

UNIVERSAL TECHNICAL INSTITUTE INC

Form DEF 14A

January 15, 2010

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No. \_\_\_\_\_)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Rule 14a-12

**UNIVERSAL TECHNICAL INSTITUTE, INC.**

(Name of Registrant as Specified in its Charter)

**N/A**

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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**UNIVERSAL TECHNICAL INSTITUTE, INC.**  
**20410 North 19th Avenue**  
**Suite 200**  
**Phoenix, Arizona 85027**  
**(623) 445-9500**

Dear Fellow Stockholder:

You are cordially invited to attend the 2010 Annual Meeting of Stockholders of Universal Technical Institute, Inc. (the Company, UTI, we or our ), to be held at 8:00 a.m. local time on Wednesday, February 24, 2010, at our offices located at 20430 North 19th Avenue, Suite B160, Phoenix, Arizona 85027.

At this year's meeting, you will vote on (i) the election of two directors, (ii) the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm, and (iii) any other matters that may properly come before the meeting. We have attached a notice of meeting and a proxy statement that contain more information about these items and the meeting.

Your vote is important. We encourage you to sign and return your proxy before the meeting so that your shares will be represented and voted at the meeting even if you cannot attend in person.

We look forward to seeing you at the 2010 Annual Meeting of Stockholders.

Sincerely,

/s/ John C. White  
John C. White  
*Chairman of the Board of Directors*

January 15, 2010

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**UNIVERSAL TECHNICAL INSTITUTE, INC.  
20410 North 19th Avenue  
Suite 200  
Phoenix, Arizona 85027  
(623) 445-9500**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
and  
NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS**

To the holders of common stock of Universal Technical Institute, Inc.:

The 2010 Annual Meeting of Stockholders of Universal Technical Institute, Inc. (the Company) will be held at our offices located at 20430 North 19th Avenue, Suite B160, Phoenix, Arizona 85027 on Wednesday, February 24, 2010 at 8:00 a.m. local time for the following purposes:

1. To elect two directors to the Board of Directors to serve for a term of three years or until their respective successors are elected and qualified.
2. To ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the year ending September 30, 2010.
3. To consider and act upon such other business as may properly come before the meeting.

Only stockholders of record at the close of business on January 8, 2010 are entitled to receive notice of and to vote at the meeting. A list of stockholders entitled to vote will be available for examination at the meeting by any stockholder for any purpose germane to the meeting. The list will also be available for the same purpose for ten days prior to the meeting at our principal executive offices at 20410 North 19th Avenue, Suite 200, Phoenix, Arizona 85027.

To obtain directions to attend the Annual Meeting and vote in person, please call Investor Relations at (623) 445-9500.

The Company has enclosed its 2009 annual report, including financial statements, and the proxy statement with this notice of annual meeting.

**Important Notice Regarding the Availability of Proxy Materials for the  
Annual Meeting of Stockholders to Be Held on February 24, 2010**

**The proxy statement and 2009 annual report to stockholders are available at [www.proxydocs.com/uti](http://www.proxydocs.com/uti).**

**WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, YOU ARE REQUESTED TO SIGN, DATE AND RETURN THE ENCLOSED PROXY AS PROMPTLY AS POSSIBLE IN THE ENCLOSED STAMPED ENVELOPE. YOUR PROXY IS BEING SOLICITED BY THE COMPANY'S BOARD OF DIRECTORS.**

By Order of the Board of Directors,

/s/ Chad A. Freed

Chad A. Freed  
*Senior Vice President, General Counsel and Secretary*

Phoenix, Arizona  
January 15, 2010

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**UNIVERSAL TECHNICAL INSTITUTE, INC.  
20410 North 19th Avenue  
Suite 200**

**Phoenix, Arizona 85027  
(623) 445-9500**

**PROXY STATEMENT**

**Annual Meeting of Stockholders  
February 24, 2010**

**General Information**

This Proxy Statement and the enclosed form of proxy are furnished on or about January 15, 2010 to holders of the common stock of Universal Technical Institute, Inc. (the Company, UTI, we or our ), in connection with the solicitation on behalf of the Company's Board of Directors of proxies to be voted at the 2010 Annual Meeting of Stockholders (the Annual Meeting ) and at any adjournment or postponement. **The Annual Meeting will be held at 8:00 a.m. local time on February 24, 2010 at our offices located at 20430 North 19th Avenue, Suite B160, Phoenix, Arizona 85027.**

We will bear the cost of soliciting proxies. Copies of solicitation material may be furnished to brokers, custodians, nominees and other fiduciaries for forwarding to beneficial owners of shares of common stock, and normal handling charges may be paid for such forwarding service. We may solicit proxies by mail or by personal interview, telephone and other electronic communication by our officers and other management employees, who will receive no additional compensation for their services.

Any stockholder giving a proxy pursuant to this solicitation may revoke it at any time prior to exercise of the proxy by giving written notice of such revocation to our Secretary at our executive offices at 20410 North 19th Avenue, Suite 200, Phoenix, Arizona 85027, or by attending the Annual Meeting and voting in person.

At the close of business on January 8, 2010, there were 24,660,468 shares of our common stock outstanding and entitled to vote at the Annual Meeting. **Only common stockholders of record on January 8, 2010 will be entitled to vote at the Annual Meeting.** Each share is entitled to one vote on each matter voted upon. Votes may not be cumulated.

**Voting Information**

At the Annual Meeting, votes will be counted by written ballot. The presence, in person or by a proxy relating to any matter to be acted upon at the Annual Meeting, of the holders of a majority of the outstanding shares of common stock will constitute a quorum for purposes of the Annual Meeting. For purposes of the quorum requirement and the discussion below regarding the vote necessary to take stockholder action, stockholders of record who are present at the Annual Meeting in person or by proxy and who abstain, including brokers holding customers' shares of record who cause abstentions to be recorded at the Annual Meeting, are considered stockholders who are present and entitled to vote and they count toward the quorum.

Brokers holding shares of record for customers generally are not entitled to vote on certain matters unless they receive voting instructions from their customers. As used in the discussion below, uninstructed shares means shares held by a

broker who has not received instructions from its customers on such matters and the broker has so notified us on a proxy form in accordance with industry practice or has otherwise advised us

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that it lacks voting authority. As used in the discussion below, broker non-votes means the votes that could have been cast on the matter in question by brokers with respect to uninstructed shares if the brokers had received their customers instructions.

*Election of Directors.* Our Bylaws provide that in a non-contested election, each director nominee must be elected by the affirmative vote of the majority of the votes cast with respect to that director s election. A majority of the votes cast means that the number of votes FOR a director nominee must exceed the number of votes AGAINST that director nominee. Accordingly, abstentions will have no effect on the election of a director. Pursuant to our Corporate Governance Guidelines, the Board of Directors expects any director nominee who is an incumbent director and is not re-elected to promptly tender his or her resignation, and the Board of Directors, excluding the director who tenders his or her resignation, must promptly decide whether to accept or reject the resignation.

As you may know, the New York Stock Exchange ( NYSE ) recently eliminated broker discretionary voting for the election of directors. Therefore, unlike in prior years, your broker is not able to vote on your behalf in any director election without specific voting instructions from you. As such, we encourage you to sign and return your proxy and vote your shares in the election of directors before the meeting so that your shares will be represented and voted at the meeting even if you cannot attend in person.

*Ratification of the Appointment of the Independent Registered Public Accounting Firm.* The affirmative vote of a majority of the shares of common stock present or represented at the Annual Meeting and entitled to vote is required to approve the proposal to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm. Uninstructed shares are entitled to vote on this matter. Therefore, abstentions and broker non-votes will have the effect of negative votes.

Any stockholder entitled to vote on any matter may vote part of such stockholder s shares in favor of the proposal and refrain from voting the remaining shares or, except with respect to the election of Directors, may vote the remaining shares against the proposal; but if the stockholder fails to specify the number of shares which the stockholder is voting affirmatively or otherwise indicates how the number of shares to be voted affirmatively is to be determined, it will be conclusively presumed that the stockholder s approving vote is with respect to all shares which the stockholder is entitled to vote.

If any other matters are properly presented at the Annual Meeting for consideration, including, among other things, consideration of a motion to adjourn the meeting to another time or place, the individuals named as proxies and acting thereunder will have discretion to vote on those matters according to their best judgment to the same extent as the person delivering the proxy would be entitled to vote. If the Annual Meeting is postponed or adjourned, a stockholder s proxy will remain valid and may be voted at the postponed or adjourned meeting. A stockholder still will be able to revoke the stockholder s proxy until it is voted. At the date this Proxy Statement went to press, the Board of Directors did not know of any matters other than those described in this Proxy Statement to be presented at the Annual Meeting.

**Proxies properly executed and received by the Company prior to the Annual Meeting and not revoked will be voted as directed therein on all matters presented at the Annual Meeting. In the absence of specific direction from a stockholder, proxies will be voted for the election of all named Director nominees and for the proposal to ratify the appointment of the independent registered public accounting firm.**

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*Board of Directors Structure.* Our Board of Directors currently has eight members, the majority of whom are independent directors. The Board of Directors is divided into three classes. Directors in each class serve for three-year terms. At each annual meeting, the term of one class expires. Currently, Messrs. Conrad and Cabito and Ms. McWaters serve as Class I Directors, Messrs. Penske and White and Ms. Srere serve as Class II Directors, and Messrs. Caputo and Gilmour serve as Class III Directors.

*Nominees for Election at this Annual Meeting.* The Board of Directors, acting on the recommendation of the Nominating and Corporate Governance Committee, has nominated A. Richard Caputo, Jr. and Allan D. Gilmour for re-election as Class III Directors, each to serve a three-year term ending in 2013, or until the Director's successor is duly elected. It is intended that the votes represented by the proxies at the Annual Meeting will be cast for the election of Messrs. Caputo and Gilmour as Directors.

The following table and text presents information as of the date of this Proxy Statement concerning the nominees for election as Directors, including in each case their current membership on Committees of the Board of Directors, year first elected a Director and principal occupations or affiliations during the last five years and certain other directorships held.

**Director Nominees**

<b>Name/Title</b>	<b>Age</b>	<b>Board Committees</b>	<b>Elected to UTI Board</b>
<b>A. Richard Caputo, Jr.</b>	43	Nominating and Corporate Governance Committee (Chair)	1997
<b>Allan D. Gilmour</b>	75	Audit Committee and Compensation Committee	2006

**A. Richard Caputo, Jr.**  
Director

Mr. Caputo has served as a Director on our Board of Directors since 1997. Mr. Caputo is the Managing Principal of The Jordan Company, LP and The Jordan Company II, LP, and has been an employee of The Jordan Company, LP and its predecessors and affiliated entities since 1990. The Jordan Company II, LP manages, and is an affiliate of, The Resolute Fund II, LP. Since 2007, Mr. Caputo has been a member of Resolute Fund Partners II, LLC, the general partner of The Resolute Fund II, LP. Mr. Caputo is also a director of Safety Insurance Group, Inc., TAL International Group, Inc. and a number of privately-held companies. Mr. Caputo received a BA in Mathematical and Business Economics from Brown University.



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**Allan D. Gilmour**  
Director

Mr. Gilmour has served as a Director on our Board of Directors since June 2006. From November 1992 until his initial retirement in January 1995, Mr. Gilmour served as Vice Chairman of Ford Motor Company. Most recently, Mr. Gilmour again served as Vice Chairman of Ford Motor Company from May 2002 to February 2005. Mr. Gilmour began his career with Ford Motor Company in 1960. Over the course of his tenure at Ford, Mr. Gilmour served in a variety of roles including as President of the Ford Automotive Group, Executive Vice President, International Automotive Operations, Vice President, External and Personnel Affairs, Chief Financial Officer, Vice President and Controller, and President of Ford Motor Credit Company. Mr. Gilmour also serves on the board of directors of DTE Energy Company. Mr. Gilmour received an AB in Economics from Harvard University and an MBA from the University of Michigan.

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**The Board of Directors recommends that you vote FOR each of these nominees.**

*Continuing Directors.* The terms of Conrad A. Conrad, Kimberly J. McWaters and Alan E. Cabito are scheduled to end in February 2011 and the terms of Messrs. Penske and White and Ms. Srere are scheduled to end in February 2012.

Conrad A. Conrad, age 63, has served as a Director on our Board of Directors since February 2004. Mr. Conrad was employed with The Dial Corporation from August 2000 to October 2005, where he served as Executive Vice President and Chief Financial Officer. From 1999 to 2000, Mr. Conrad was engaged in a number of personal business ventures, including providing consulting services to Pennzoil-Quaker State Company, which acquired Quaker State Corporation in December 1998. From 1974 to 1998, Mr. Conrad held various positions, most recently Vice Chairman and Chief Financial Officer, with Quaker State Corporation, a leading manufacturer of branded automotive consumer products and services. Mr. Conrad also serves as a director of Fender Musical Instruments Corporation and Chairman of Rural/Metro Corporation. Mr. Conrad received an AB in Accounting from The College of William & Mary.

Kimberly J. McWaters, age 45, has served as our Chief Executive Officer since October 1, 2003 and as a Director on our Board of Directors since 2005. Ms. McWaters has served as our President since 2000 and previously served on our Board of Directors from 2002 to 2003. From 1984 to 2000, Ms. McWaters held several positions with UTI, including Vice President of Marketing and Vice President of Sales and Marketing. Ms. McWaters also serves as a director of Penske Automotive Group, Inc. (formerly United Auto Group, Inc.). Ms. McWaters received a BS in Business Administration from the University of Phoenix.

Alan E. Cabito, age 62, has served as a Director on our Board of Directors since May 2008. Mr. Cabito began his career with Toyota Motor Sales, U.S.A., Inc. in 1971. Over the course of his 36 year tenure at Toyota, Mr. Cabito served in a variety of functional areas including sales, marketing, research, pricing, distribution, logistics, production control and dealer market representation. Most recently, he was Group Vice President, Sales Administration, and an officer of Toyota Motor Sales. Mr. Cabito also served as the President of AirFlite, Toyota's fixed-base operation located at the Long Beach, California airport. Mr. Cabito retired from Toyota Motor Sales in December 2007. Mr. Cabito received an MBA in Finance from the University of Southern California. Mr. Cabito also serves as a director on the board of New United Motor Manufacturing, Inc.

