on September 24, 1993. The FCC has approved the call letters KVRX for the new radio station.

4. U. T. Pan American - Student Housing, Apartment Complex (Phase I): Report on Status of Project.--At the June 1993 meeting, the U. T. Board of Regents approved initiation of Phase I of a project for student housing on The University of Texas - Pan American campus to accommodate an estimated 400-500 students on an 8-acre tract and authorized U. T. Pan American to solicit proposals from developers to construct and manage the Phase I complex.

Proposals were solicited and four developers responded. However, following a review of the bids, U. T. Pan American reports for the record that it desires to delay the project at this time and plans to solicit new proposals before proceeding with the project.

5. U. T. Permian Basin: Reorganization of the Academic Administrative Structure - Clarification of Name for the School of Business.--It was reported that at the February 1994 meeting the U. T. Board of Regents authorized The University of Texas of the Permian Basin to reorganize its academic administrative structure from five (5) divisions to one (1) college and two (2) schools. In that action, the name of the former Division of Business Administration was referred to as the School of Business Administration instead of the School of Business as approved by the Texas Higher Education Coordinating Board.

Accordingly, the February 1994 Board action was amended to reflect the correct school name as the School of Business.

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS

Regents Rapoport and Lebermann, as members of the Board for Lease of University Lands, submitted the following report on behalf of that Board:

Report

The 85th Oil and Gas Lease Sale and the Frontier Oil and Gas Lease Sale No. 85-A were held in Midland, Texas, on May 10, 1994. Total bonuses of \$1,400,826 were received.

There were 41,907 acres of Permanent University Fund lands nominated by the oil and gas industry, and bids were received on 16,429 acres. Bonuses in the amount of \$927,806 were paid for this acreage.

There were 484,759 acres available for leasing under the terms of the Frontier Sale and bids were received on 5,827 acres. Bonuses in the amount of \$473,020 were paid for this acreage.

The next Oil and Gas Lease Sale is scheduled for November 10, 1994, in Midland, Texas.

RECESS TO EXECUTIVE SESSION.--At 11:55 a.m., the Board recessed to convene in Executive Session pursuant to Texas Government Code, Chapter 551, Sections 551.071, 551.072, and 551.074 to consider those matters set out in the Material Supporting the Agenda.

RECONVENE.--At 2:45 p.m., the Board reconvened in open session.

EXECUTIVE SESSION OF THE BOARD OF REGENTS

Chairman Rapoport reported that the Board had met in Executive Session in Room 453 of the Mesa Building to discuss matters in accordance with Texas Government Code, Chapter 551, Sections 551.071, 551.072, and 551.074. In response to Chairman Rapoport's inquiry regarding the wishes of the Board, the following actions were taken:

1. U. T. Medical Branch - Galveston, U. T. Health Science Center - Houston, U. T. Health Science Center - San Antonio, U. T. M.D. Anderson Cancer Center, and U. T. Health Center - Tyler: Settlements of Medical Liability Litigation.--Regent Cruikshank reported that the Board heard presentations from The University of Texas System Administration officials concerning the six medical liability matters listed in the agenda.

Based on these presentations, Regent Cruikshank moved that the Chancellor and the Office of General Counsel be authorized to settle the following medical liability litigation matters in accordance with the individual proposals presented in Executive Session:

- a. On behalf of The University of Texas Medical Branch at Galveston the medical liability litigation filed by Novalene Brown, Individually, and as Independent Executrix of the Estate of Reagan Brown vs. The University of Texas Medical Branch at Galveston, et al.
- b. On behalf of The University of Texas Health Science Center at Houston:
 - The medical liability litigation filed by Zabia and Tiffany Brown, et al.
 - The medical liability litigation filed by David Louis Palla, et al.
- c. On behalf of The University of Texas Health Science Center at San Antonio the medical liability litigation filed by Michael A. Arzola and Barbara Murphey, Individually and on Behalf of the Estate of Minnie Arzola vs. Bexar County Hospital District d/b/a Medical Center Hospital, et al.
- d. On behalf of The University of Texas M.D. Anderson Cancer Center the medical liability litigation filed by Minh Thi Pham
- e. On behalf of The University of Texas Health Center at Tyler the medical liability litigation filed by Roger and Linda Dunn, as Next Friends of Christina L. Dunn, a Minor vs. J. Rick Rogers, M.D., et al.

Vice-Chairman Lebermann seconded the motion which prevailed without objection.

2. U. T. Austin - Borden-Superior Dairies Gift: Authorization for Purchase Options on a 1.75 Acre Tract and a .66 Acre Tract of Vacant Land in Austin, Travis County, Texas, and Approval for the Executive Director of Endowment Real Estate to Execute All Documents Pertaining to the Transaction.--Upon motion of Regent Smiley, seconded by Vice-Chairman Lebermann, the Board:
 - a. Authorized the Office of Endowment Real Estate to complete negotiations on behalf of The University of Texas at Austin for options to purchase a 1.75 acre tract of vacant land and a .66 acre tract of vacant land in Austin, Travis County, Texas, which were gifts from Borden-Superior Dairies, in accordance with the parameters outlined in Executive Session
 - b. Authorized the Executive Director of Endowment Real Estate to execute all documents pertaining to the transaction following approval by the President of U. T. Austin, the Executive Vice Chancellor for Academic Affairs, and the Office of General Counsel.

