

**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 open session on April 15, 2010, 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 Corporation's Bylaws. The audio portion of the meeting was electronically recorded. Participating in the meeting were the following members of the Committee:

J. Philip Ferguson, Chairman
Janiece M. Longoria
Ardon E. Moore

thus constituting a majority and quorum of the Committee. Committee Member Clint D. Carlson was not present at the meeting. Employees of the Corporation attending the meeting were Bruce Zimmerman, CEO and Chief Investment Officer; Joan Moeller, Secretary and Treasurer; Christy Wallace, Assistant Secretary; Cissie Gonzalez, internal General Counsel and Chief Compliance Officer; Bill Edwards, Managing Director of Information Technology; and Melynda Shepherd, Manager - Finance and Administration. Also attending were Philip Aldridge, William Huang and Roger Starkey representing The University of Texas System (the "UT System"); Keith Brown of the McCombs School of Business at UT Austin; and Jerry Turner and Bob Jewell of Andrews Kurth LLP. Nanci Hibschan of Mercer joined the open session of the meeting by means of conference telephone. Mr. Ferguson called the meeting to order at 8:03 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 and approval of the minutes of the Compensation Committee meetings held on November 18, 2009 and November 20, 2009. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the minutes of the Meetings of the Compensation Committee of the Board of Directors held on November 18, 2009 and November 20, 2009, be, and are hereby, approved.

Executive Session

Mr. Ferguson announced, at 8:05 a.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 an individual personnel compensation matter related to Eligible Position in UTIMCO Compensation Program for the 2009/2010 Performance Period. This Executive Session meeting of the Committee is authorized by *Texas Government Code* Section 551.074 (*Personnel Matters*). The date is April 15, 2010, and the time is now

8:05 a.m." With the exception of Mr. Zimmerman, Ms. Gonzalez, Mr. Turner, Mr. Jewell, and Dr. Brown, all other meeting participants left the meeting at this time.

Open Session

The Committee reconvened in open session and Mr. Ferguson announced that on April 15, 2010, at 8:35 a.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 date is April 15, 2010, and the time is now 8:35 a.m. During the Executive Session, the Committee deliberated an individual personnel compensation matter related to Eligible Position in UTIMCO Compensation Program for the 2009/2010 Performance Period, but no action was taken nor decisions made, and no vote was called for or had by the Committee in Executive Session."

Mr. Ferguson recommended Committee approval of the designation of Mark Shoberg in the Eligible Position of Senior Director, Investments for the 2009/2010 Performance Period, effective as of February 16, 2010, and also recommended that the Committee approve the weighting of Mr. Shoberg's Incentive Award Opportunity and Percentage of Award Deferred for the 2009/2010 Performance Period, based on the time spent by Mr. Shoberg in each Eligible Position for the Performance Period ended June 30, 2010, subject to further approval by the Board of Directors of UTIMCO. Upon motion duly made and seconded, the following resolution was unanimously adopted:

WHEREAS, Section 5.3(a) of the UTIMCO Compensation Program (the "Plan") provides that, in order to become a "Participant" in the Plan for a Performance Period, a UTIMCO employee must be (1) employed in a position designated by the Board of Directors of UTIMCO (the "UTIMCO Board") as an "Eligible Position" for that Performance Period and (2) selected by the UTIMCO Board as eligible to participate for that Performance Period; and

WHEREAS, the Compensation Committee of the Board of Directors of UTIMCO (the "Committee") has previously determined that the position of Senior Director, Investments is an Eligible Position in the Plan; and

WHEREAS, the position of Senior Director, Investments, includes the position of Senior Director – Real Estate Investments; and

WHEREAS, Mark Shoberg, currently designated in the Plan in the Eligible Position of Director, Investments has been promoted to Senior Director – Real Estate Investments, and

WHEREAS, the Committee has determined that, due to Mr. Shoberg's promotion, it is appropriate to move Mr. Shoberg to the Eligible Position of Senior Director, Investments and to weight his Incentive Award Opportunity and Percentage of Award Deferred for the Performance Period ended June 30, 2010, based on the actual time spent in each Eligible Position.

NOW, THEREFORE, be it:

RESOLVED, that the Committee approves the designation of Mark Shoberg in the Eligible Position of Senior Director, Investments for the 2009/2010 Performance

Period, effective as of February 16, 2010, and hereby recommends that the UTIMCO Board approve same; and

FURTHER RESOLVED, that the Committee approves the weighting of Mr. Shoberg's Incentive Award Opportunity and Percentage of Award Deferred for the 2009/2010 Performance Period, based on the time spent by Mr. Shoberg in each Eligible Position for the Performance Period ended June 30, 2010, and hereby recommends that the UTIMCO Board approve same.

Benchmarking Study

Mr. Ferguson explained that due to the changing dynamics in the job markets, the Committee and Staff believed that a benchmarking study was warranted for 2010 and Mercer had been engaged to provide the study. Ms. Hibschan, the principal consultant for Mercer, discussed the deliverables, timing and peer group used for determining competitive compensation levels. She reported that the data from the benchmarking study should be ready by early May, with the final report to be completed by the end of May. Ms. Hibschan also provided a competitive market update. Mr. Zimmerman and Ms. Hibschan answered the Committee Members' questions.

There being no further business to come before the Committee, the meeting was adjourned at approximately 8:50 a.m.

Secretary: Joan Moeller
Joan Moeller

Approved: J. Philip Ferguson Date: 8/14/10
J. Philip Ferguson, Chairman of the
Compensation Committee
of The University of Texas
Investment Management Company