Roger S. Penske, age 72, has served as a Director on our Board since 2002. Mr. Penske has served as Chairman of the Board of Directors and Chief Executive Officer of Penske Automotive Group, Inc., a publicly-traded automotive retailer, since 1999. Mr. Penske has also been Chairman of the Board of Directors and Chief Executive Officer of Penske Corporation since 1969. Mr. Penske also serves as a director of General Electric Company.

John C. White, age 61, has served as a Director on our Board of Directors since 1997 and as Chairman of our Board of Directors since October 1, 2005. From October 1, 2003 to September 30, 2005, Mr. White served as our Chief Strategic Planning Officer and Vice Chairman. From April 2002 to September 30, 2003, Mr. White served as our Chief Strategic Planning Officer and Co-Chairman of our Board of Directors. From 1997 to March 2002, Mr. White served as our Chief Strategic Planning Officer and Chairman of our Board of Directors. Mr. White served as the President of Clinton Harley Corporation (which operated under the name Motorcycle Mechanics Institute and Marine Mechanics Institute) from 1977 until it was acquired by UTI in 1998. Prior to 1977, Mr. White was a marketing representative with International Business Machines Corporation. Mr. White was appointed by the Arizona Senate to serve as a member of the Joint Legislative Committee on Private Regionally Accredited Degree Granting Colleges and Universities and Private Nationally Accredited Degree Granting and Vocational Institutions in 1990. He was appointed by the Governor of Arizona to the Arizona State Board for Private Post-secondary Education, where he was a member and Complaint Committee Chairman from 1993-2001. Mr. White received a BS in Engineering from the

University of Illinois.

Linda J. Srere, age 54, has served as a Director on our Board of Directors since 2005. Ms. Srere is a marketing and advertising consultant. From January 2000 to November 2001, she served as President of



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Young & Rubicam Advertising, a worldwide advertising network. From September 1998 to January 2000, Ms. Srere served as Vice Chairman and Chief Client Officer of Young & Rubicam Inc. ( Y&R ). From January 1997 to September 1998, she served as President and CEO of Y&R s New York office. Ms. Srere joined Y&R in September 1994 as Executive Vice President and Director of Business Development. Ms. Srere served as the Chairman of advertising agency Earle Palmer Brown New York from 1992 to 1994, and served as President of advertising agency Rosenfeld, Sirowitz, Humphrey & Strauss from 1990 to 1992. Ms. Srere is also a director of Electronic Arts Inc. She received a BA in Psychology from State University of New York at Oswego.

## **Corporate Governance and Related Matters**

Corporate governance is typically defined as the system that allocates duties and authority among a company s stockholders, board of directors and management. The stockholders elect the board and vote on extraordinary matters; the board is the company s governing body, responsible for hiring, overseeing and evaluating management; and management runs the company s day-to-day operations. Our Board of Directors currently consists of eight directors, as described above.

*Independent Directors.* Our Board of Directors has determined that Messrs. Caputo, Conrad, Gilmour, Cabito and Penske and Ms. Srere qualify as independent in accordance with the published listing requirements of NYSE. The NYSE s independence definition includes a series of objective tests, such as that the director is not an employee of the Company, has no material relationships with the Company and has not engaged in various types of business dealings with the Company. An explanation of the independence standard used by our Board of Directors, which standard incorporates the NYSE independence definition, is set forth in the Corporate Governance Guidelines adopted by the Board of Directors and discussed elsewhere in this Proxy Statement. The Board of Directors considers all relevant facts and circumstances in evaluating the independence of its members from management. Immaterial business transactions conducted in the ordinary course of business are not determinative of the issue of independence. As required by the NYSE rules, the Board of Directors has made an affirmative determination as to each independent director that no relationships exist which, in the opinion of the Board of Directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a Director and has affirmatively determined that each independent director meets the independence standard used by the Board of Directors. In making these determinations, the Board of Directors reviewed and discussed information provided by the Directors and our management with regard to each Director s business and personal activities as they may relate to us and our management. The Board of Directors also considered each Director s other relationships that do not involve us or our management such as the employment of UTI graduates in the service departments of automotive dealerships owned by an entity of which one of our Directors is an affiliate.

*Independence for Audit Committee Members and Audit Committee Financial Expert.* In addition, as required by NYSE rules, the members of our Audit Committee each qualify as independent under special standards established by the U.S. Securities and Exchange Commission ( SEC ) for members of audit committees. Our Audit Committee also includes at least one independent member who is determined by the Board of Directors to meet the qualifications of an audit committee financial expert in accordance with SEC rules, including that the person meets the relevant definition of an independent director. Messrs. Conrad and Gilmour have each been determined to be an audit committee financial expert. Stockholders should understand that this designation is a disclosure requirement of the SEC related to Mr. Conrad s and Mr. Gilmour s experience and understanding with respect to certain accounting and auditing matters. The designation does not impose upon Mr. Conrad or Mr. Gilmour any duties, obligations or liabilities that are greater than are generally imposed on them as members of the Audit Committee and the Board of Directors, and their designation as an audit committee financial expert pursuant to this SEC requirement does not affect the duties, obligations or liabilities of any other member of our Audit Committee or the Board of Directors.

## **Board Meetings**

Our Board of Directors and its committees meet throughout the year on a set schedule, and also hold special meetings and act by written consent from time to time as appropriate. The Board of Directors has

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delegated various responsibilities and authority to different board committees as described in this section of the Proxy Statement. Committees regularly report on their activities and actions to the full Board of Directors. In addition, the Corporate Governance Guidelines that have been adopted by the Board of Directors and which are discussed elsewhere in this Proxy Statement call for regular executive sessions of the non-management Directors (those not employed by us). The Board of Directors believes that these regular executive sessions outside of the presence and influence of management ensure that non-management directors have sufficient opportunity to fully and candidly discuss ideas and issues regarding the Company, management's performance and whether board operations are satisfactory. The role of presiding director at regular executive sessions of the non-management directors rotates on an annual basis. During fiscal 2007, the chairperson of the Nominating and Corporate Governance Committee presided over executive sessions of the non-management Directors. During fiscal 2008, the chairperson of the Audit Committee assumed the role. During fiscal 2009, the chairperson of the Compensation Committee assumed the role. The Board of Directors believes that rotating the presiding director at the non-management executive sessions annually is the preferable governing approach as it maximizes participation by all non-management directors and fosters an environment in which each non-management director has an equal opportunity to provide direction and influence, while not placing undue burden on any one non-management director.

The Nominating and Governance Committee and the non-management directors have considered the need for, and desirability of, appointment of a permanent lead director. Both the Nominating and Governance Committee and the non-management directors concluded that a permanent lead director is not necessary at this time to ensure strong independent board leadership. In addition, the non-management directors have concluded that effective oversight of the executive officers of the Company and establishment of an agenda that appropriately considers the stockholder perspective can be attained without formal designation of a lead director. This determination will be periodically reviewed by the non-management directors.

In fiscal 2009, the Board of Directors held 8 meetings. Each Director attended at least 75% of the Board of Director meetings and meetings of committees on which such Director served during the Director's tenure as a Director and committee member.

**Board Committees and Charters**

In accordance with the NYSE Corporate Governance Rules, we currently have three standing Board committees: Audit, Compensation and Nominating and Corporate Governance. Each member of the Audit, Compensation and Nominating and Corporate Governance Committees is an independent director in accordance with NYSE standards. Each of the Board committees has a written charter approved by the Board of Directors. Copies of each charter are posted on our website at [www.uti.edu](http://www.uti.edu) under the "About Us" Investors Corporate Governance" captions. We will provide copies of our Board committee charters upon request made by writing to us at our principal executive offices at 20410 North 19th Avenue, Suite 200, Phoenix, Arizona 85027.

The current committee membership is as follows:

<b>Director</b>	<b>Audit Committee</b>	<b>Compensation Committee</b>	<b>Nominating and Corporate Governance Committee</b>
Alan E. Cabito	ü		
A. Richard Caputo, Jr.			Chair
Conrad A. Conrad	Chair	ü	

Allan D. Gilmour	ü	ü	
Roger S. Penske			ü
Linda J. Srere		Chair	ü

*Audit Committee.* Messrs. Cabito, Conrad and Gilmour served as members of our Audit Committee during fiscal 2009. The Board of Directors has determined that each member of the Audit Committee is financially literate and satisfies the independence requirements of the NYSE and the SEC. The Audit

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Committee has the responsibility for overseeing, among other things: our accounting and financial reporting processes; the reliability of our financial statements; the effective evaluation and management of our financial risks; our compliance with laws and regulations; and the effective and efficient audit of our financial statements by a qualified independent registered public accounting firm. The Audit Committee met 8 times during 2009. The Audit Committee is required by SEC rules to publish a report to stockholders concerning the Audit Committee's activities during the prior fiscal year. The Audit Committee's report is set forth elsewhere in this Proxy Statement.

*Compensation Committee.* Messrs. Conrad and Gilmour and Ms. Srere served as members of our Compensation Committee during fiscal 2009. The Board of Directors has determined that each member of the Compensation Committee satisfies the independence requirements of the NYSE. The primary responsibility of the Compensation Committee is to develop and oversee the implementation of the Company's philosophy with respect to the compensation of our officers. In that regard, the Compensation Committee has the responsibility for, among other things: developing and maintaining a compensation policy and strategy that creates a direct relationship between pay levels and corporate performance and returns to stockholders; recommending compensation and benefit plans to the Board of Directors for approval; reviewing and approving annual corporate and personal goals and objectives to serve as the basis for the chief executive officer's compensation, evaluating the chief executive officer's performance in light of the goals and, based on such evaluation, determining the chief executive officer's compensation; determining the annual total compensation for our Named Executive Officers; approving the grants of stock options and other equity-based incentives as permitted under our equity-based compensation plans; reviewing and recommending to the Board of Directors compensation for our non-employee Directors; and reviewing and recommending employment agreements, severance arrangements and change-in-control plans that provide for benefits upon a change-in-control, or other provisions for our executive officers and directors, to the Board of Directors. The Compensation Committee met 13 times during fiscal 2009.

Our Board of Directors has adopted a charter for the Compensation Committee that provides, among other things, that the Compensation Committee may, at its discretion, utilize independent consultants or counsel to assist the Compensation Committee in fulfilling its duties. Pursuant to its written charter, the Compensation Committee has the sole authority to retain or terminate any such consultant or counsel, including sole authority to approve the fees and other retention terms. The Compensation Committee has retained Compensia, Inc. to assist as independent compensation consultants. For additional information on the role of compensation consultants, please see

Compensation Discussion and Analysis, which is included elsewhere in the Proxy Statement. Other than as discussed in this Proxy Statement, Compensia did not provide any additional services to us during the 2009 fiscal year.

*Nominating and Corporate Governance Committee.* Messrs. Caputo and Penske and Ms. Srere served as members of our Nominating and Corporate Governance Committee during fiscal 2009. The Board of Directors has determined that each member of the Nominating and Corporate Governance Committee satisfies the independence requirements of the NYSE. The Nominating and Corporate Governance Committee has the responsibility for, among other things: identifying individuals qualified to serve as directors of UTI; recommending qualified individuals for election to the Board of Directors at the annual meeting of stockholders; recommending to the Board of Directors those Directors to serve on each of the Board committees; recommending a set of corporate governance guidelines to the Board of Directors; reviewing periodically our Corporate Governance Guidelines and recommending governance issues that should be considered by the Board of Directors; reviewing periodically the Board of Director's committee structure and operations and the working relationship between each committee and the Board of Directors; and considering, discussing and recommending ways to improve the Board of Director's effectiveness. The Nominating and Corporate Governance Committee also reviews and makes recommendations to the Board of Directors regarding the size and the composition of the Board of Directors. In addition, the Nominating and Corporate Governance Committee will review and consider properly submitted stockholder recommendations on candidates for membership on the Board of Directors as described below. In evaluating such recommendations, the Nominating and Corporate Governance Committee will use the same review criteria discussed below under Director Qualifications and Review of Director

Nominees. Any stockholder recommendations proposed for

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consideration by the Nominating and Corporate Governance Committee must include the candidate's name, accompanied by relevant biographical information, and must be submitted in accordance with our Bylaws to the attention of our Corporate Secretary at Universal Technical Institute, Inc., 20410 North 19th Avenue, Suite 200, Phoenix, Arizona 85027. The Nominating and Corporate Governance Committee met 5 times during 2009.

**Director Qualifications and Review of Director Nominees**

The Nominating and Corporate Governance Committee makes recommendations to the Board of Directors regarding the size and composition of the Board of Directors. The Committee reviews annually with the Board of Directors the composition of the Board of Directors as a whole and recommends, if necessary, measures to be taken so that the Board of Directors reflects the appropriate balance of knowledge, experience, skills, expertise and diversity required for the Board of Directors as a whole and contains at least the minimum number of independent directors required by the NYSE and other applicable laws and regulations. The Committee is responsible for ensuring that the composition of the Board of Directors accurately reflects the needs of our business and, in accordance with the foregoing, proposing the addition of members and the necessary resignation of members for purposes of obtaining the appropriate members and skills.

To fulfill its responsibility to recruit and recommend to the full Board of Directors nominees for election as Directors, the Committee reviews the composition of the Board of Directors to determine the qualifications and areas of expertise needed to further enhance the composition of the Board of Directors and works to attract candidates with those qualifications. In evaluating a director candidate, the Committee considers factors that are in the best interests of the Company and its stockholders, including the knowledge, experience and integrity of each candidate; the potential contribution of each candidate to the diversity of backgrounds, experience and competencies which the Board of Directors desires to have represented; each candidate's demonstrated leadership ability and the ability to exercise sound business judgment; each candidate's ability to devote sufficient time and effort to his or her duties as a director; and any other criteria established by the Board of Directors and any core competencies or technical expertise necessary to staff committees of the Board of Directors. Directors should have a background and experience in areas important to the operations of the Company, such as business, education, marketing, finance, government or law, and should be individuals of high integrity and independence with substantial accomplishments. Each director should possess such attributes and experience as are necessary to provide a broad range of personal characteristics including diversity, management skills and technological and business experience. Directors should be able to commit the requisite time for preparation and attendance at regularly scheduled Board of Directors and committee meetings, as well as be able to participate in other matters necessary to ensure the Company practices good corporate governance. In connection with each director nomination recommendation, the Committee must consider the issue of continuing director tenure and whether the Board of Directors will be exposed to new ideas and viewpoints, and will maintain willingness to critically examine the status quo.