3. U. T. Austin: Authorization to Sell an Approximately 8.336 Acre Tract of Vacant Land Located Immediately South of the West Tract of the J. J. Pickle Research Campus in Austin, Travis County, Texas, and Approval for the Executive Vice Chancellor for Business Affairs to Execute All Documents Pertaining to the Sale.--The Board, upon motion of Regent Holmes, seconded by Regent Cruikshank:
 - a. Authorized the Office of Endowment Real Estate to complete negotiations on behalf of The University of Texas at Austin for the sale of a tract of approximately 8.336 acres of vacant land located immediately south of the West Tract of the J. J. Pickle Research Campus in Austin, Travis County, Texas, in accordance with the parameters outlined in Executive Session
 - b. Authorized the Executive Vice Chancellor for Business Affairs to execute all documents pertaining to the sale following approval by the President of U. T. Austin, the Executive Vice Chancellor for Academic Affairs, and the Office of General Counsel.

4. U. T. Austin and U. T. San Antonio: Authorization to Sell Lot 1, Section Three, Oak View Subdivision, Austin, Travis County, Texas, and to Purchase Lot 25, Block 18, New City Block 302, E. A. M. Subdivision, U-1, San Antonio, Bexar County, Texas, and Approval for the Vice Presidents for Business Affairs of the Respective Institutions to Execute All Documents Related to the Transactions.--Regent Loeffler moved that The University of Texas at Austin be authorized to sell Lot 1, Section Three of the Oak View Subdivision in Austin, Travis County, Texas, to The University of Texas at San Antonio according to the provisions outlined in Executive Session and that the Vice Presidents for Business Affairs of the respective institutions be authorized to execute all documents pertaining to the transaction following

approval of the component Presidents, the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and the Office of General Counsel.

Regent Loeffler further moved that U. T. San Antonio be authorized to sell Lot 1, Section Three of the Oak View Subdivision and to acquire Lot 25, Block 18, New City Block 302, E. A. M. Subdivision, U-1 in San Antonio, Bexar County, Texas, according to the parameters outlined in Executive Session following approval of the President of U. T. San Antonio, the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Office of General Counsel and, if required, the Texas Higher Education Coordinating Board.

Regent Cruikshank seconded the motions which prevailed without objection.

This purchase and sale by U. T. San Antonio will permit a more favorable land configuration for the new Downtown Campus.

5. U. T. Medical Branch - Galveston: Approval to Accept a Gift of Real Property Located at 910 Rosenberg (Adjacent to the Open Gates Conference Center), Galveston, Galveston County, Texas, and Authorization for the Executive Vice President to Take All Steps Necessary to Acquire Additional Real Property Located in the Remainder of Block 204 in Galveston, Galveston County, Texas.--Upon motion of Regent Cruikshank, seconded by Vice-Chairman Lebermann, the Board:
 - a. Accepted a gift of real property located at 910 Rosenberg, adjacent to the Open Gates Conference Center in Galveston, Galveston County, Texas, for the benefit of The University of Texas Medical Branch at Galveston
 - b. Authorized the Executive Vice President of the U. T. Medical Branch - Galveston or his delegate to take all steps necessary to acquire by purchase, gift, exchange, or eminent domain, all remaining land in Block 204 in Galveston, Galveston County, Texas, according to the parameters outlined in Executive Session following approval of the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Director of Endowment Real Estate, and the Office of General Counsel.

6. U. T. System: Approval of Personnel Aspects of the Operating Budgets for the Fiscal Year Ending August 31, 1995, Including Auxiliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds, and Medical and Dental Services, Research and Development Plans and Authorization for the Chancellor to Make Editorial Corrections Therein.--Regent Loeffler moved that the personnel aspects of the Operating Budgets for the fiscal year ending August 31, 1995, Including Auxiliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds, and Medical and Dental Services, Research and Development Plans for The University of Texas System be approved.

Regent Loeffler further moved that the Chancellor be authorized to make editorial corrections in these budgets and for subsequent adjustments to be ratified by the U. T. Board of Regents through the institutional Dockets.

Regent Cruikshank seconded the motions which carried by unanimous vote.

See Page 57 for approval of non-personnel aspects of the 1995 Operating Budgets.

7. U. T. Health Science Center - Houston: Consideration of Recommendation of Hearing Tribunal Regarding Termination of Tenured Faculty Member -- William E. Walker, M.D. (Deferred).--Chairman Rapoport reported that the item related to the report and recommendations of a Hearing Tribunal regarding the termination of William E. Walker, M.D., a tenured faculty member at The University of Texas Health Science Center at Houston, was deferred at the request of Dr. Walker due to the death of a close personal friend. The matter will be rescheduled for the August 1994 meeting of the Board.

SCHEDULED MEETING.--Chairman Rapoport announced that the next scheduled meeting of the U. T. Board of Regents would be held on August 11, 1994, in the Regents' Meeting Room in Austin.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 2:55 p.m.

/s/ Arthur H. Dilly
Executive Secretary

June 16, 1994