

**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 September 27, 2012, 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, R. Steven Hicks, 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:

R. Steven Hicks, Chairman  
Kyle Bass  
Ardon E. Moore  
James P. Wilson

thus constituting a majority and quorum of the Committee. 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; and other Staff members. Other attendees were Jerry Turner of Andrews Kurth LLP; Roger Starkey and Terry Hull of The University of Texas System Administration. Mr. Hicks called the meeting to order at 10:02 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 meeting held on July 11, 2012. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the minutes of the Meeting of the Compensation Committee of the Board of Directors held on July 11, 2012, be, and are hereby, approved.

**Executive Session**

Mr. Hicks announced, at 10:04 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 individual personnel compensation and evaluation matters related to Qualitative Performance Goals for the Participants of the UTIMCO Compensation Program for the 2012/2013 Performance Period. This Executive Session meeting of the Committee is authorized by *Texas Government Code* Section 551.074 (Personnel Matters). The date is September 27, 2012, and the time is now 10:04 a.m." With the exception of Messrs. Zimmerman and Turner, all staff members and other attendees left the meeting at this time.

## Open Session

The Committee reconvened in open session and Mr. Hicks announced that "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 September 27, 2012, and the time is now 10:17 a.m. During the Executive Session, the Committee deliberated individual personnel compensation and evaluation matters but no action was taken nor decisions made, and no vote was called for or had by the Committee in Executive Session."

## Designation of Employees in Eligible Positions as Participants in the UTIMCO Compensation Program for the 2012/2013 Performance Period

Mr. Hicks asked the Committee to recommend designation of employees in Eligible Positions as Participants in the UTIMCO Compensation Program for the 2012/2013 Performance Period, as set forth in Exhibit 1 (attached) that had been included in the Committee meeting materials. 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 has reviewed and approves of the list of individuals who may become Participants for the 2012/2013 Performance Period set forth on Exhibit 1 attached hereto.

NOW, THEREFORE, be it:

RESOLVED, that the Committee hereby recommends to the UTIMCO Board that the individuals set forth on Exhibit 1 attached hereto be designated by the UTIMCO Board as "Participants" in the Plan for the 2012/2013 Performance Period, effective as of September 1, 2012.

## Performance Goals

Mr. Hicks recommended Committee approval of the UTIMCO Compensation Program Participants' qualitative performance goals (other than for the CEO) for the 2012/2013 Performance Period. Upon motion duly made and seconded, the following resolution was unanimously adopted:

WHEREAS, Section 5.4(a) of the UTIMCO Compensation Program (the "Plan") provides that the Compensation Committee (the "Committee") of the Board of Directors of UTIMCO will approve the Performance Goals for each Participant (other than for the CEO) for each Performance Period; and

WHEREAS, the Committee has reviewed the Qualitative Performance Goals for the Plan Participants for the 2012/2013 Performance Period as set forth in the documents presented to the Committee.

NOW, THEREFORE, be it:


RESOLVED, that the Committee hereby approves the Qualitative Performance Goals for the Plan Participants for the 2012/2013 Performance Period, effective as of September 1, 2012, as set forth in the documents presented to the Committee.

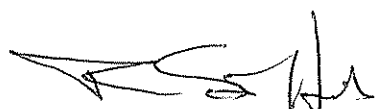
**Engagement of External Auditor**

Mr. Hicks asked Mr. Zimmerman to discuss the recommendation to engage an external auditor to perform agreed upon procedure services for the Corporation's Compensation Program. Mr. Zimmerman gave an overview, noting that this is an annual requirement and he provided the scope of services to the Committee. The Corporation's Compensation Program states that the relative performance data and calculations of the Performance Incentive Awards are to be reviewed by the Corporation's external auditor prior to the Performance Incentive Awards being finalized and approved by the Board. Mr. Zimmerman and Staff recommended the appointment of Deloitte & Touche, LLP to perform certain agreed upon procedure services involving the recomputation of compensation for certain Participants in the UTIMCO Compensation Program, following the satisfactory negotiation of an engagement letter by Staff. Mr. Zimmerman and Ms. Moeller answered the Committee Members' questions. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the firm of Deloitte & Touche, LLP be, and is hereby, engaged to perform agreed upon procedure services involving the recomputation of compensation for certain employees pursuant to the UTIMCO Compensation Program for the Performance Period ending June 30, 2012.

There being no further business to come before the Committee, the meeting was adjourned at approximately 10:24 a.m.

Secretary:  \_\_\_\_\_  
Joann Moeller

Approved:  \_\_\_\_\_  
R. Steven Hicks, Chairman of the  
Compensation Committee  
of The University of Texas  
Investment Management Company

Date: 11-9-12

Exhibit 1  
 Designation of Plan Participants in Eligible Positions  
 in the 2012/2013 Performance Period

<b>ELIGIBLE POSITION</b>	<b>PARTICIPANTS</b>
<b><i>Investment Professionals</i></b>	
CEO & Chief Investment Officer	Bruce Zimmerman
President and Deputy CIO	Cathy Iberg
Managing Director - Private Investments	Lindel Eakman
Managing Director - Investments	Mark Warner
Managing Director - Investments	Mark Shoberg
Senior Director - Investments	Ryan Ruebsahm
Senior Director - Investments	Susan Chen
Senior Director - Risk Management	Uzi Yoeli
Senior Portfolio Manager	Russ Kampfe
Portfolio Manager	Harland Doak
Director - Investments	Zac McCarroll
Director - Investments	Courtney Powers
Director - Investments	Edward Lewis
Director - Private Investments	Scott Bigham
Senior Associate - Investments	Amanda Hopper
Senior Associate - Private Investments	Mike McClure
Senior Associate - Risk Management	Kate Wagner
Associate - Investments	Alison Hermann
Associate - Investments	Mukund Joshi
Associate - Private Investments	Lara Jeremko
Senior Analyst - Investments	Aman Jain
Senior Analyst - Investments	Drury Morris
Analyst - Investments	Wally Onadiji
<b><i>Operations/Support Professionals</i></b>	
Senior Managing Director	Joan Moeller
General Counsel and Chief Compliance Officer	Cissie Gonzalez
Chief Technology Officer	Uche Abalogu
Senior Manager	Gary Hill
Manager	Debbie Childers
Manager	Melynda Shepherd
Senior Financial Analyst	Lara McKinney