In connection with director nominations, the Committee also considers the nominees' roles in (i) assisting with our business strategy, such as (a) optimizing our marketing and sales strategy, (b) increasing the funding opportunities for our students, (c) assisting in expanding our existing industry relationships and (d) exploring new campus opportunities, (ii) overseeing our efforts in complying with the disclosure requirements of the SEC and NYSE, (iii) assisting in improving our internal controls and disclosure controls and (iv) overseeing our corporate governance and leadership structure. Each of the nominees for re-election named above are considered independent under the NYSE rules. With respect to the nomination of Mr. Gilmour, the Board of Directors, upon the recommendation of the Nominating and Corporate Governance Committee, waived the mandatory retirement provision contained in the Corporate Governance Guidelines of the Board of Directors.

Each nominee and current board member brings a strong and unique background and set of skills to the Board of Directors, giving the Board as a whole competence and experience in a wide variety of areas, including corporate

governance and board service, executive management, automotive industry experience, accounting and finance, technical education, risk assessment, manufacturing, marketing and government. Set forth below is a discussion on certain of the specific skills that qualify each of our current Directors and Director nominees to serve as a Director or to be nominated for re-election.



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Mr. Caputo has served as a Director of the Company since 1997; thus, bringing to the Board of Directors historical knowledge of and experience with UTI. As managing principal of The Jordan Company, Mr. Caputo has significant experience at helping companies build value in partnership with management. Mr. Caputo also serves as a board member of numerous companies, including two other public companies.

Mr. Gilmour, as a former executive of the Ford Motor Company, has significant management experience in the automotive industry, leadership, finance and accounting. Mr. Gilmour also serves as a director of another NYSE listed company. Mr. Gilmour qualifies as an audit committee financial expert under SEC guidelines.

As a former chief financial officer for a public company, Mr. Conrad has extensive experience in finance and accounting, particularly as it applies to public companies such as UTI. His prior positions with Pennzoil-Quaker State gave him insight into the automotive products and services market. Mr. Conrad also serves as the chairman of the board of a public company, which experience aids his service to the Board of Directors. Mr. Conrad qualifies as an audit committee financial expert under SEC guidelines.

Ms. McWaters, as a long-time employee of UTI, brings to the Board of Directors an extraordinary understanding of the organization and experience in the post-secondary technical education services industry. Prior to serving as our President, she was responsible for our sales and marketing. Ms. McWaters also serves on the board of directors of one other public company and numerous non-profit organizations.

As a long-time employee of Toyota Motor Sales, Mr. Cabito has significant experience in the automotive industry. Mr. Cabito had several operational and leadership positions with Toyota Motor Sales.

Mr. Penske, Chairman and Chief Executive Officer of Penske Automotive Group has extensive executive management experience in the automotive industry. As Chairman of Penske Automotive Group and a current director of General Electric, and a former director of other public companies, Mr. Penske has significant experience as a public company director.

Ms. Srere brings marketing and business leadership skills from her career in marketing and advertising. She is also a director at a public company traded on the NASDAQ, where she serves on its compensation committee and its nominating and governance committee.

As a long-time Director and employee of UTI, Mr. White has significant experience in the post-secondary technical education services industry. Mr. White has assisted with our strategic planning, both as a director and as an employee. He also has experience involving accreditation issues, having served on the Arizona State Board for Private Post-secondary Education and on the Arizona Senate's Joint Legislative Committee on Private Regionally Accredited Degree Granting Colleges.

## **Board Attendance at Annual Stockholder Meetings**

While all Directors are encouraged to attend our annual stockholder meetings, the Board of Directors does not have a formal policy with respect to such attendance. All Directors who, at the time, were serving as members of the Board of Directors attended last year's annual meeting of stockholders.

## **Communication with the Board of Directors**

Stockholders may communicate with the Chairman of the Board of Directors, the Directors as a group, the non-management Directors as a group or an individual Director directly by submitting a letter in a sealed envelope labeled accordingly. This letter should be placed in a larger envelope and mailed to Universal Technical Institute, Inc.,

20410 North 19th Avenue, Suite 200, Phoenix, Arizona 85027.

**Code of Conduct; Corporate Governance Guidelines**

We have a Code of Conduct (including a Supplemental Code of Ethics for the Chief Executive Officer and Senior Financial Officers) ( Code ) that applies to all of our employees, including our principal executive officer, principal financial officer and principal accounting officer. This Code is posted on our Internet website ([www.uti.edu](http://www.uti.edu)) under the About Us Investors Corporate Governance captions.

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We will provide a copy of the Code upon request made by writing to us at our principal executive offices at 20410 North 19th Avenue, Suite 200, Phoenix, Arizona 85027. We intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding an amendment to, or waiver from, a provision of the Code by posting such information on our website, at the address and location specified above, and, to the extent required, by filing a Current Report on Form 8-K with the SEC disclosing such information.

As indicated elsewhere in this Proxy Statement, the Board of Directors has adopted Corporate Governance Guidelines. These Corporate Governance Guidelines are posted on our website (www.uti.edu) under the About Us Investors Corporate Governance captions. We will provide a copy of the Corporate Governance Guidelines upon request made by writing to us at our principal executive offices at the address indicated above and on the first page of this Proxy Statement.

**Compensation of Non-Employee Directors**

In fiscal 2009, our non-employee Directors received a \$35,000 annual retainer. Each non-employee Director also received an annual award under our 2003 Incentive Compensation Plan of 1,250 shares of the Company's common stock. In addition, each non-employee Director received reimbursement for out-of-pocket expenses, including travel expense on commercial flights or the equivalent cost of advance purchase first class commercial travel for non-employee Directors utilizing private aircraft.

The chairperson of the Nominating and Corporate Governance Committee will receive an additional annual retainer of \$12,000. The chairperson of the Compensation Committee will receive an additional annual retainer of \$15,000 and the chairperson of the Audit Committee will receive an additional annual retainer of \$20,000. All non-chairperson Directors serving on the Compensation Committee and the Nominating and Corporate Governance Committee will each receive an additional annual retainer of \$6,000. All non-chairperson Directors serving on the Audit Committee will each receive an additional annual retainer of \$8,000. No Director will receive additional compensation for meeting attendance.

Directors who are also officers do not receive any separate compensation for serving as directors.

The following table sets forth a summary of the compensation we paid to our non-employee Directors in 2009.

Name	Fees Earned or Paid		Total (\$)
	in Cash (\$)	Stock Awards (\$)	
Alan E. Cabito	43,000	22,607(1)(2)	65,607
Allan D. Gilmour	49,000	14,263(2)	63,263
Conrad A. Conrad	61,000	14,263(2)	75,263
A. Richard Caputo, Jr.	47,000	14,263(2)	61,263
Roger S. Penske	41,000	14,263(2)	55,263
Linda J. Srere	56,000	14,263(2)	70,263

(1) Represents the dollar amount recognized for financial reporting purposes with respect to fiscal year 2009 in accordance with accounting principles generally accepted in the United States. The assumptions used in the

calculation for this amount for fiscal year 2009 are included in Note 14 to our Consolidated Financial Statements contained in our Annual Report on Form 10-K for our fiscal year 2009.

- (2) Represents the grant date fair value computed in accordance with accounting principles generally accepted in the United States.

We indemnify our Directors and officers to the fullest extent permitted by law so that they will be free from undue concern about personal liability in connection with their service to the Company. We have also entered into agreements with our Directors, contractually obligating us to provide this indemnification to them.

Table of Contents**PROPOSAL 2****RATIFICATION OF APPOINTMENT OF  
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee has selected PricewaterhouseCoopers LLP as our independent registered public accounting firm with respect to our financial statements for the year ending September 30, 2010. In taking this action, the Audit Committee considered PricewaterhouseCoopers LLP's independence with respect to the services to be performed and other factors that the Audit Committee and the Board of Directors believe are advisable and in the best interest of the stockholders. As a matter of good corporate governance, the Audit Committee has decided to submit its selection to stockholders for ratification. In the event that this selection of independent registered public accounting firm is not ratified by a majority vote of the shares of common stock present or represented at the Annual Meeting, it will be considered as a direction to the Audit Committee to consider the selection of a different firm.

**The Board of Directors recommends that you vote FOR approval  
of the ratification of PricewaterhouseCoopers LLP.**

**Fees Paid to PricewaterhouseCoopers LLP**

As more fully described below, all services to be provided by PricewaterhouseCoopers LLP are pre-approved by the Audit Committee, including audit services, audit-related services, tax services and certain other services.

The following table shows the fees that we accrued for the audit and other services provided by PricewaterhouseCoopers LLP for fiscal years 2009 and 2008.

	<b>2009</b>	<b>2008</b>
Audit Fees	\$ 846,875	\$ 911,365
Audit-Related Fees		
Tax Fees	23,670	21,000
All Other Fees	26,500	1,614
<b>Total</b>	<b>\$ 897,045</b>	<b>\$ 933,979</b>

*Audit Fees.* Audit fees for the years ended September 30, 2009 and 2008 relate primarily to services rendered for the integrated audit of the consolidated financial statements and internal control over financial reporting included in our annual report on Form 10-K, for the limited reviews of the financial information included in our quarterly reports on Form 10-Q and accounting consultations relating to our proprietary loan program.

*Tax Fees.* This category consisted principally of professional services rendered by PricewaterhouseCoopers LLP, primarily in connection with our tax compliance activities, including technical and tax advice related to the review of tax returns.

*All Other Fees.* This category represents an annual fee paid to PricewaterhouseCoopers LLP for information related to human capital metrics and benchmarking data used by our people services department. Additionally, this amount

includes an annual subscription we paid to PricewaterhouseCoopers LLP for access to its online database that provides us access to accounting guidance issued by the Financial Accounting Standards Board and other related standard-setting bodies

It is expected that representatives of PricewaterhouseCoopers LLP will be present at the Annual Meeting, will have the opportunity to make a statement if they desire, and will be available to respond to any appropriate questions from stockholders.

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**Audit Committee Pre-Approval Procedures for Services Provided by the Independent Registered Public Accounting Firm**

*Pre-Approval of Audit Services.* The Audit Committee shall meet with the independent registered public accounting firm prior to the audit to review the planning and staffing of the audit and approve the services to be provided by the independent registered public accounting firm in connection with the audit.

*Pre-Approval of Non-Audit Services.* The Audit Committee shall review and approve in advance the retention of the independent registered public accounting firm for any non-audit service that is not prohibited by the Sarbanes-Oxley Act of 2002 (the Act), provided, however, that:

- (a) permitted non-audit services that account for less than \$10,000 shall be deemed to be pre-approved, and
- (b) as permitted by Section 302 of the Act, such pre-approval is waived and shall not be required with respect to non-audit services:
  - (i) that account, in the aggregate, for less than 5% of the total fees paid by us to our independent registered public accounting firm during the fiscal year in which such non-audit services are provided;
  - (ii) that we did not recognize as non-audit services at the time of the engagement; and
  - (iii) that are promptly brought to the attention of, and approved by, the Committee before the completion of the audit (and such approval may be given by the Audit Committee or any member of the Audit Committee).

The Audit Committee may delegate to any one of its members the authority to grant pre-approval of any permitted non-audit services that account for between \$10,000 and \$20,000 (and except as otherwise provided in a resolution of the Audit Committee adopted hereafter, the Audit Committee shall be deemed to have delegated such authority, such that any one member of the Audit Committee shall have the authority to grant pre-approval of any permitted non-audit services within such dollar limits). The pre-approval of any non-audit services pursuant to delegated authority or deemed approval shall be reported to the full Audit Committee at its next scheduled meeting. Approval of non-audit services to be performed by the independent registered public accounting firm pursuant to clause (b) above will be disclosed by us as required pursuant to Section 202 of the Act in the applicable reports filed with the SEC.

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**AUDIT COMMITTEE REPORT FOR THE YEAR ENDED SEPTEMBER 30, 2009**

The Audit Committee reviews the Company's financial reporting process on behalf of the Board of Directors. The Audit Committee is currently composed of three independent directors. The Audit Committee operates under a written charter adopted by the Board of Directors that is available on the Company's website at [www.uti.edu](http://www.uti.edu) under the "About Us" Investors Corporate Governance captions. The Audit Committee met 8 times during 2009. Management has the primary responsibility for the financial statements and the reporting process, including the system of internal control over financial reporting.

In fulfilling its responsibilities, the Audit Committee meets with management and the independent registered public accounting firm to review and discuss the Company's annual and quarterly financial statements, including the disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's annual report on Form 10-K, any material changes in accounting policies used in preparing the financial statements prior to the filing of a report on Form 10-K or Form 10-Q with the SEC, and the items required to be discussed by AU Section 380, *Communication with Audit Committees* (AU 380), with respect to annual financial statements, and AU Section 122, *Interim Financial Information*, with respect to quarterly financial statements.

The Audit Committee met and held discussions with management and the independent registered public accounting firm regarding the fair and complete presentation of the Company's financial statements, management's assessment of the Company's internal control over financial reporting, and the significant accounting policies applied by management in the preparation of the Company's financial statements, as well as any alternative accounting policies. Management represented to the Audit Committee that the Company's consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States, and the Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent registered public accounting firm. The Audit Committee discussed with the independent registered public accounting firm matters required to be discussed by AU 380.

In addition, the Audit Committee received the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accounting firm's communications with the Audit Committee concerning independence, and discussed with the independent registered public accounting firm such firm's independence from the Company and its management. The Audit Committee also has considered whether the independent registered public accounting firm's provision of permitted non-audit services to the Company is compatible with its independence. The Audit Committee has concluded that the independent registered public accounting firm is independent from the Company and its management.

The Audit Committee discussed with the independent registered public accounting firm the overall scope and plans for its audit. The Audit Committee met with the independent registered public accounting firm, with and without management present, to discuss the results of its audit, the evaluation of the Company's internal controls, the overall quality of the Company's financial reporting, and other matters required to be discussed by AU 380.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors, and the Board of Directors approved, the inclusion of the audited financial statements in the Company's Annual Report on Form 10-K for the year ended September 30, 2009, for filing with the Securities and Exchange Commission. The Audit Committee has also selected PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending September 30, 2010.



The Audit Committee:

Conrad A. Conrad (Chair)

Alan E. Cabito

Allan D. Gilmour

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**EQUITY COMPENSATION PLAN INFORMATION**

**Securities Authorized for Issuance Under Equity Compensation Plans**

We maintain the Management 2002 Stock Option Program (the 2002 Plan ) and the 2003 Incentive Compensation Plan (the Incentive Compensation Plan ) pursuant to which we may grant equity awards to eligible persons.

