

**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 **13th day of June 2007**, by means of conference telephone enabling all persons participating in the meeting to hear each other, at the offices of the Corporation, Suite 2800, 401 Congress Avenue, Austin, Texas, said meeting having been called by the Committee Chair, J. Philip Ferguson, with notice provided to each member in accordance with the Bylaws. The audio portion of the open meeting was electronically recorded. Participating in the meeting were the following members of the Committee:

J. Philip Ferguson, Chairman
Clint D. Carlson
Ardon E. Moore

thus, constituting a majority and quorum of the Committee. Also attending the meeting were H. Scott Caven, Jr., Chairman of the Board; Cathy Iberg, Interim President and CEO of the Corporation; Joan Moeller, Secretary and Treasurer of the Corporation; Christy Wallace, Assistant Secretary of the Corporation; Cecilia Gonzalez, General Counsel for the Corporation; Bill Edwards, Managing Director of Information Technology; Uzi Yoeli, Risk Director; Jerry Turner, outside legal counsel for the Corporation; and Bruce Zimmerman, incoming CEO, President and CIO. Mr. Ferguson called the meeting to order at 1:31 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 May 16, 2007. 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 May 16, 2007 be, and are hereby, approved.

Executive Session

Mr. Ferguson announced, at 1:34 p.m., 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 individual personnel compensation and evaluation matters. This Executive Session meeting of the Committee is authorized by Texas Government Code, Section 551.074 (Personnel Matters). The time is now 1:34 p.m. and the date is the 13th of June, 2007." At this time, Ms. Moeller, Ms. Wallace, Mr. Edwards, and Mr. Yoeli left the meeting.

In Executive Session, the Committee discussed individual personnel compensation and evaluation matters. Ms. Iberg left the meeting during the discussion of her compensation. No action was taken and no vote was called for or taken by the Committee.

Open Session

The Committee reconvened in open session and Mr. Ferguson announced that, "on June 13, 2007, at 3:08 p.m. 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 3:08 p.m. During the Executive Session, the Committee discussed individual personnel compensation and evaluation matters, but did not take any votes."

Officers' and Other Compensation Program Participants' Base Salaries

Mr. Ferguson read a resolution to approve the Corporation's Officers' and Other UTIMCO Compensation Program Participants' Base Salaries (except that of the President) for the period of September 1, 2007 through August 31, 2008. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the approval of the Corporation's Officers' and Other UTIMCO Compensation Program Participants' Base Salaries (except that of the President) for the Fiscal Year 2007-2008 in the amount of \$4,070,500 as presented by the Interim President be, and is hereby, approved.

There being no further business to come before the Committee, the meeting was adjourned at approximately 3:13 p.m.

Secretary: Joan Moeller
Joan Moeller

Approved: J. Philip Ferguson Date: 9/30/2007
J. Philip Ferguson, Chairman of the
Compensation Committee
of The University of Texas
Investment Management Company