

**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 **19<sup>th</sup> day of December, 2003**, by means of conference telephone enabling all persons participating in the meeting to hear each other, 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  
Susan M. Byrne  
J. Philip Ferguson  
James R. Huffines

thus, constituting a majority and quorum of the Committee. Also, participating in the meeting were Director Woody L. Hunt; Bob L. Boldt, President of the Corporation; Jerry Turner, legal counsel for the Corporation; Philip Aldridge, U. T. System Administration; Bruce Myers of Cambridge Associates; and Greg Smith of Mercer Human Resource Consulting. Mr. King called the meeting to order at 4:00 p.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 December 1, 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 December 1, 2003, be, and are hereby, approved.

**Compensation Plan**

Mr. King led a discussion of the proposed Compensation Plan presented to the Committee. Mr. Boldt, Mr. Smith and Mr. Myers answered the Directors' questions. Upon motion duly made and seconded, the following resolution was adopted, with Mr. Huffines abstaining from the vote:

RESOLVED, that the Compensation Plan, be, and is hereby, approved in the form submitted to the Committee, subject to approval of the Corporation's Board of Directors, with the Board of Directors to determine the effective date of the Plan.

There being no further business to come before the Committee, the meeting was adjourned at approximately 5:15 p.m.

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