*Management 2002 Stock Option Program.* The 2002 Plan was adopted by our Board of Directors and became effective in April 2002. A maximum of 783,000 shares of common stock may be issued under the 2002 Plan, which is administered by our Compensation Committee.

The 2002 Plan provides for the grant of incentive and non-qualified stock options to our employees and employees of related companies, including officers and employee directors, and non-statutory options to other persons providing material services to us or related companies. A non-employee director is not eligible to receive an award.

As of September 30, 2009, we had issued 309,311 shares of common stock upon the exercise of options granted under the 2002 Plan. In addition, 380,841 shares of common stock are issuable pursuant to options granted under the 2002 Plan, at a weighted average exercise price of \$4.40 per share. We do not currently intend to grant any additional options under the 2002 Plan.

*2003 Incentive Compensation Plan.* The Incentive Compensation Plan was adopted by our Board of Directors and approved by holders of the majority voting power of our voting stock and became effective in December 2003. The Incentive Compensation Plan provides for the issuance of incentive stock options, nonqualified stock options, stock appreciation rights, restricted stock, stock units, performance shares, performance units, performance-based awards and cash bonuses. The Incentive Compensation Plan authorizes the issuance of up to 4,430,972 shares of our common stock, subject to proportional adjustment to reflect stock splits, stock dividends and other similar events.

Awards under the Incentive Compensation Plan may be granted to employees, directors, consultants and advisors to the Company or any of our subsidiaries. However, only employees (including officers and directors who are also employees) of the Company or any of our subsidiaries may receive incentive stock options under the Incentive Compensation Plan. The Incentive Compensation Plan is administered by our Compensation Committee.

As of September 30, 2009, we had issued 221,050 shares of common stock upon the exercise of options granted under the Incentive Compensation Plan, at a weighted average exercise price of \$19.73 per share. In addition, 1,156,771 shares of common stock are issuable pursuant to currently exercisable options granted under the Incentive Compensation Plan, at a weighted average exercise price of \$25.21 per share.

As of September 30, 2009, we had granted 1,153,453 shares of restricted stock, net of 268,314 shares forfeited, under the Incentive Compensation Plan, of which 851,640 shares are still subject to restrictions. During the year ended September 30, 2009, restrictions lapsed with respect to 298,858 shares, of which 112,672 shares were withheld to settle individual participant tax obligations.

As of September 30, 2009, we had granted 57,444 shares of performance shares, with a maximum payout of 200%, under the Incentive Compensation Plan, all of which are currently subject to vesting upon the achievement of specific performance criteria.



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The following table summarizes our equity compensation plan information as of September 30, 2009. Information is included for both equity compensation plans approved by the stockholders and equity plans not approved by the stockholders.

<b>Plan Category</b>	<b>Common Shares to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)</b>	<b>Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)</b>	<b>Common Shares Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Shares Reflected in Column (a)) (c)</b>
Equity compensation plans approved by UTI stockholders	1,797,385(1)	\$ 19.56	1,525,037
Equity compensation plans not approved by UTI stockholders			
<b>Totals</b>	<b>1,797,385</b>	<b>\$ 19.56</b>	<b>1,525,037</b>

(1) Of these shares, options to purchase 380,841 shares were outstanding under the 2002 Plan and options to purchase 1,416,544 were outstanding under the Incentive Compensation Plan.

*2003 Employee Stock Purchase Plan.* We sponsor an employee stock purchase plan that permits eligible employees, as defined in the plan, to purchase up to 10% of an employee's annual base and overtime pay at a price equal to 95% of the fair market value of a share of stock on the last day of the offering period. Our Compensation Committee administers the employee stock purchase plan. The Board of Directors may amend or terminate the plan at its discretion. The employee stock purchase plan complies with the requirements of Section 423 of the Internal Revenue Code of 1986, as amended.

**OTHER MATTERS**

The Board of Directors knows of no matters, other than the proposals presented above, to be submitted to the Annual Meeting. If any other matters properly come before the Annual Meeting, it is the intention of the persons named in the proxy card enclosed with this Proxy Statement to vote the shares they represent as the Board may recommend.

**EXECUTIVE COMPENSATION****Compensation Discussion and Analysis***Overview of Compensation Philosophy and Objectives*

Our compensation and benefits programs are designed to attract, reward, motivate and retain top tier executive talent possessing the key skills and abilities necessary to achieve success for our customers, stockholders, employees and strategic partners. We believe that in this highly competitive market for top executive talent, it is critical that we provide our executives with incentives to excel, be internally and externally equitable, and promote a culture of innovation and results-oriented customer service while, at the same time, not encouraging undue risk-taking.

We believe an effective compensation program rewards the achievement of short-term, long-term and strategic goals that are closely aligned with the soundness of the Company and the interests of our stockholders and encourages appropriate decision making regarding the long-term value of the Company. Therefore, we believe that a meaningful portion of each executive's total compensation opportunity should be at risk and payable only if the executive's performance benefits the interests of our stockholders. We expect that this emphasis on performance-based compensation will contribute to our long-term success and increase the value of our stockholders' investment.

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Consistent with our compensation philosophy, the objectives of our compensation and benefits programs are to:

Attract and retain top talent from a broad array of industry and company backgrounds by offering the potential for aggregate compensation above the median of our industry;

Align compensation with the achievement of financial and operational performance goals that foster the creation of long-term stockholder value, while maintaining appropriate focus on near-term performance;

Drive behaviors that advance our mission of purpose, people and profit; and

Align incentive programs with performance goals so that the level of incentive compensation is commensurate with the level of performance.

Our compensation and benefits programs are driven by our business environment, objectives and outcomes. Consequently, we evaluate the performance of our Named Executive Officers, as defined herein, based on their management of UTI in the context of current business and economic conditions and our performance relative to our industry peers. We also evaluate each executive's performance relative to his or her individual attainment of key goals and the success of the Named Executive Officers, as a team, in achieving our operating objectives. Because our Named Executive Officers have broad policy-making authority, the Compensation Committee holds them responsible for our financial performance and for upholding our values in a competitive marketplace.

By including a combination of cash and at-risk equity incentives, the Compensation Committee believes that the executive compensation program is consistent with our business strategy and does not encourage our executives to take excessive or unnecessary risks that might threaten the long-term value of the Company.

***Elements of the Compensation Program and Key Goals***

Our executive compensation program is designed around the concept of total direct compensation.

Total direct compensation refers to the combined elements of base salary, annual incentive, and long-term incentive pay. In setting the appropriate level of total direct compensation, we review industry and peer group compensation data in order to set executive pay at a level that is competitive and that will attract and motivate top talent, while keeping the overall pay levels aligned with stockholder financial interests and job responsibilities.

The table below sets forth each element of our compensation program, the rationale for our selection of each element, what each element is designed to reward, and how the Compensation Committee determines the appropriate amount or value of each element.

<b>Compensation Element</b>	<b>Why the Element was Chosen</b>	<b>What the Element is Designed to Reward</b>	<b>How the Appropriate Value of Each Element is Determined</b>
<b>Base Salary</b>	Provides appropriately competitive form of fixed cash compensation commensurate with job responsibilities and rewards short-term	Core competencies, experience and required skills in senior leadership position.	Base pay for our Named Executive Officers is targeted between the median and 75 <sup>th</sup> percentile of our composite comparison

<b>Annual Cash Incentive</b>	performance. Focuses Named Executive Officers on the achievement of short-term goals and provides meaningful annual reward upon achievement of such goals.	Variable component intended to reward contributions to our short-term business objectives and achievement of individual goals.	group. The full target incentive bonus is targeted to be between the median and the 75 <sup>th</sup> percentile of the incentive levels expressed as a percentage of base pay for companies of our size and revenue. (1)
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<b>Compensation Element</b>	<b>Why the Element was Chosen</b>	<b>What the Element is Designed to Reward</b>	<b>How the Appropriate Value of Each Element is Determined</b>
<b>Long-Term Incentives:</b> Stock Options, Performance Shares, Performance Units, and Restricted Stock	Provides equity-based reward linked to performance of our stock, focuses Named Executive Officers' efforts on the behaviors within their control that we believe will ensure our long-term health and success, as measured by increases in our stock price over a period of several years, growth in our earnings per share, total shareholder return, and other elements. Multi-year vesting serves as a retention mechanism for key talent. Further aligns the interests of employees with those of our stockholders and helps prevent imprudent risk-taking that focuses on short-term gains at the expense of long-term value. Encourages ownership of our stock.	Variable component intended to reward contributions to our long-term success and the achievement of our mission and key business objectives, and each Named Executive Officer's commitment to the interests of our stakeholders.	Target long-term incentive value is the difference between cash compensation and the market 75 <sup>th</sup> percentile of the total direct compensation of companies of our size and revenue. (1)
<b>Welfare Benefits:</b> Health, Life and Disability Benefits	Competitive benefits package is essential for recruiting and retention and is part of our broad-based total compensation program. Provides access to health care and protection from catastrophic financial events such as illness, injury or death.	Named Executive Officers participate in employee benefit plans generally available to all our employees, including health, life and disability plans.	Health, life and disability benefits are benchmarked annually using the Towers Perrin 2009 Health Plan Cost Survey which covers approximately 9.6 million U.S. employees, retirees and dependents. We target the median of this data to maintain competitive benefit levels.
<b>Retirement Benefits</b>	Retirement benefits are a key component of a competitive	Named Executive Officers may participate in the Company's 401(k)	We benchmark our 401(k) plan annually against general industry



compensation package.  
Assists the Named  
Executive Officer with  
financial preparation for  
retirement.

Plan which is generally  
available to our eligible  
employees.

utilizing data from our  
401(k) administrator s (T.  
Rowe Price) client  
database, and target  
median levels for this  
benefit. According to this  
data, we are below  
median on the availability  
of other retirement  
benefits such as deferred  
compensation or pension  
plans (which we do not  
offer).

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<b>Compensation Element</b>	<b>Why the Element was Chosen</b>	<b>What the Element is Designed to Reward</b>	<b>How the Appropriate Value of Each Element is Determined</b>
<b>Severance, Change-in-Control, and Other Post-Employment Benefits</b>	<p>Severance and change-in-control agreements are designed to facilitate our ability to attract and retain executives in a competitive marketplace that commonly offers such protections. Our CEO, CFO and Chairman have employment agreements, and other executive officers, including Messrs. Freed and Crain, have change-in-control agreements, that provide severance benefits. Severance benefits ease an employee's transition in the event of an unexpected termination due to changes in our employment needs. Change-in-control agreements encourage employees to remain focused on our business in the event of rumored or actual fundamental corporate changes and aids in retaining employees during such critical times. Post-employment medical benefits for the Chairman were originally negotiated as a part of a business merger.</p>	<p>Rewards service and tenure and recognizes the need for financial security for key executives when employment ends. Rewards focus on our ongoing needs within the changing landscape of the for-profit education industry.</p>	<p>We review existing survey data regarding employment and severance agreements, and change-in-control benefits to ensure our benefits are consistent with current practice for companies of our size and revenue.</p> <p>In reviewing external competitive data with regard to these arrangements, we also consider best practices for specific components of these agreements.</p>
<b>Additional Benefits and Perquisites</b>	<p>Executive physicals are provided to assist our executive officers with the proactive monitoring of their health.</p>	<p>Given the rigorous demands of an executive officer role, we have a vested interest in their proactive focus on their</p>	<p>Our philosophy is to limit the number of perquisites and benefits. Through available survey and proxy data, we believe</p>

Company-paid premiums and the Executive Medical Plan serve as competitive recruiting and retention tools. Additional Term Life Insurance recognizes the greater salary replacement need for our executive officers dependents and beneficiaries in the event of an executive's death. health and security. that our perquisites are less than comparable organizations.

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- (1) We utilize job-specific compensation survey data from general industry organizations with target revenue of approximately \$375 million. Compensation surveys used in 2009 were Mercer's Benchmark Database and Salary.com.

***Oversight of the Executive Compensation Program***

*Compensation Committee Purpose, Composition, Schedule and Responsibilities*

The Compensation Committee carries out the Board's responsibilities relating to compensation of our executive officers. The Compensation Committee also oversees and advises the Board on adoption of, or changes to, policies that govern employee compensation and benefits, including incentive compensation and equity-based compensation.

The Compensation Committee is comprised of three or more directors (currently, there are three) who qualify as all of the following: (i) independent directors under applicable NYSE rules; (ii) outside directors for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended; and (iii) non-employee directors for purposes of Rule 16b-3 of the Securities Exchange Act of 1934. Members of the Compensation Committee are nominated by the Nominating and Corporate Governance Committee and elected by a majority vote of the Board to serve a one-year term.

The Compensation Committee is required by its charter to meet at least two times annually or more frequently as the Committee deems appropriate. In fiscal 2009, the Compensation Committee met 13 times.

The Compensation Committee is responsible for implementing our overall executive compensation philosophy and structure and establishing the goals and objectives relating to executive compensation paid to the Chief Executive Officer, Chairman and other executive officers.

In determining the appropriate level of compensation, the Compensation Committee reviews the results of the Committee's annual performance review of the Chief Executive Officer and Chairman. Based on this evaluation and a review of these executives' total compensation, the Compensation Committee makes recommendations to the Board for approval. The Compensation Committee also reviews the Chief Executive Officer's annual performance review of each of the executive officers taking into consideration our executive compensation goals and objectives and, based on this review, is responsible for the approval of each component of each executive officer's compensation. The Committee also reviews and approves compensation adjustments for executive officer promotions or hires and contingent obligations such as severance, change-in-control or similar arrangements.

For fiscal 2009, the Compensation Committee conducted this review in the Fall of 2008 for base, long and short term incentive components of the executive officers' compensation. The Compensation Committee benchmarked long-term incentive values again in September 2009 as part of their review and approval of the annual grant.

In determining the appropriate level of compensation for our executive officers, the Compensation Committee received the assistance of Compensia. Compensia is an independent, third party consulting firm. For a more complete discussion on the role of Compensia, please refer to *Role of Compensation Consultants* below.

In assessing the competitiveness of our compensation programs, the Compensation Committee reviews the total direct compensation opportunities, both short- and long-term, while at the same time analyzing the competitiveness of each component of compensation. The complete mix of pay components is monitored and compared to peer company practices to ensure appropriate pay leverage is maintained in the overall compensation package and in equity-based incentives that emphasize long-term stockholder value creation.

