

**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 **21st day of July, 2005**, at the offices of the Corporation, Capitol View Conference Room, 221 West 6th Street, Austin, Texas, 78701, said meeting having been called by the Chairman, 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
Charles W. Tate

thus, constituting a majority and quorum of the Committee. Director Rowling was not present at the meeting. Also attending the meeting were Woody L. Hunt, Chairman of the Board; H. Scott Caven, Jr., Vice Chairman of the Board; Bob L. Boldt, President of the Corporation; Joan Moeller, Secretary and Treasurer of the Corporation; Christy Wallace, Assistant Secretary of the Corporation; Bill Volk, legal counsel for the Corporation; and Keith Brown of the McCombs School of Business at UT Austin. Mr. Ferguson called the meeting to order at 9:25 a.m. The audio portion of the open meeting was electronically recorded.

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 May 19, 2005. 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 May 19, 2005, be, and are hereby, approved.

Executive Session - Personnel Compensation

Following approval of the minutes, at 9:28 a.m., Mr. Ferguson announced 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, for the purpose of deliberating personnel compensation. This Executive Session meeting of the Committee is authorized by Texas Government Code, Section 551.074 (Personnel Matters). The time is now 9:28 a.m." At this time Ms. Moeller and Ms. Wallace left the meeting.

In Executive Session, the Committee discussed personnel compensation matters. Mr. Boldt did not participate in any portion of the discussion relating to his compensation. No action was taken and no vote was called for or taken by the Committee.

The Committee reconvened at 9:48 a.m. in open session and Mr. Ferguson 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 time is now 9:48 a.m. During the Executive Session, the Committee discussed personnel compensation, but did not take any votes."

Approval of Officers' Base Salaries

Mr. Ferguson requested approval of an amended amount for the Corporation's Officers' Base Salaries (except the President) for the period of September 1, 2005 through August 31, 2006. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the approval of the Corporation's Officers' and Other UTIMCO Compensation Program Participants' Base Salaries (except that of the President) for the Fiscal Year 2005-2006 in the amount of \$3,273,500 as presented by the President be, and is hereby, approved; and

RESOLVED, that the foregoing resolution supersedes the resolution adopted on May 19, 2005 approving the Corporation's Officers' and Other UTIMCO Compensation Program Participants' Base Salaries (except that of the President) for the Fiscal Year 2005-2006 to the extent that such resolution stated that the aggregate amount of base salaries was \$3,666,500 rather than the correct amount set forth in the foregoing resolution.

There being no further business to come before the Committee, the meeting was adjourned at approximately 9:50 a.m.

Secretary: _____
Joan Moeller

Approved: _____ Date: _____
J. Philip Ferguson, Chairman of the
Compensation Committee
of The University of Texas
Investment Management Company