

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

REQUEST FOR ACTION

Approved by the Regents

July 21, 2006

Subject: Alternative Asset Commitment

Action Requested: Approval of Matrix Partners India I, LLC

Background and Summary: We recommend a commitment of up to \$10 million to Matrix Partners India I, LLC, a partnership which will make investments in private companies in India. The investments will focus on companies expected to benefit from India's fast growing, consumer driven economy, with the goal to identify new Indian markets early and build leading companies. The Indian consumer and digital economy is in the early stages of development, with large unmet needs in many markets.

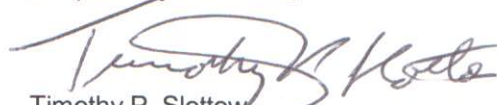
Matrix Partners India will be a multi-sector, multi-stage fund that will look to create significant value in the consumer internet and mobile sectors. Consumer-focused services and content such as financial services and media and entertainment delivered to large numbers of Indian consumers via the internet or mobile devices are examples of opportunities that fit with Matrix Partners India's investment focus.

The fund's Managing Directors, Avnish Bajaj and Rishni Navini, will be located in Mumbai and bring prior venture capital experience as founding entrepreneurs, operating executives, and business analysts of consumer-focused companies in the U.S. and India.

Matrix Partners, an existing University of Michigan venture capital relationship, will be a sponsor of the fund. Matrix Partners and Matrix India will collaborate to share investment insights and firm building knowledge. Matrix Partners, which opened an India office in 2005, has an understanding of investment opportunities in India through its early stage venture capital investments in companies with research and development activities in India and through its other India-focused public company investments.

This commitment will further diversify the University's venture capital portfolio by investing with an India fund that will back early and expansion stage technology-enabled companies that focus on the large and growing local consumer market.

Respectfully submitted,



Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

July 2006