*Role of Executive Officers in Determining Compensation*

Our Chief Executive Officer makes recommendations to the Compensation Committee as to the base salaries, target bonus, and long-term incentive grant levels of the executive officers, including the Named

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Executive Officers (other than the CEO). The CEO's recommendations are based on available market and proxy peer data and analyses provided by Compensia (which are provided at the direction of the Committee) as well as the CEO's evaluation of each officer's performance.

### *Role of Compensation Consultants*

The Compensation Committee received and continues to receive assistance from Compensia in fulfilling its duties. Compensia assists in monitoring and updating the appropriate peer comparison group used in benchmarking competitive compensation levels. Compensia provided advice and analysis to the Compensation Committee with respect to the propriety and competitive value of long-term incentive grants, and employment and change-in-control agreements. Compensia also assisted the Compensation Committee in the design of the Company's performance share program. Compensia works at the direction of, and reports directly to, the Compensation Committee. Compensia does not perform any services for our management unless directed to do so by the Compensation Committee. The Compensation Committee's engagement with Compensia is for an indefinite period and encompasses advisory services such as periodic review of executive compensation philosophy, competitive assessment of executive compensation levels and pay-for-performance linkage, executive cash and broad-based equity incentive program design, review of executive contracts and other ad hoc support. Other than the work described above, there are no other material relationships between Compensia and UTI, its officers or directors.

### *Equity Grant Timing and Practices*

Pursuant to our equity granting policy and procedures, equity awards are made upon the recommendation of the Compensation Committee with approval from the independent members of the Board during an open trading window. Stock options, if granted, are awarded with an exercise price equal to the closing price of our stock on the NYSE on the date of approval and may never be less than fair market value. Grants to newly hired or promoted executive officers who are eligible to receive options or stock awards are proposed for approval at the Board's next regularly scheduled meeting that occurs during an open trading window following the officer's hire or promotion. Grant timing is applied consistently and shall under no circumstances occur outside of an open trading window. For fiscal 2009, we changed our annual grant timing from June to September to align our new performance share grant with the start of our fiscal year. Equity grant award levels are based on market data and vary among participants based on their positions within our company and, for fiscal 2009, were granted at the Board's regularly scheduled September meeting. Documentation of the award is distributed to the recipients promptly following approval by the Board.

### *Benchmarking of Executive Compensation*

#### *Peer Group Description and List*

To evaluate the competitiveness of our executive compensation program, we compare the elements of our compensation program with a peer comparison group comprised of companies in the for-profit education industry with similar market capitalization and net revenues. Our comparison group for fiscal 2009 includes the following companies: Capella Education Corp; Career Education Corp.; Corinthian Colleges, Inc.; DeVry, Inc.; Inc.; GP Strategies Corporation; ITT Educational Services, Inc.; Learning Tree International, Inc.; Lincoln Educational Services Corporation; Nobel Learning Communities, Inc.; Plato Learning, Inc.; Strayer Education, Inc.; and The Princeton Review, Inc. We also collected job-specific compensation survey data from general industry organizations with target revenue of approximately \$375 million. Compensation surveys used in 2009 were Mercer's Benchmark Database and the Salary.com Survey Database. Data from these surveys are averaged with the data from our peer comparison group to create a composite comparison group.

Because we have moved our annual grant to September from June, we conducted the peer group and market comparison analysis again in September of 2009 in order to have current total direct compensation information.

We target total cash compensation (base salary and annual incentive pay) at the appropriate percentile of the market data, which for 2009 was between the median and the 75th percentile. This range was chosen

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because (1) based upon our research we have determined this is the level at which we need to pay in order to recruit and retain top talent, and (2) turnover in our peer group causes significant swings in the market data from year to year. In establishing competitive base salaries and annual incentive pay, we also consider the levels of total cash compensation at industry organizations outside of our comparison group from which we recruit executives and to whom we are most likely to lose talent.

To establish the target levels of long-term incentive compensation, we review the difference between each Named Executive Officers' total cash compensation and the market 75th percentile total direct compensation (base salary, annual incentive and long-term incentive). The target for our long-term incentive grant is based on the aggregate dollar value of this difference which ensures that the total direct compensation of our Named Executive Officers is competitive with the total direct compensation paid by our competitors.

As part of its annual compensation review of Named Executive Officers, the Compensation Committee also analyzes proxy peer and survey benchmark data showing the market median bonus levels as a percentage of salary. The Compensation Committee has determined that the full target incentive bonus should be at or slightly above the median target incentive levels expressed as a percentage of base pay for companies of our size and revenue to provide a meaningful and competitive incentive in order to attract and retain top talent.

### ***Components of the Executive Compensation Program***

#### ***Base Salaries***

The Compensation Committee annually reviews and approves the base salaries of the Named Executive Officers utilizing the benchmarking procedures described above. Apart from benchmarking, base salaries are influenced by a variety of objective and subjective factors such as the experience and individual performance and relative levels of responsibility and job scope.

In December 2008, the Compensation Committee approved increases to the base salaries of Named Executive Officers as follows: 5% for Kimberly McWaters, 2.5% for John White, 4.5% for Eugene Putnam, 5.2% for Chad Freed, and 5% for Richard Crain. These increased amounts were based on market survey data for average executive-level increases nationally and adjusted for individual performance.

#### ***Annual Incentive Plan***

The annual incentive plan, called the Leadership Incentive Plan, provides the Named Executive Officers with the opportunity to earn performance-based awards based on the achievement of specific performance goals for the fiscal year. The performance goals are based on specific business criteria for the Company. All of our Named Executive Officers, with the exception of Kimberly McWaters and John White, participate in the Leadership Incentive Plan. For fiscal year 2009, both Kimberly McWaters and John White's incentive compensation award was granted under the Universal Technical Institute, Inc. 2003 Incentive Compensation Plan.

For our fiscal year 2009, the Compensation Committee established performance goals for all Named Executive Officers under the Leadership Incentive Plan and the 2003 Incentive Compensation Plan, as applicable. For fiscal 2009, performance-based awards for all Named Executive Officers were based on consolidated Earnings Before Interest and Taxes (EBIT) results, as well as specific performance criteria for Messrs. Putnam, Freed and Crain. For Messrs. Putnam, Freed and Crain the portion of the bonus based on achieving EBIT targets accounted for 80% of their bonus opportunity and each had specific performance goals which accounted for the remainder of their bonus opportunity. For bonus purposes, EBIT is adjusted to exclude bonus expense and adjusting entries posted during fiscal year 2009 related to fiscal year 2008 that were included in prior year bonus calculations. The EBIT goals were



measured on a Company-consolidated basis for the Named Executive Officer group. This metric was chosen because it captured our need to increase revenue and contain costs during fiscal year 2009. On September 16, 2008, the Compensation Committee revised the payment calculation for both the Leadership Incentive and 2003 Incentive Compensation Plans to pay based on the greater of the annual result or the total of the quarterly results. This change was made so that it would be possible to recover from a poor performing quarter and retain an incentive for the subsequent quarters, thereby enhancing the motivating aspects of the plan.

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The Compensation Committee approved the following bonus targets and payout levels for fiscal year 2009:

*2009 Named Executive Officer Target Bonus as a % of Base Salary*

Kimberly J. McWaters	75%
John C. White	60%
Eugene S. Putnam, Jr.	50%
Chad Freed	40%
Richard Crain	45%

*Fiscal Year 2009 EBIT Achievement and Payout Levels*

For fiscal year 2009, in order for a participant to receive the threshold payment of the EBIT component of the bonus (a 43% payout), the consolidated EBIT result would have had to have been \$21,000,000. To achieve a 71% payout, consolidated EBIT would have had to have been \$26,001,000. To achieve a 100% payout, consolidated EBIT would have had to have been \$35,000,000, and to achieve the maximum payout of 125%, consolidated EBIT would have to have been \$46,000,000.

Consolidated EBIT for fiscal year 2009 for the bonus calculation was \$26,077,000, which resulted in a bonus payout of 71% of the EBIT portion of their bonuses for the Named Executive Officers.

In addition to the EBIT bonus, Messrs. Putnam, Freed, and Crain had a portion (20%) of their total bonus opportunity based on specific performance criteria. Mr. Putnam's performance criteria were 1) no material weaknesses or significant deficiencies on the Company's audit (target was achieved); 2) successful and timely implementation of the Company's new general ledger system (target was exceeded); and 3) department budget management (target was exceeded). Mr. Putnam's total bonus related to these specific performance criteria was \$35,200.

Mr. Freed's specific performance criteria were 1) creation and implementation of a customer service scorecard (achieved target); 2) Reduction of Americans with Disabilities Act accommodation expenses (achieved target); and 3) department budget management (target was exceeded). Mr. Freed's total bonus related to these specific performance criteria was \$23,200.

Mr. Crain's specific performance criteria were 1) lead generation (exceeded target); 2) collision repair and diesel program product rationalization (target was not achieved); and 3) department budget management (target was exceeded). Mr. Crain's total bonus related to these specific performance criteria was \$27,700.

**2010 Incentive Plan**

In September 2009, the Compensation Committee approved the 2010 Leadership Incentive Plan and the 2010 incentive plan for Kimberly McWaters and John White under our 2003 Incentive Compensation Plan. The Compensation Committee has determined that for fiscal 2010, performance-based awards for all Named Executive Officers will be based on consolidated EBIT, as well as specific performance criteria for Messrs. Putnam, Freed, and Crain. For each Named Executive Officer, the bonus opportunity is as follows:

*2010 Named Executive Officer Target Bonus as a % of Base*

Kimberly J. McWaters	75%
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John C. White	60%
Eugene S. Putnam, Jr.	50%
Chad Freed	40%
Richard Crain	45%

For the EBIT portion of the target bonus to be achieved, we must realize a specific increase in EBIT over fiscal year 2009. The increase necessary to achieve the target bonus has not been achieved during the previous

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five fiscal years. To achieve the maximum payout, fiscal year 2010 EBIT must exceed the EBIT necessary for the target bonus by 20%.

For Messrs. Putnam, Freed and Crain, the EBIT portion accounts for 80% of their bonus opportunity, and each has specific performance goals which account for the remainder of their bonus opportunity. For Messrs. Putnam, Freed and Crain, 6.66% of their bonus opportunity requires the achievement of a departmental operating budget target for 2010. In order to achieve any payout under this target, the departmental operating budget must not exceed 2% of the targeted budget. Otherwise, no award on this component will be paid. Mr. Putnam has two additional performance goals which are 6.67% each of his bonus opportunity. The first performance goal requires the achievement of succession planning goals and evaluation of internal candidate readiness. The second performance goal requires no material weaknesses or significant deficiencies on the Company's audit. For Mr. Freed, the additional performance goals, each of which are 6.67% of his total bonus opportunity, relate to the successful opening of our Dallas/Fort Worth campus within specific budget and timing milestones and relate to certain key strategic licensing plans. Mr. Crain also has two additional performance goals, each of which comprise 6.67% of his total bonus opportunity. These goals are based on a lead generation target for the Company generally and related to the marketing requirements of the new Dallas/Fort Worth campus.

In determining whether the specific performance goals noted above have been satisfied, the Compensation Committee will rely upon the evaluations of Ms. McWaters, as well as their own observations obtained from the reports given by management at the meetings of our Board of Directors.

On June 1, 2009, the Compensation Committee awarded Mr. Freed performance units equal to \$45,000 in recognition of his promotion to General Counsel and Senior Vice President Business Development. The performance units vest upon achievement of five different milestones relating to the opening of our Dallas/Fort Worth Campus. These milestones relate to: 1) the execution of a lease for the property location; 2) achievement of the part 1 application approval of the Accrediting Commission of Career Schools and Colleges accreditation; 3) completion of the design and issuance of the required permit; 4) obtainment of the certificate of occupancy; and 5) the starting of the first class. The performance units will be settled in shares of our common stock upon achievement of the specific performance criteria. The number of shares awarded upon the achievement of the specific performance criteria will be determined based on the closing price of our common stock on the date the Board of Directors determines that the specific performance criteria were satisfied. To date, Mr. Freed has received 1,614 shares of UTI common stock as a result of the vesting of the performance units.

*Long-Term Incentive Compensation*

**2009 Grant**

In September 2009, the Compensation Committee approved grants of performance shares and restricted stock to the Named Executive Officers using the benchmarking process described above. When determining the grant, the Compensation Committee considered our current business environment, competitive market data, and each officer's level of responsibility. The grants were designed with a view to increase employee retention and encourage ownership of our stock, and link rewards to shareholder value creation. In 2009, each of our Named Executive Officers received 75% of his or her target grant value in restricted stock and 25% in performance shares. Restrictions on the shares of restricted stock lapse at a rate of 25% each year for four years. The performance shares vest according to a three-year performance period, with equal-value tranches potentially vesting according to the following measurement periods:

<b>Measurement Period</b>	<b>% of Performance Share Grant Value</b>
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10/1/09	9/30/10	33.3%
10/1/09	9/30/11	33.3%
10/1/09	9/30/12	33.4%

The actual number of performance shares vesting (if any) will be determined by comparing our Total Shareholder Return (TSR) against a stacked ranking of the TSR of those companies comprising The Russell

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2000 Index at the end of the measurement period. The payout or vesting percentage will depend on the relative percentile of UTI's TSR compared to the stacked ranking of the Russell 2000 Index of companies as follows:

**TSR Index Percentile Rank 0-20th 21st-30th 31st-40th 41st-50th 51st-60th 61st-70th 71st-80th 81st-90th 91st-100th**

Performance Shares Payout

Percentage	0%	25%	50%	75%	100%	125%	150%	175%	200%
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The Compensation Committee believes a blend of performance shares and restricted stock provides the best retention and reward mechanism. Providing a significant percentage of the total award in the form of performance shares is also important to align the incentive value with the interest of stockholders, since the vesting of performance shares is contingent on the relative performance of UTI's TSR over periods of time ranging from one to three years. Offering restricted stock, which retains some value for the executive during difficult business climates, ensures that the long-term incentive maintains some retention value to our Named Executive Officers while also rewarding improvements in our long-term performance without rewarding undue risk-taking.

*General Benefits and Executive Perquisites*

We offer a health and welfare benefits package to all eligible employees, which includes coverage for medical, dental, disability, life, accidental death and dismemberment, vision, flexible spending, education assistance, employee assistance and business travel accident. Please see the table above under the heading Elements of the Compensation Program and Key Goals for detailed information on the Named Executive Officers' benefits and perquisites.

