

**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 November 3, 2011, 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
Kyle Bass
R. Steven Hicks
Ardon E. Moore

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; Cissie Gonzalez, internal General Counsel and Chief Compliance Officer; and other staff members. Also attending the meeting were Roger Starkey of The University of Texas System Administration; and Jerry Turner and Bob Jewell of Andrews Kurth LLP. Mr. Ferguson 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 September 28, 2011. 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 September 28, 2011, be, and are hereby, approved.

Peer Group

Mr. Ferguson asked Mr. Zimmerman to discuss the proposed amendments to Appendix B of the UTIMCO Compensation Program related to the UTIMCO Peer Group. Cambridge Associates updates the Peer Group annually and Appendix B to the UTIMCO Compensation Program is amended accordingly. The Peer Group is a group of endowment funds maintained by the Board's external investment advisor, Cambridge Associates, and is composed of all endowment funds with more than 10 full-time employee positions, allocations to alternative assets in excess of 40%, and with assets greater than \$2.5 billion, determined as of the last day of each of the three immediately preceding Performance Periods, excluding the Total Endowment Assets (PUF and GEF). The Peer Group for the Performance Period ending June 2012 incorporates June 2009, 2010, and 2011. Mr. Zimmerman reminded the Committee that the Peer Group is no longer used in the calculation of entity performance; however, performance relative to the Peer Group may be included as a Qualitative Performance Goal for Mr. Zimmerman and Ms. Cathy Iberg, President and Deputy CIO. He noted that Cambridge recommended to increase the Peer Group by two

institutions, UNC Management Company and University of Southern California, which brings the total Peer Group to twenty-one. Staff recommended approval of the recommendation by Cambridge, as an update to Appendix B, the Peer Group for the UTIMCO Compensation Program for the Performance Period beginning July 1, 2011, and ending June 30, 2012. Upon motion duly made and seconded, the following resolution was unanimously adopted:

WHEREAS, Section 8.14. of the UTIMCO Compensation Program (the "Plan") provides that the "Peer Group" will be updated annually at the beginning of each Performance Period, and Appendix B (UTIMCO Peer Group) will be amended accordingly; and

WHEREAS, Section 7.2. of the Plan provides that the Board has the right to amend the Plan or any portion thereof from time to time; and

WHEREAS, the Committee has reviewed the proposed Appendix B and it conforms to the updated Peer Group as defined in the Plan.

NOW, THEREFORE, be it

RESOLVED, the updated and amended Appendix B (UTIMCO Peer Group), a copy of which is attached hereto, is hereby adopted and approved as part of the Plan to replace the current Appendix B, effective as of July 1, 2011, subject to Board approval.

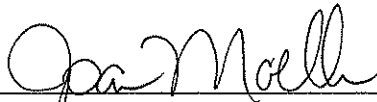
Executive Session

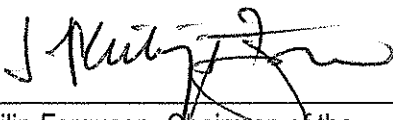
Mr. Ferguson announced, at 10:11 a.m., that, "The Compensation Committee of the Board of Directors of The University of Texas Investment Management Company having been duly convened in Open Session and notice of this meeting having been duly given, I hereby announce the convening of a closed meeting as an Executive Session of the Committee, for the purpose of deliberating individual personnel compensation and evaluation matters related to Performance Incentive Awards for UTIMCO Compensation Program Participants for the Performance Period ended June 30, 2011. This Executive Session meeting of the Committee is authorized by *Texas Government Code* Section 551.074 (Personnel Matters). The date is November 3, 2011, and the time is now 10:11 a.m." Ms. Gonzalez, Ms. Moeller, Mr. Starkey and other staff members left the meeting at this time. Mr. Zimmerman did not participate in discussion regarding his compensation matters.

Open Session

The Committee reconvened 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 date is November 3, 2011, and the time is now 11: 05 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."

There being no further business to come before the Committee, the meeting was adjourned at approximately 11:05 a.m.

Secretary: 
Joan Moeller

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

Date: 12-10-11

Appendix B

UTIMCO Peer Group

- Columbia University
- Cornell University
- Duke University
- Emory University
- Harvard University
- Massachusetts Institute of Technology
- Northwestern University
- Princeton University
- Rice University
- Stanford University
- UNC Management Company
- University of California
- University of Chicago
- University of Michigan
- University of Notre Dame
- University of Pennsylvania
- University of Southern California
- University of Virginia
- Vanderbilt University
- Washington University in St. Louis
- Yale University

Source: Cambridge Associates. Represents endowment funds (excluding the Total Endowment Assets) with more than 10 full-time employee positions, allocations to alternative assets in excess of 40%, and with assets greater than \$2.5 billion, all to be determined as of the last day of each fiscal year end June 2009, 2010, 2011.