

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

The Risk Committee (the "Committee") of The University of Texas Investment Management Company (the "Corporation") convened in open session on **September 5, 2007**, by means of conference telephone enabling all persons participating in the meeting to hear each other, at the offices of the Corporation, in the Lone Star Conference Room, 401 Congress Avenue, Austin, Texas, said meeting having been called by the Committee Chair, Charles W. Tate, with notice provided to each member in accordance with the Corporation's Bylaws. The audio portion of the meeting was electronically recorded. Participating in the meeting were the following members of the Committee:

Charles W. Tate, Chair
Clint D. Carlson
J. Philip Ferguson
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thus, constituting a majority and quorum of the Committee. Also attending the meeting were H. Scott Caven, Jr., Chairman of the Board; Bruce Zimmerman, CEO, President, and Chief Investment Officer of the Corporation; Cathy Iberg, Managing Director – Marketable Alternatives and Deputy CIO of the Corporation; Joan Moeller, Secretary and Treasurer of the Corporation; Christy Wallace, Assistant Secretary of the Corporation; Bill Edwards, Managing Director of Information Technology; Cissie Gonzalez, internal General Counsel for the Corporation; Lindel Eakman, Managing Director – Private Markets; Uzi Yoeli, Director - Portfolio Risk Management; various staff members of the Corporation; Jerry Turner, outside legal counsel for the Corporation; Keith Brown of the McCombs School of Business at UT Austin; Bruce Myers of Cambridge Associates; and Philip Aldridge, and William Huang of UT System Administration. Chairman Tate called the meeting to order at 9:00 a.m. Copies of materials supporting the Committee meeting agenda were previously furnished to each Committee member.

Minutes

The first matter to come before the Committee was approval of the minutes of the meeting of the Risk Committee held on April 5, 2007. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the minutes of the meeting of the Risk Committee held on April 5, 2007, be, and are hereby, approved.

Risk Reporting

Mr. Tate asked Mr. Zimmerman to present risk reporting for the period ending July 31, 2007. Mr. Zimmerman stated that the Staff had been working on making the performance reporting more concise and transparent and he welcomed any suggested changes to the reports. He reviewed the performance summary and various reports on financial risk, enterprise risk management and institutional compliance.

The significant institutional risk areas continue to be due diligence, investment risk management and investment compliance. Also presented to the Committee was the Institutional Compliance Program Quarterly Report for the Quarter ended May 31, 2007. Mr. Zimmerman and Ms. Iberg answered the Committee Members' questions.

Investment Strategy

Mr. Tate asked Mr. Zimmerman to discuss the investment strategy with the Committee. Mr. Zimmerman noted that the investment strategy will be discussed again at the full UTIMCO Board of Directors meeting to be held on September 21, 2007, and also at the Joint UT System Board of Regents/UTIMCO Board of Directors meeting to be held on October 12, 2007. After approval of the investment strategy, the various investment policies will be revised appropriately. Mr. Zimmerman had discussed the full presentation with each Committee member prior to the meeting, so he provided a brief overview of the presentation noting changes that had been incorporated after his meetings. Mr. Tate suggested that the proposed revisions to the investment policies be brought to the Committee for review prior to Board approval. Mr. Zimmerman, Mr. Turner and Ms. Moeller answered the Committee Members' questions.

Mr. Zimmerman then reviewed the agenda for the upcoming Joint UT System Board of Regents/UTIMCO Board of Directors meeting, and discussed with the Committee a proposed timeline for taking the investment strategy and revised investment policies to Board Committees and then the Board for approval.

Information Technology Security Presentation

Mr. Tate asked Mr. Edwards to provide information regarding information technology security. Mr. Edwards introduced David Gahagan, the Corporation's Chief Information Security Officer and Network Manager. Mr. Edwards then gave a presentation of the issues confronting security and the methods deployed to protect the Corporation's data assets and processes. The Committee requested that Mr. Edwards present this information at a future Board meeting.

There being no further business to come before the Risk Committee, the meeting was adjourned at approximately 11:10 a.m.

Secretary: Joan Moeller
Joan Moeller

Approved: Charles W. Tate Date: 11/12/07
Charles W. Tate, Chair
Risk Committee
of the Board of Directors of
The University of Texas Investment
Management Company