The costs of the perquisites and personal benefits for the Named Executive Officers for fiscal year 2009 are included in the All Other Compensation column of the Summary Compensation Table below.

*Post-Employment Compensation Programs***Retirement Benefits**

We offer a 401(k) plan which is generally available to all employees to assist them in saving for retirement. After the first year of employment, we match 50 cents on each dollar saved up to the first 5% of eligible pay contributed to the plan. A five-year vesting schedule applies to all of our matching contributions.

**Employment Agreements**

We have employment agreements with three of our Named Executive Officers—Kimberly McWaters, John White and Eugene Putnam—that provide certain post-employment severance and benefits if we terminate the officer's employment other than for cause. Generally speaking, cause includes conviction of a felony or other crime involving embezzlement or misuse of funds, a knowing breach of the fiduciary duties owed by the executive to the Company, or a failure to perform the executive's material duties or a neglect of same. While the details of these agreements vary, each generally provides for salary payments to continue following termination. No agreement provides for salary payments beyond 24 months following termination.

For more information, please see the tables below under the heading Potential Payments Upon Termination or Change-in-Control and the information set forth under the heading Employment-Related Arrangements.

**Change-in-Control Agreements**

We have entered into change-in-control agreements with those Named Executive Officers who do not have employment agreements with us. These agreements provide that if the executive is terminated without cause or terminates employment for good reason within one year of a change-in-control, the executive will continue to receive salary payments for 12 months and will receive a prorated bonus calculated by multiplying the executive's target bonus percentage by the executive's fiscal year salary earned through the date of termination. The executive is also entitled to receive 12 months of paid health benefits continuation and outplacement services.

For more information, please see the tables below under the heading Potential Payments Upon Termination or Change-in-Control.

**Table of Contents*****Accounting and Tax Considerations***

Internal Revenue Code Section 162(m) limits our ability to deduct non-performance based compensation in excess of \$1.0 million that we pay to certain of our executive officers. The Compensation Committee intends for all incentive compensation paid to the Named Executive Officers to be deductible for federal income tax purposes to the greatest extent possible; however, in certain cases, the Compensation Committee may determine that the amount of tax deduction lost is less important than appropriate design and delivery of compensation to our executive officers.

Our 2003 Incentive Compensation Plan, which was approved by our stockholders, permits the award of stock options, performance shares, performance units, stock appreciation rights, performance-based awards and cash bonuses that qualify as performance-based compensation and are therefore fully deductible under section 162(m) of the Code.

In determining equity compensation awards for 2009, we generally considered the potential expense of those awards under accounting principles generally accepted in the United States and their impact on earnings per share. We concluded that the award levels were in the best interests of stockholders given competitive compensation practices among our peer companies, the awards potential expense, our performance, and the impact of the awards on employee motivation and retention.

The American Jobs Act of 2004 added Section 409A to the Internal Revenue Code. Section 409A revises the tax rules governing non-qualified deferred compensation strategies. We have reviewed Section 409A and its rules and regulations and have adapted some of our compensation arrangements to them.

***Compensation Committee Interlocks***

Ms. Srere and Messrs. Conrad and Gilmour served as members of our Compensation Committee during fiscal 2009. None of these Directors was an executive officer or otherwise an employee of UTI before or during such service, and no executive officer of UTI served on any other company's compensation committee.

**Summary Compensation Table**

The following table summarizes the compensation we paid during the last fiscal year to our Chief Executive Officer, our Chairman of the Board, our Chief Financial Officer and our two most highly compensated executive officers, who we refer to collectively as the Named Executive Officers.

Name and Principal Position	Year	Salary (\$)	Stock	Option	Non-Equity Incentive Plan Compensation	All Other Compensation (\$)	Total (\$)
			Awards (\$) (1)	Awards (\$) (2)	(3)		
Kimberly J. McWaters <i>Chief Executive Officer, President and Director</i>	2009	599,659	370,425	310,477	317,400	31,830(4)	1,629,791
	2008	579,423	225,677	482,574	81,938	41,372	1,410,984
	2007	547,746	123,139	682,335	27,084	34,107	1,414,411
Eugene S. Putnam, Jr.	2009	311,694	45,955	34,977	123,200	119,139(5)	634,965
	2008	209,259	5,575	4,878	17,867	91,626	329,205



*Executive Vice President and  
Chief Financial Officer*

John C. White	2009	511,683	189,736	156,278	216,900	37,069(6)	1,111,665
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*Chairman of the Board*

	2008	503,846	131,873	260,286	57,000	38,868	991,873
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	2007	476,167	75,584	392,672	15,385	28,644	988,452
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Chad A. Freed	2009	268,684	96,154	86,760	83,900	43,147(7)	578,645
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*Senior Vice President Business*

*Development*

*and General Counsel*

Richard Crain	2009	264,960	72,192	36,114	95,000	87,514(8)	555,780
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*Senior Vice President*

*Marketing*

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- (1) Reflects the dollar amount recognized for financial reporting purposes in accordance with accounting principles generally accepted in the United States and thus includes amounts for awards granted in and/or prior to the applicable fiscal year. The assumptions used in the calculations for these amounts are included in Note 14 to our Consolidated Financial Statements contained in our Annual Report on Form 10-K for our fiscal year 2009.
- (2) Reflects the dollar amount recognized for financial reporting purposes in accordance with accounting principles generally accepted in the United States and thus includes amounts for awards granted in and/or prior to the applicable fiscal year. Additional information regarding the assumptions used to estimate the fair value of the stock option awards is included in Note 14 to the Consolidated Financial Statements contained in our Annual Report on Form 10-K for our 2009 fiscal year.
- (3) With respect to Kimberly J. McWaters and John C. White, represents amounts earned under the 2003 Incentive Compensation Plan. With respect to all other Named Executive Officers, represents amounts earned under our Leadership Incentive Plan for our 2009 fiscal year. These incentives are discussed under the heading "Components of the Executive Compensation Program - Annual Incentive Plan" within the Compensation Discussion and Analysis set forth elsewhere in this Proxy Statement. The amounts shown were paid to the Named Executive Officers in December 2009.
- (4) Reflects \$18,293 in medical premiums, \$1,583 in dental premiums, \$204 in vision premiums, \$1,099 in disability premiums and \$822 in life insurance premiums. Also includes \$480 parking fee, \$987 group-term life insurance imputed income, and \$8,362 ArmadaCare medical reimbursement premiums.
- (5) Reflects \$18,293 in medical premiums, \$1,583 in dental premiums, \$204 in vision premiums, \$1,099 in disability premiums and \$822 in life premiums. Also includes \$480 parking fee, \$1,471 group-term life insurance imputed income and \$8,362 ArmadaCare medical reimbursement premiums. Also includes \$44,644 in relocation costs, \$40,674 in travel expenses and \$1,507 that we contributed on a matching basis pursuant to the terms of our 401(k) plan.
- (6) Reflects \$13,022 in medical premiums, \$933 in dental premiums, \$126 in vision premiums, \$1,099 in disability premiums, and \$822 in life insurance premiums. Also includes \$4,308 contributed on a matching basis pursuant to the terms of our 401(k) plan. Also includes \$480 parking fee, \$4,691 group-term life insurance imputed income, \$5,166 in ArmadaCare medical reimbursement premiums and \$6,422 for an executive physical.
- (7) Reflects \$13,022 in medical premiums, \$933 in dental premiums, \$126 in vision premiums, \$1,099 in disability premiums, and \$822 in life insurance premiums. Also includes \$5,859 contributed on a matching basis pursuant to the terms of our 401(k) plan, a spot bonus of \$5,000 and a promotional bonus of \$10,000. Also includes \$480 parking fee, \$640 group-term life insurance imputed income, and \$5,166 ArmadaCare medical reimbursement premiums.
- (8) Reflects \$18,293 in medical premiums, \$1,583 in dental premiums, \$204 in vision premiums, \$1,099 in disability premiums and \$822 in life premiums. Also includes \$480 parking fee, \$1,635 group-term life insurance imputed income and \$8,362 ArmadaCare medical reimbursement premiums. Also includes \$52,713 in travel costs and \$2,323 for an executive physical.

**Table of Contents****Grants of Plan-Based Awards in Fiscal Year 2009**

The following table sets forth information regarding grants of plan-based awards in 2009 to each of our Named Executive Officers.

Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Future Payouts Under Equity Incentive Plan Awards (2)			All Other Stock Awards: Number of	All Other Option Awards: Number of	Exercise or Base Price of
	Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)	Shares of Stock or Units (#)	Securities Underlying Options (#)	Option Awards (\$/Sh)(3)
Sep 15, 2009	199,238	452,813	567,525	2,404	9,614	19,228	38,501		
Sep 15, 2009				1,082	4,327	8,654	17,325		
Sep 15, 2009	133,250	307,500	384,375	961	3,845	7,690	15,400		
Jun 02, 2009					\$ 45,000(5)				
Sep 15, 2009				481	1,923	3,846	7,700		
Feb 25, 2009							3,506	2,446	11.41
Sep 15, 2009				481	1,923	3,846	7,700		

- (1) Amounts shown represent the dollar value of the estimated possible payout upon satisfaction of the conditions subject to the non-equity incentive plan award granted in the fiscal year. Amounts actually earned in 2009 are reported in the Non-Equity Incentive Plan Compensation column in the Summary Compensation Table. Awards included within these columns are discussed under the heading Components of the Executive Compensation Program Annual Incentive Plan within the Compensation Discussion and Analysis set forth elsewhere in this Proxy Statement.
- (2) Amounts shown represent performance shares granted with possible payout upon satisfaction of the performance criteria set forth by the Board of Directors. The performance period is from October 1, 2009 through September 30, 2012 with measurement dates on each of September 30, 2010, 2011, and 2012.
- (3) Amount shown is the per share exercise price of the option award as determined by reference to the fair market value of UTI's common stock, which is determined based on the closing price of the stock on New York Stock Exchange on the grant date.

- (4) Amount shown is the total estimated fair value of the award on the date of grant calculated based on accounting principles generally required in the United States and does not include an estimate for forfeitures.
- (5) Mr. Freed's award dated June 2, 2009 was denoted in dollars and not units. Performance units equal \$45,000 payable upon achievement of certain performance criteria. Assuming the underlying performance criteria have been satisfied, the performance unit will be settled in shares of our common stock based upon the closing price of our common stock on the date the Board determines that the performance criteria has been achieved.

In fiscal 2009, each of our Named Executive Officers received 75% of his or her regular grant value in restricted stock and 25% in performance shares.

Performance shares awarded in fiscal 2009 vest over three measurement periods (see Elements of Compensation Program and Key Goals section for details). If the participant dies or is disabled, the vesting of performance shares, including those granted to the Named Executive Officers, will be calculated based on a measurement period through the date of death or disability and the associated vesting of shares (if earned) will occur on the settlement date following the measurement period. If there is a change of control of the Company, the measurement period will be truncated to the date of the change in control and number of shares of common stock to be issued will equal the number of performance shares that would have become earned as of the change in control date according to the actual performance against the stated criteria for that period. The shares of common stock will convert to time-based and vest either in accordance with the original schedule or immediately in the event of termination without Cause or for Good Reason within one year of the

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change in control. Good reason means a material reduction in the recipient's authority, perquisites, position or responsibilities (other than such a reduction which affects all of our senior executives on a substantially equal or proportionate basis), or a requirement that the recipient relocate greater than 50 miles from the recipient's current primary work location.

Restrictions on the shares of restricted stock granted in fiscal 2009 lapse at a rate of 25% each year for four years. Recipients of restricted stock, including Named Executive Officers, are considered stockholders with respect to all such shares of restricted stock and have all of the rights of a stockholder in the Company with respect to the restricted shares (e.g., they may vote the shares at any meeting of our stockholders). However, recipients have no rights to any dividends declared with respect to the restricted shares until the restrictions on such shares lapse and may not sell or transfer the shares until they vest. All restrictions on the restricted shares lapse upon death, disability, termination without cause within one year following a change-in-control of the Company or termination by the recipient for good reason (which is described in the paragraph above).

**Outstanding Equity Awards at 2009 Fiscal Year-End**

The following table sets forth certain information regarding all outstanding equity awards for each of our Named Executive Officers, as of September 30, 2009. The values contained in the table below have not been, and may never be, realized. The options might never be exercised and the value, if any, will depend on the share price on the exercise date. In addition, the awards of restricted stock are subject to forfeiture and the value, if any, will depend on the share price on the date an executive sells those shares once the restrictions have lapsed. The Performance Shares will only vest upon achievement of certain performance criteria and the value, if any, will depend on the share price on the date the executive sells the shares once vested.

Award Date	Option Awards				Stock Awards			
	Number of Securities Underlying Unexercised Options (#)	Number of Securities Underlying Unexercised Options (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Equity Incentive Plan Awards: Number of Unearned Shares, Units, or Other Rights That Have Not Vested (#)

Apr 02, 2002	310,842		\$ 4.40	Apr 02, 2012				
Dec 17, 2003	157,240		\$ 20.50	Dec 17, 2013				
Feb 16, 2005	65,000		\$ 38.46	Feb 16, 2015				
Jun 15, 2006	39,375	13,125(1)	\$ 23.25	Jun 15, 2016	2,975(2)	\$ 58,608		
Feb 28, 2007	4,650	4,650(3)	\$ 23.63	Feb 28, 2017	7,800(4)	\$ 153,660		
Jun 03, 2008	9,825	29,475(6)	\$ 12.75	Jun 03, 2015	46,125(7)	\$ 908,663		
Sep 15, 2009					38,501(13)	\$ 758,470	9,614(14)	S
Aug 11, 2008	5,728	17,186(8)	\$ 15.79	Aug 11, 2015	7,600(9)	\$ 149,720		
Sep 15, 2009					17,325(13)	\$ 341,303	4,327(14)	S
Dec 17, 2003	102,241		\$ 20.50	Dec 17, 2013				
Feb 16, 2005	35,000		\$ 38.46	Feb 16, 2015				
Jun 15, 2006	18,375	6,125(1)	\$ 23.25	Jun 15, 2016	1,388(2)	\$ 27,344		
Feb 28, 2007	3,700	3,700(3)	\$ 23.63	Feb 28, 2017	6,250(4)	\$ 123,125		
Jun 03, 2008	3,925	11,775(6)	\$ 12.75	Jun 03, 2015	18,450(7)	\$ 363,465		
Sep 15, 2009					15,400(13)	\$ 303,380	3,845(14)	S

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Award Date	Option Awards				Stock Awards			
	Number of Securities Underlying Unexercised Options (#)	Number of Securities Underlying Unexercised Options (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Equity Incentive Plan Awards: Number of Shares, Units, or Other Rights That Have Not Vested (#)
Mar 15, 2004	15,000			\$ 38.79	Mar 15, 2014			
Feb 16, 2005	12,000			\$ 38.46	Feb 16, 2015			
Jun 15, 2006	8,250	2,750(1)		\$ 23.25	Jun 15, 2016	500(2)	\$ 9,850	
Feb 28, 2007	1,400	1,400(3)		\$ 23.63	Feb 28, 2017	2,400(4)	\$ 47,280	
Dec 11, 2007						2,250(5)	\$ 44,325	
Jun 03, 2008	6,475	19,425(6)		\$ 12.75	Jun 03, 2015	6,900(7)	\$ 135,930	
Jun 02, 2009								2,284(12)
Sep 15, 2009						7,700(13)	\$ 151,690	1,923(14)
Feb 28, 2007	1,400	1,400(3)		\$ 23.63	Feb 28, 2017	2,400(4)	\$ 47,280	
Jun 03, 2008	5,225	15,675(6)		\$ 12.75	Jun 03, 2015	6,900(7)	\$ 135,930	
Feb 25, 2009		2,446(10)		\$ 11.41	Feb 25, 2016	3,506(11)	\$ 69,068	
Sep 15, 2009						7,700(13)	\$ 151,690	1,923(14)

(1) The option was granted on June 15, 2006. Assuming continued employment with UTI, granted options will become exercisable on June 15, 2010.

