

**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 January 30, 2013, 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
James P. Wilson

thus constituting a majority and quorum of the Committee. Committee Member Ardon Moore did not attend the meeting. Also attending was Paul Foster, Chairman of the Board. Employees of the Corporation attending the meeting were Bruce Zimmerman, CEO and Chief Investment Officer; Joan Moeller, Secretary and Treasurer; Christy Wallace, Assistant Secretary; and Cissie Gonzalez, internal General Counsel and Chief Compliance Officer. Other attendees were Jerry Turner of Andrews Kurth LLP; Allen Hah, Moshmee Kalamkar, Roger Starkey, and Jenny La Coste-Caputo of The University of Texas System Administration; and Kris Kavanaugh of the Legislative Budget Board. Mr. Hicks called the meeting to order at 9:30 a.m. Copies of the materials supporting the agenda were previously distributed to each Committee member.

Approval of Minutes

The Committee followed with consideration and approval of the minutes of the Compensation Committee meeting held on November 9, 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 November 9, 2012, be, and are hereby, approved.

Peer Group

Mr. Hicks asked Mr. Zimmerman to discuss the proposed amendments to Appendix B of the UTIMCO Compensation Program related to the UTIMCO Peer Group. Mr. Zimmerman explained that the Peer Group is a group of endowment funds that 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 2013 incorporates June 2010, 2011, and 2012. 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 certain Plan Participants. Staff did not recommend changes to Appendix B, the Peer Group for the UTIMCO Compensation Program for the Performance Period beginning September 1, 2012, and ending August 31, 2013. 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 September 1, 2012, subject to Board approval.

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

Mr. Hicks asked the Committee to recommend designation of two individuals in Eligible Positions as Participants in the UTIMCO Compensation Program for the 2012/2013 Performance Period and approve their Qualitative Goals. Upon motion duly made and seconded the following resolutions were 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 approves of Daniel Senneff (Senior Analyst – Investments) and Russell Brown (Analyst – Investments) becoming Participants for the 2012/2013 Performance Period.

NOW, THEREFORE, be it:

RESOLVED, that the Committee hereby recommends to the UTIMCO Board that Daniel Senneff (Senior Analyst – Investments) and Russell Brown (Analyst – Investments), be designated by the UTIMCO Board as "Participants" in the Plan for the 2012/2013 Performance Period, effective as of September 1, 2012 and November 19, 2012, respectively,

And,

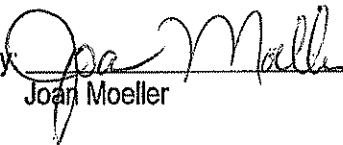
WHEREAS, Section 5.4(a) of the UTIMCO Compensation Program (the "Plan") provides that the Compensation Committee (the "Committee") of the Board of Directors of UTIMCO will approve the Performance Goals for each Participant (other than for the CEO) for each Performance Period; and

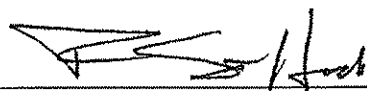
WHEREAS, the Committee has reviewed the Qualitative Performance Goals for Daniel Senneff and Russell Brown for the 2012/2013 Performance Period as set forth in the documents presented to the Committee.

NOW, THEREFORE, be it:

RESOLVED, that the Committee hereby approves the Qualitative Performance Goals for Daniel Senneff and Russell Brown for the 2012/2013 Performance Period, effective as of September 1, 2012 and November 19, 2012, respectively, as set forth in the documents presented to the Committee.

There being no further business to come before the Committee, the meeting was adjourned at approximately 9:36 a.m.

Secretary: 
Joan Moeller

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

Date: 4/12/2013

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: UTIMCO Staff. 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 year ended June 2010, 2011, 2012.