

**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 **25th day of April 2008**, in the Livingston Room, which is located on the second floor of the Four Seasons Hotel, 1300 Lamar Street, Houston, Texas, 77010, 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 Bruce Zimmerman, CEO and Chief Investment Officer of the Corporation; Joan Moeller, Secretary and Treasurer of the Corporation; Christy Wallace, Assistant Secretary of the Corporation; Cecilia Gonzalez, internal General Counsel and Chief Compliance Officer for the Corporation; Lindel Eakman, Managing Director – Private Markets Investments; Jerry Turner, external General Counsel for the Corporation; Nanci Hibschan of Mercer; and Bruce Myers of Cambridge Associates. Mr. Ferguson called the meeting to order at 7:37 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 April 1, 2008. One change in the minutes was requested by Ms. Gonzalez. Within the Discussion and Review of UTIMCO Peer Group section of the minutes, the sentence "Mercer will move forward with the compensation and benefits benchmarking study, using the aforementioned Compensation Peer Group to reflect the 'non-for-profit' investment management market", "non-for-profit" should read "not-for-profit". With this suggested change approved, 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 April 1, 2008 be, and are hereby, approved.

Discussion of Compensation Policy and Plan Review

Mr. Ferguson summarized discussions from the last meeting, including Mercer information regarding a new peer group to use with the Compensation Plan, in addition to a revised peer group prepared by Cambridge Associates to be used in calculating performance. Mr. Ferguson asked Mr. Zimmerman to present his thoughts to the Committee about proposed changes to the plan. Mr. Zimmerman presented a suggested performance evaluation form as an option to the calculations of the Plan. The form was discussed by the Committee Members, but no action was taken. Mr. Zimmerman also handed out results from a staff questionnaire. Ms. Hibschan had recommended an Incentive Plan Design Questionnaire be sent to the participants of the plan in order to receive their input on the

proposed changes. The questionnaire results were discussed by the Committee. Mr. Zimmerman, Ms. Hibschan, Mr. Myers and Mr. Eakman answered the Committee Members' questions. Mr. Ferguson requested that the Committee meet again in the near future with Staff and Mercer providing the general framework of the new plan to be discussed at that meeting.

Discussion and review of Performance Measurement standards for Compensation Program was tabled at this meeting, due to time restraints.

There being no further business to come before the Committee, the meeting was adjourned at approximately 9:00 a.m.

Secretary: Joan Moeller
Joan Moeller

Approved: J. Philip Ferguson Date: 6/12/08
J. Philip Ferguson, Chairman of the
Compensation Committee
of The University of Texas
Investment Management Company

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