(2) The restricted stock award was granted on June 15, 2006. Assuming continued employment with UTI, granted shares will vest on June 15, 2010.

- (3) The option was granted on February 28, 2007. Assuming continued employment with UTI, 25% of the granted options will become exercisable on February 28 of each of 2010 and 2011.
- (4) The restricted stock award was granted February 28, 2007. Assuming continued employment with UTI, 25% of the granted options will become exercisable on February 28 of each of 2010 and 2011.
- (5) The restricted stock award was granted on December 11, 2007. Assuming continued employment with UTI, 25% of the granted shares will vest on December 11 of each of 2010 and 2011.
- (6) The option was granted on June 3, 2008. Assuming continued employment with UTI, 25% of the granted options will become exercisable on June 3 of each of 2010, 2011 and 2012.
- (7) The restricted stock award was granted on June 3, 2008. Assuming continued employment with UTI, 25% of the granted shares will vest on June 3 of each of 2010, 2011 and 2012.
- (8) The option was granted on August 11, 2008. Assuming continued employment with UTI, 25% of the granted options will become exercisable on August 11 of each of 2010, 2011 and 2012.
- (9) The restricted stock award was granted on August 11, 2008. Assuming continued employment with UTI, 25% of the granted shares will vest on August 11 of each of 2010, 2011 and 2012.
- (10) The option was granted on February 25, 2009. Assuming continued employment with UTI, 25% of the granted options will become exercisable on February 25 of each of 2010, 2011, 2012 and 2013.
- (11) The restricted stock award was granted on February 25, 2009. Assuming continued employment with UTI, 25% of the granted shares will vest on February 25 of each of 2010, 2011, 2012 and 2013.
- (12) The performance units awarded on June 2, 2009 are denoted in dollars, not shares. The performance units will be settled in shares of our common stock based upon the closing price of our common stock on the date the Board determines that the applicable performance criteria has been achieved. The number of shares of our common stock included in this column reflect the shares issuable assuming the closing price of our common stock on September 30, 2009.



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- (13) The restricted stock award was granted on September 15, 2009. Assuming continued employment with UTI, 25% of the granted shares will vest on September 15 of each of 2010, 2011, 2012 and 2013.
- (14) The performance shares award was granted on September 15, 2009. Assuming continued employment with UTI, 33.3% of the granted value will vest by November 15 of each of 2010, 2011, and 2012, subject to performance criteria with a vesting range of 0% to 200%.

**2009 Option Exercises and Stock Vested**

The following table sets forth certain information regarding options exercised by our Named Executive Officers and restricted stock awards that vested during fiscal 2009.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)(1)
Kimberly J. McWaters			18,351	276,996
Eugene S. Putnam, Jr			2,533	49,267
John C. White			7,539	113,637
Chad A. Freed			2,800	42,220
Richard Crain			2,300	35,075

(1) Represents the market value of the stock on the vesting date, multiplied by the number of shares that vested.

**Potential Payments Upon Termination or Change-in-Control**

The tables below show the estimated incremental value transfer to each Named Executive Officer under various scenarios related to a termination of employment. The tables below assume that such termination occurred on September 30, 2009. The actual amounts that would be paid to any Named Executive Officer can only be determined at the time of an actual termination of employment and would vary from those listed below. The estimated amounts listed below are in addition to any retirement, welfare and other benefits that are available to associates generally.

Kimberly J. McWaters	Termination for Cause, Retirement or Resignation		Termination Following Change in Control		
		Termination without Cause or for Good Reason	Disability	Death	
Severance Payments(1)	\$	\$ 1,207,500	\$ 1,207,500	\$ 1,207,500	\$ 1,207,500

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Annual Incentive Plan	\$	\$	317,400(2)	\$	452,813(3)	\$	317,400(2)	\$	317,400(2)
Benefits(4)	\$	\$	142,670	\$	142,670	\$	142,670	\$	742,437
Stock Options (unvested and accelerated)(5)	\$	\$		\$	204,851	\$	204,851	\$	204,851
Restricted Stock (unvested and accelerated)(5)	\$	\$		\$	1,879,400	\$	1,879,400	\$	1,879,400
Performance Shares(6)	\$	\$		\$	142,057	\$	142,057	\$	142,057
Tax Gross-Up	\$	\$		\$		\$		\$	
Total(7)	\$	\$	1,667,570	\$	4,029,291	\$	3,893,878	\$	4,493,645

(1) Represents 24 months of base salary.

(2) Represents bonus earned through termination date.

(3) Represents target bonus pro-rated to termination date.

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- (4) Represents 24 months of medical and dental insurance premiums, unused vacation, and reasonable outplacement benefits. If separation is the result of death, this amount reflects 24 months of medical and dental for Ms. McWaters' spouse and children and life insurance benefits of \$640,000.
- (5) Payout equal to all unvested options and restricted stock. Value of options is estimated as of September 30, 2009 using the fair value of our common stock on that date minus the exercise prices and multiplied by the number of options.
- (6) Represents the performance share payout assuming the applicable measurement period occurred September 30, 2009.
- (7) Total amounts payable upon a change-in-control may be reduced to the extent necessary so that the amount payable is not subject to excise tax under Section 4999 of the Internal Revenue Code.

If termination results from disability, Ms. McWaters would also be eligible for disability insurance benefits under our employee benefit plan. In addition to the above, other than termination for cause, retirement or resignation, Ms. McWaters' children would be eligible for tuition waiver at any of our locations or programs.

	<b>Termination for Cause, Retirement or Resignation</b>	<b>Termination without Cause or for Good Reason</b>	<b>Termination Following Change in Control</b>	<b>Disability</b>	<b>Death</b>
<b>Eugene S. Putnam, Jr.</b>					
Severance Payments(1)	\$	\$ 313,500	\$ 313,500	\$	\$
Annual Incentive Plan Benefits(4)	\$	\$ 123,200(2)	\$ 156,750(3)	\$	\$
Stock Options (unvested and accelerated)(5)	\$	\$ 60,300	\$ 60,300	\$	\$ 640,000
Restricted Stock (unvested and accelerated)(5)	\$	\$	\$ 67,197	\$ 67,197	\$ 67,197
Performance Shares(6)	\$	\$	\$ 491,023	\$ 491,023	\$ 491,023
Tax Gross-Up	\$	\$	\$ 63,927	\$ 63,927	\$ 63,927
Total(7)	\$	\$ 497,000	\$ 1,152,697	\$ 622,147	\$ 1,262,147

(1) Represents 12 months of base salary.

(2) Represents bonus earned through termination date.

(3) Represents target bonus pro-rated to termination date.

- (4) Represents 12 months of medical and dental insurance premiums, unused vacation, and reasonable outplacement benefits. If separation is the result of death, this amount reflects life insurance benefits of \$640,000.
- (5) Payout equal to all unvested options and restricted stock. Value of options is estimated as of September 30, 2009 using the fair value of our common stock on that date minus the exercise prices and multiplied by the number of options. Unvested options and restricted stock do not accelerate if termination occurs following a change in CEO.
- (6) Represents the performance share payout assuming the applicable measurement period occurred September 30, 2009.
- (7) Total amounts payable upon a change-in-control may be reduced to the extent necessary so that the amount payable is not subject to excise tax under Section 4999 of the Internal Revenue Code.

If termination results from disability, Mr. Putnam would also be eligible for disability insurance benefits under our employee benefit plan. In addition to the above, other than termination for cause, retirement or resignation, Mr. Putnam's children would be eligible for tuition waiver at any of our locations or programs.

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	<b>Termination for Cause, Retirement or Resignation</b>	<b>Termination without Cause or for Good Reason</b>	<b>Termination Following Change in Control</b>	<b>Disability</b>	<b>Death</b>
<b>John C. White</b>					
Severance Payments(1)	\$	\$ 1,025,000	\$ 1,025,000	\$ 1,025,000	\$ 1,025,000
Annual Incentive Plan Benefits(4)	\$ 267,522	\$ 279,522	\$ 279,522	\$ 279,522	\$ 793,473
Stock Options (unvested and accelerated)(5)	\$	\$	\$ 81,836	\$ 81,836	\$ 81,836
Restricted Stock (unvested and accelerated)(5)	\$	\$	\$ 817,314	\$ 817,314	\$ 817,314
Performance Shares(6)	\$	\$	\$ 56,815	\$ 56,815	\$ 56,815
Tax Gross-Up	\$	\$	\$	\$	\$
Total(7)	\$ 267,522	\$ 1,521,422	\$ 2,567,987	\$ 2,260,487	\$ 2,774,438

(1) Represents 24 months of base salary.

(2) Represents bonus earned through termination date.

(3) Represents target bonus pro-rated to termination date.

(4) All termination events require maintenance of health care and executive medical insurance through age 65 and unused vacation. Reasonable outplacement is provided unless terminated for cause, retirement, resignation, or death. If separation is the result of death, this amount reflects maintenance of health care and executive medical insurance through age 65 for Mr. White's spouse and life insurance benefits of \$640,000.

(5) Payout equal to all unvested options and restricted stock. Value of options is estimated as of September 30, 2009 using the fair value of our common stock on that date minus the exercise prices and multiplied by the number of options.

(6) Represents the performance share payout assuming the applicable measurement period occurred September 30, 2009.

(7) Total amounts payable upon a change-in-control may be reduced to the extent necessary so that the amount payable is not subject to excise tax under Section 4999 of the Internal Revenue Code.

If termination results from disability, Mr. White would also be eligible for disability insurance benefits under our employee benefit plan.

	<b>Termination for Cause, Retirement or Resignation</b>	<b>Termination without Cause or for Good Reason</b>	<b>Termination Following Change in Control</b>	<b>Disability</b>	<b>Death</b>
<b>Chad A. Freed</b>					
Severance Payments(1)	\$	\$	\$ 270,627	\$	\$
Annual Incentive Plan(2)	\$	\$	\$ 108,251	\$	\$
Benefits(3)	\$	\$	\$ 49,812	\$	\$ 640,000
Stock Options (unvested and accelerated)(4)	\$	\$	\$ 135,004	\$ 135,004	\$ 135,004
Restricted Stock (unvested and accelerated)(4)	\$	\$	\$ 389,075	\$ 389,075	\$ 389,075
Performance Shares(5)	\$	\$	\$ 73,407	\$ 73,407	\$ 73,407
Tax Gross-Up	\$	\$	\$	\$	\$
Total(6)	\$	\$	\$ 1,026,176	\$ 597,486	\$ 1,237,486

(1) Represents the highest base annual salary during the last 12 months.

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- (2) Represents target bonus through date of termination.
- (3) Represents 12 months of medical and dental insurance premiums, unused vacation, and reasonable outplacement benefits. If separation is the result of death, this amount reflects life insurance benefits of \$640,000.
- (4) Payout equal to all unvested options and restricted stock. Value of options is estimated as of September 30, 2009 using the fair value of our common stock on that date minus the exercise prices and multiplied by the number of options.
- (5) Represents the performance share payout assuming the applicable measurement period occurred September 30, 2009. This amount also includes \$45,000 performance units denoted in cash and payable in shares of common stock upon achievement of performance criteria.
- (6) Total amounts payable upon a change-in-control may be reduced to the extent necessary so that the amount payable is not subject to excise tax under Section 4999 of the Internal Revenue Code.

If termination results from disability, Mr. Freed would also be eligible for disability insurance benefits under our employee benefit plan.

	<b>Termination for Cause, Retirement or Resignation</b>	<b>Termination without Cause or for Good Reason</b>	<b>Termination Following Change in Control</b>	<b>Disability</b>	<b>Death</b>
<b>Richard Crain</b>					
Severance Payments(1)	\$	\$	\$ 266,768	\$	\$
Annual Incentive Plan(2)	\$	\$	\$ 120,046	\$	\$
Benefits(3)	\$	\$	\$ 56,706	\$	\$ 640,000
Stock Options (unvested and accelerated)(4)	\$	\$	\$ 129,219	\$ 129,219	\$ 129,219
Restricted Stock (unvested and accelerated)(4)	\$	\$	\$ 403,968	\$ 403,968	\$ 403,968
Performance Shares(5)	\$	\$	\$ 28,407	\$ 28,407	\$ 28,407
Tax Gross-Up	\$	\$	\$	\$	\$
Total(6)	\$	\$	\$ 1,005,114	\$ 561,594	\$ 1,201,594

(1) Represents the highest base annual salary during the last 12 months.

(2) Represents target bonus through date of termination.

(3)

Represents 12 months of medical and dental insurance premiums, unused vacation, and reasonable outplacement benefits. If separation is the result of death, this amount reflects life insurance benefits of \$640,000.

- (4) Payout equal to all unvested options and restricted stock. Value of options is estimated as of September 30, 2009 using the fair value of our common stock on that date minus the exercise prices and multiplied by the number of options.
- (5) Represents the performance share payout assuming the applicable measurement period occurred September 30, 2009.
- (6) Total amounts payable upon a change-in-control may be reduced to the extent necessary so that the amount payable is not subject to excise tax under Section 4999 of the Internal Revenue Code.

