

**MINUTES OF THE
BOARD STRATEGY OFFSITE MEETING OF
THE BOARD OF DIRECTORS OF
THE UNIVERSITY OF TEXAS
INVESTMENT MANAGEMENT COMPANY**

The Board of Directors (the "Board") of The University of Texas Investment Management Company (the "Corporation") convened in an open meeting, for a Board Strategy Offsite Meeting, at 8:46 a.m. on **February 2, 2011**, at the Mansion on Judges' Hill, 1900 Rio Grande, Austin, Texas, 78705, said meeting having been called to order by the Chairman, Paul Foster, with notice provided to each member in accordance with the Bylaws. The audio portion of the meeting was electronically recorded. Participating in the meeting were the following members of the Board:

Paul Foster, Chairman
J. Philip Ferguson, Vice Chairman
Francisco G. Cigarroa, M.D., Vice Chairman for Policy
Kyle Bass
Janiece M. Longoria
Ardon E. Moore
Charles W. Tate

thus constituting a majority and quorum of the Committee. Director Erle Nye did not attend the meeting. Employees of the Corporation attending the meeting were Bruce Zimmerman, CEO and Chief Investment Officer; Cathy Iberg, President and Deputy CIO; Joan Moeller, Secretary and Treasurer; Christy Wallace, Assistant Secretary; Cecilia Gonzalez, internal General Counsel and Chief Compliance Officer; Lindel Eakman, Managing Director – Private Markets Investments; Mark Warner, Managing Director - Natural Resources Investments; Mark Shoberg, Senior Director – Real Estate Investments; Uzi Yoeli, Senior Director - Portfolio Risk Management; Ryan Ruebsahm, Director - Marketable Alternative Investments; Susan Chen, Director – Public Markets Investments; Russ Kampfe - Senior Portfolio Manager, Fixed Income Investments; and other Staff members. Other attendees included Jerry Turner and Bob Jewell of Andrews Kurth LLP; Charlie Chaffin, William Huang, and Roger Starkey of The University of Texas System (UT System) Administration; and former UTIMCO Chairmen Scott Caven, Woody Hunt, and Robert Rowling. Director Printice L. Gary and Keith Brown of the McCombs School of Business at UT Austin later joined the meeting as noted in the minutes. Mr. Foster called the meeting to order at 8:46 a.m.

Investment Strategy Panel

Mr. Foster opened the meeting by asking Mr. Zimmerman to introduce the panel speakers. Mr. Zimmerman introduced Mr. Howard Marks, Chairman of Oaktree Capital Management, L.P.; Mr. Ray Dalio, President, Co-Chief Executive Officer, Co-Chief Investment Officer of Bridgewater Associates, LP; and Mr. Timothy O'Neill, Co-Head of the Investment Management Division and Member of the Management Committee of Goldman Sachs. Mr. Zimmerman served as moderator as the three speakers provided dialogue and answered questions on several topics including Economic Environment, Capital Markets Environment, Endowment Asset Allocation and Endowment Best Practices.

After the panel discussion, the meeting recessed at 11:10 a.m. to a new location, due to the fact that there was no heat or electricity in the Mansion on Judges' Hill Conference Room, brought on by statewide

electrical rolling blackouts. The meeting reconvened at the offices of the Corporation, Suite 2800, 401 Congress Avenue, Austin, Texas at 11:40 a.m.

Economic Scenarios

Mr. Foster called the meeting back to order in the new location. He welcomed the past Chairmen of the Board that were in attendance. Mr. Foster asked Mr. Zimmerman to begin with the presentation on Economic Scenarios. Mr. Zimmerman reviewed the agenda for the rest of the meeting and then began the discussion of Economic Scenarios. Mr. Zimmerman and Ms. Iberg provided the context of the topic of discussion and information regarding the economic environment, economic forecasts, global GDP and growth trends, and economic forecasts. Ms. Iberg, Mr. Bass and Ms. Chen listed key issues and explained details and implications of several investment scenarios. At approximately 12:30 p.m. the open meeting of the Board recessed for lunch. The open meeting of the Board reconvened in open session in the same location at 1:15 p.m. and discussion of economic scenarios continued. Dr. Brown joined the meeting at this time.

Tactical Positioning

Ms. Iberg followed with a discussion of tactical positioning, tail hedging/insurance, derivatives and leveraging, and limitations of Derivative and Investment Policies.

Managing Other Endowments Assets

The next item presented was an overview of considerations associated with the Corporation investing higher education financial assets in addition to those of The University of Texas System ("UT System").

Discussion of Capital Markets

Mr. Foster asked Ms. Iberg to lead the discussion of Capital Markets. Ms. Iberg presented the value of predictions and provided some predictions for 2011. Staff members from each of the asset classes provided summaries of key indicators across asset classes designed to increase communication across groups and facilitate tactical positioning and reviewed the Indicator Decision Support System utilized by Staff.

At 5:05 p.m., Mr. Foster announced the Board would recess and would reconvene on the morning of February 3, 2011, at 9:00 a.m.

The Board of the Corporation reconvened in open meeting at 9:05 a.m. on the 3rd day of February 2011. Mr. Gary joined the meeting at this time.

Private Direct and Co-Investments

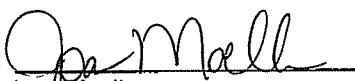
The meeting began with a discussion of the Private Direct and Co-Investments Program. Mr. Eakman, Mr. Shoberg and Mr. Warner presented and discussed the target portfolio, expected capital deployment, portfolio diversification and rationale for the program.


Review of Peers

Mr. Zimmerman continued with a presentation on the Review of Peers. Mr. Zimmerman explained that in the fall of 2010, Rajansh Miglani, a UT MBA Student, agreed to conduct an analysis of selected endowments ("peers") focusing on organization and governance. Mr. Zimmerman and Mr. Miglani presented the results from research including website review, internet search and personal calls/emails.

Conclusion

There being no further business to come before the Board of Directors, the Board Strategy Offsite Meeting was adjourned at approximately 11:05 a.m.

Secretary: 
Joany Moeller

Approved: 
Paul Foster
Chairman, Board of Directors of
The University of Texas Investment
Management Company

Date: 9.22.2011