

**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 **20th of November, 2003**, at the offices of the Corporation, Town Lake Conference Room, 221 West 6th 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. Committee member Susan M. Byrne joined the meeting at the point indicated below. Also, participating in the meeting were Directors Woody L. Hunt and J. Philip Ferguson; Bob L. Boldt, President of the Corporation; Jerry Turner, legal counsel for the Corporation; Bruce Myers of Cambridge Associates; and Diane Doubleday and Greg Smith of Mercer Human Resource Consulting. Mr. King called the meeting to order at 7:40 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 October 10, 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 October 10, 2003, be and are hereby, approved.

At this point, Committee member Susan M. Byrne joined the meeting.

Performance Compensation Plan Guidelines

Mr. King led a discussion of the proposed Performance Compensation Plan Guidelines for Fiscal Year 2003-2004, reviewing recommendations by Mercer. Mr. Boldt, Ms. Doubleday and Mr. Myers answered the Directors' questions. No action was taken at the meeting.

There being no further business to come before the Committee, the meeting was adjourned at approximately 9:27 a.m.

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

