

**MINUTES OF MEETING OF  
THE COMPENSATION COMMITTEE OF  
THE UNIVERSITY OF TEXAS  
INVESTMENT MANAGEMENT COMPANY**

The Compensation Committee (the "Committee") of the Board of Directors of The University of Texas Investment Management Company (the "Corporation") convened in an open meeting on the **21<sup>st</sup> of August, 2003**, at the offices of the Corporation, Town Lake Conference Room, 17th Floor, 221 W. Sixth Street, Austin, Texas 78701, said meeting having been called by the Chairman, J. Luther King, Jr., with notice provided to each member in accordance with the Bylaws. Participating in the meeting were the following members of the Committee:

J. Luther King, Jr., Chairman  
James R. Huffines

thus, constituting a majority and quorum of the Committee. Director Susan M. Byrne was not present at the meeting. Also, participating in the meeting were Director Woody L. Hunt; Bob L. Boldt, President of the Corporation; and Christy Wallace, Assistant Secretary of the Corporation. Mr. King called the meeting to order at 10:10 a.m.

Copies of the materials supporting the agenda were previously distributed to each Committee member.

**Approval of Minutes**

The first item to come before the Committee was consideration of approval of the minutes of the Committee meeting held on February 18, 2003. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the minutes of the meeting of the Compensation Committee held on February 18, 2003, be and are hereby approved.

**Executive Session –Performance Compensation Plan and Guidelines**

Following approval of the minutes, at 10:12 a.m., Mr. King announced that, "the Compensation Committee of the Board of Directors of The University of Texas Investment Management Company having been duly convened in Open Session and notice of this meeting having been duly given, I hereby announce the convening of a closed meeting as an Executive Session of the Committee, for the purpose of deliberating personnel compensation matters for corporation employees. This Executive Session meeting of the Committee is authorized by Texas Government Code, Section 551.074 (Personnel Matters). The time is now 10:12 a.m." Ms. Wallace left the meeting.

In Executive Session, the Committee discussed personnel compensation matters. No action was taken and no vote was called for or taken by the Committee.

The Committee reconvened at 2:59 p.m. in open session and Mr. King announced that, "the Open Session of the Compensation Committee of the Board of Directors of The University of Texas Investment Management Company is now reconvened. The time is now 2:59 p.m. During the Executive Session, the Committee discussed personnel compensation matters, but did not take any votes."

There being no further business to come before the Committee, the meeting was adjourned at approximately 3:00 p.m.

Approved: \_\_\_\_\_

J. Luther King, Jr., Chairman of the  
Compensation Committee  
of The University of Texas  
Investment Management Company

Date: \_\_\_\_\_