If termination results from disability, Mr. Crain would also be eligible for disability insurance benefits under our employee benefit plan.

### **Employment-Related Arrangements**

*Employment Agreement with John C. White.* On July 8, 2008, we entered into an employment agreement with John White, superseding his previous agreement dated April 2002. Under the terms of the employment



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agreement, Mr. White agreed to serve as Chairman of the Board of Directors. The employment agreement provides for an initial term ending July 8, 2011. Mr. White is entitled to receive an annual base salary of \$500,000 subject to annual increases at the discretion of the Board of Directors. Our agreement with Mr. White provides that if he is terminated without cause or terminates his employment for good reason, his medical benefits will continue through age 65.

*Employment Agreement with Kimberly J. McWaters.* On July 8, 2008, we entered into an employment agreement with Kimberly McWaters, superseding her previous agreement dated April 2002. Under the terms of the Agreement, Ms. McWaters agreed to serve as our President and Chief Executive Officer. This agreement provides for an initial term ending July 8, 2011. Under the employment agreement, Ms. McWaters is entitled to receive an annual base salary of \$575,000 subject to annual increases at the discretion of the Board of Directors.

*Employment Agreement with Eugene S. Putnam, Jr.* On July 24, 2008, we entered into an employment agreement with Mr. Putnam to serve as our Chief Financial Officer. This agreement provides for an initial term ending July 31, 2011. Mr. Putnam is entitled to receive an annual base salary of \$300,000 subject to annual increases at the discretion of the Board of Directors.

*Provisions Common to Each Employment Agreement.* Certain provisions are common to each of the employment agreements described above. For example, each employment agreement:

provides that each executive may be paid an annual, performance-based bonus to be determined by the Board of Directors, in its sole discretion;

specifies that each executive is entitled to certain perquisites, including reimbursement of expenses, paid vacations, health and medical reimbursement plan, automobile insurance and such other perquisites and benefits. Other perquisites and benefits established from time to time at the sole discretion of the Board of Directors include health, short-and long-term disability, pension and life insurance benefits for executives and their families;

provides for our payment of severance compensation and benefits to the executives under certain circumstances, such as when the executive's employment is terminated, with or without a change of control, by us other than for cause, or for good reason as defined in the employment agreements. In Ms. McWaters' and Mr. White's agreements, death or disability also triggers severance compensation and benefits;

restricts the employee's disclosure and use of our confidential information, as defined in the employment agreement, and prohibits the employee from competing with us for a period equal to the payment of any severance payments following the termination of employment; and

as a precondition to our payment of any severance compensation or benefits, the employee must execute a waiver and release that we provide to the employee.

The Board of Directors approves the operating budget for a given fiscal year and may, upon the recommendation of the Compensation Committee, award bonuses based upon achievement of established targets. In addition, the Board may, upon the recommendation of the Compensation Committee, award bonuses based upon additional factors, including but not limited to extraordinary performance or efforts by individuals, as the Board may in its discretion determine from time to time.

*Change-in-Control Severance Agreements.* We entered into change-in-control severance agreements with several of our executive officers and key employees including Mr. Freed and Mr. Crain. Each severance agreement provides for

the payment of severance compensation and other benefits to the employee depending upon the employee's position and the circumstances of the employee's termination of employment, such as if the employee is terminated without cause or if the employee leaves for good reason, in each case within 12 months after we have undergone a change-in-control, as that term is defined in the severance agreement. Each severance agreement also provides that:

as a precondition to our payment of any severance compensation or benefits, the employee must execute a waiver and release that we provide to the employee;

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the amounts paid to or benefits received by the employee are subject to a downward adjustment so that the total payments to the employee due to a change-in-control do not constitute an excess parachute payment, as that term is defined in Section 280G of the Internal Revenue Code of 1986, as amended, or cause the employee to be required to pay an excise tax under Section 4999 of the Code; and

the employee is not required to mitigate any amounts paid or benefits received under the severance agreement by seeking other employment or otherwise.

As part of the consideration for the payment of the severance payments and benefits, each of the severance agreements provides that, for the period of the severance payments, the employee covenants not to compete directly or indirectly with us or directly or indirectly solicit, recruit or employ any persons or entities with whom we currently have business relationships, or have had such relationships within the 24 months prior to such solicitation, recruitment or employment.

*401(k) Plan.* We maintain a plan qualified under Section 401(k) of the Internal Revenue Code. Under the 401(k) Plan, a participant may contribute a maximum of 50% of his or her pre-tax salary, commissions and bonuses through payroll deductions, up to the statutorily prescribed annual limit (\$16,500 in calendar year 2009). The percentage elected by more highly compensated participants may be required to be lower. In addition, at the discretion of our Board of Directors, we may make discretionary matching and/or profit-sharing contributions into the 401(k) Plan for eligible employees.

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**COMPENSATION COMMITTEE REPORT**

This report of the Compensation Committee shall not be deemed to be incorporated by reference into any previous filing by us under either the Securities Act of 1933 or the Securities Exchange Act of 1934 that incorporates future Securities Act or Exchange Act filings in whole or in part by reference.

The Compensation Committee reviewed and discussed with management the Compensation Discussion and Analysis included elsewhere in this Proxy Statement. Based on this review and the discussions with management, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in UTI's Annual Report on Form 10-K for the year ended September 30, 2009 and this Proxy Statement.

The Compensation Committee:

Linda J. Srere (Chair)  
Conrad A. Conrad  
Allan D. Gilmour

**Table of Contents****SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth information as of December 31, 2009 with respect to the beneficial ownership of shares of common stock by:

each person known to us to be the beneficial owner of 5% or more of the outstanding shares of our common stock;

each of our directors, director nominees and Named Executive Officers; and

all of our executive officers and directors as a group.

Beneficial ownership is determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, as amended, and generally includes voting or investment power over securities. Under this rule, a person is deemed to be the beneficial owner of securities that can be acquired by such person within 60 days of December 31, 2009 upon the exercise of options. Each beneficial owner's percentage ownership is determined by assuming that all options held by such person that are exercisable within 60 days of December 31, 2009 have been exercised. Except in cases where community property laws apply or as indicated in the footnotes to this table, we believe that each stockholder identified in the table possesses sole voting and investment power over all shares of common stock shown as beneficially owned by the stockholder.

<b>Name</b>	<b>Number</b>	<b>Percent</b>
<i>Directors and Named Executive Officers:</i>		
Kimberly J. McWaters(1)	659,502	2.7%
Eugene S. Putnam, Jr.(2)	37,516	*
John C. White(3)	2,788,960	11.2%
Chad A. Freed(4)	57,835	*
Richard Crain(5)	31,966	*
Alan E. Cabito(6)	3,250	*
A. Richard Caputo, Jr.	214,282	*
Conrad A. Conrad	8,500	*
Allan D. Gilmour	4,104	*
Roger S. Penske	15,500	*
Linda J. Srere	5,500	*
All directors and executive officers as a group (14 persons)(7)	3,903,282	15.7%
<i>5% Holders:</i>		
Barclays Global Investors, NA.(8)	2,993,054	12.0%
Columbia Wanger Asset Management, L.P.(9)	1,500,000	6.0%
Royce & Associates, LLC(10)	1,495,700	6.0%
Trigran Investments, Inc.(11)	1,431,661	5.8%
Pivot Point Capital Master, L.P.(12)	1,410,294	5.7%
Hawkshaw Capital Management, LLC(13)	1,385,415	5.6%

Unless otherwise noted, the address of each person named in the table is 20410 North 19th Avenue, Suite 200, Phoenix, Arizona 85027.

\* Less than 1%.

- (1) Includes 91,501 shares of restricted stock which are forfeitable until vested (restrictions on the shares of restricted stock lapse according to specific schedules over a period of four years); 539,257 shares of common stock subject to exercisable options; 1,148 shares of restricted stock held by Ms. McWaters spouse; and 2,125 shares of common stock subject to exercisable options held by Ms. McWaters spouse.

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Ms. McWaters has sole voting and investment power over 655,850 shares and shared voting and investment power over 3,652 shares. Ms. McWaters is our President and Chief Executive Officer.

- (2) Includes 24,925 shares of restricted stock which are forfeitable until vested (restrictions on the shares of restricted stock lapse according to specific schedules over a period of four years); 5,728 shares of common stock subject to exercisable options. Mr. Putnam is our Executive Vice President and Chief Financial Officer.
- (3) Includes 2,464,675 shares of common stock held of record by Whites Family Company, LLC; 107,314 shares held of record by John C. White and Cynthia L. White 1989 Family Trust, of which John C. White is a trustee; 38,363 shares of restricted stock which are forfeitable until vested (restrictions on the shares of restricted stock lapse according to specific schedules over a period of four years); 165,091 shares of common stock subject to exercisable options; and 950,000 shares currently pledged as security. The White Descendants Trust u/a/d September 10, 1997 is the sole member and manager of Whites Family Company, LLC. John C. White is the trustee of the White Descendants Trust u/a/d September 10, 1997. Mr. White has sole voting and investment power over 216,971 shares and shared voting and investment power over 2,571,989 shares. Mr. White is our Chairman of the Board of Directors.
- (4) Includes 17,800 shares of restricted stock which are forfeitable until vested (restrictions on the shares of restricted stock lapse according to specific schedules over a period of four years); 37,350 shares of common stock subject to exercisable options. Mr. Freed is our Senior Vice President of Business Development and General Counsel.
- (5) Includes 17,533 shares of restricted stock which are forfeitable until vested (restrictions on the shares of restricted stock lapse according to specific schedules over a period of four years) and 8,548 shares of common stock subject to exercisable options. Mr. Crain is our Senior Vice President of Marketing.
- (6) Includes 1,334 shares of restricted stock which are forfeitable until vested (restrictions on the shares of restricted stock lapse according to specific schedules over a period of three years).
- (7) Includes 2,881,812 shares of common stock; 237,740 shares of restricted stock which are forfeitable until vested (restrictions on the shares of restricted stock lapse according to specific schedules over a period of four years); and 783,730 shares of common stock subject to exercisable options.
- (8) Based solely on the information provided in Schedule 13G filed with the SEC on February 5, 2009, these shares are beneficially owned by Barclays Global Investors, NA. ( Barclays NA ), Barclays Global Fund Advisors ( Barclays Advisors ), Barclays Global Investors, LTD ( Barclays LTD ), Barclays Global Investors Japan Limited ( Barclays Japan ), Barclays Global Investors Canada Limited ( Barclays Canada ), Barclays Global Investors Australia Limited ( Barclays Australia ) and Barclays Global Investors (Deutschland) AG ( Barclays Deutschland ). Barclays NA has sole voting power with respect to 482,524 shares and sole dispositive power with respect to 553,056 shares. Barclays Advisors has sole voting power with respect to 682,234 shares and sole dispositive power with respect to 927,863 shares. Barclays LTD has sole voting power with respect to 1,780 shares and sole dispositive power with respect to 15,608 shares. Barclays Deutschland has sole voting power with respect to 1,166,538 shares and sole dispositive power with respect to 1,496,527 shares. The business address for Barclays NA and Barclays Advisors is 400 Howard Street, San Francisco, CA 94105. The business address for Barclays LTD is Murray House, 1 Royal Mint Court, London, EC3N 4HH. The business address for Barclays Japan is Ebisu Prime Square Tower 8th Floor, 1-1-39 Hiroo Shibuya-Ku, Tokyo 150-8402 Japan. The business address for Barclays Canada is Brookfield Place 161 Bay Street, Suite 2500, PO Box 614, Toronto Canada. The business address for Barclays Australia is Leval 43, Grosvenor Place, 225 George Street, PO Box N43, Sydney, Australia NSW 1220. The business address for Barclays Deutschland is Apianstrasse 6, D-85774, Unterföhring, Germany.

- (9) Based solely on the information provided in Schedule 13G (Amendment No. 4) filed by Columbia Wanger Asset Management, L.P. ( Columbia ) with the SEC on February 9, 2009. Columbia is an investment adviser registered under the Investment Advisers Act of 1940. Columbia has sole voting and dispositive authority with respect to 1,500,000 shares. The Schedule 13G includes the shares held by Columbia



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Acorn Trust, a Massachusetts business trust that is advised by Columbia. The business address for Columbia is 227 West Monroe Street, Suite 3000, Chicago, Illinois 60606.

- (10) Based solely on the information provided in Schedule 13G (Amendment No. 4) filed by Royce & Associates, LLC ( Royce ) with the SEC on January 30, 2009. Royce is an investment adviser registered under the Investment Advisers Act of 1940. Royce has sole voting and dispositive authority with respect to 1,495,700 shares. The business address for Royce is 1414 Avenue of the Americas, New York, New York 10019.
- (11) Based solely on the information provided in Schedule 13G (Amendment No. 2) filed with the SEC on February 13, 2009, these shares are beneficially owned by Trigran Investments, Inc. ( Trigran ), Douglas Granat, Lawrence A. Oberman, and Steven G. Simon, and include 918,139 shares owned by Trigran Investments, L.P. Messrs. Granat, Oberman and Simon are the controlling shareholders and sole directors of Trigran and have shared voting and dispositive power with regard to the 1,431,661 shares. The business address for Trigran and Messrs. Granat, Oberman and Simon is 630 Dundee Road, Suite 230, Northbrook, IL 60062.
- (12) Based solely on the information provided in Schedule 13D filed with the SEC on April 6, 2009, these shares are beneficially owned by Pivot Point Capital Master, LP, Pivot Point Capital, LP, Pivot Point Capital Offshore, L.P., Pivot Point Capital Offshore DS, Ltd., Pivot Point Capital Partners, LLC ( PPCP ), Pivot Point Capital GP, LLC ( PPC GP ), and Anthony P. Benner. Voting and dispositive power with respect to 1,410,294 shares are held solely by PPC GP, PPCP and Anthony P. Benner (as sole Managing Member of both entities). The business address of each of these entities and Mr. Benner is One Sansome Street, Suite 2900, San Francisco, CA 94101.
- (13) Based solely on the information provided in Schedule 13G filed with the SEC on February 17, 2009, these shares are beneficially owned by Hawkshaw Capital Management, LLC ( Hawkshaw ), Frank C. Byrd III and Kian Ghazi. Each of Hawkshaw and Messrs. Byrd and Ghazi share voting and dispositive authority with respect to 1,385,415 shares. The business address for Hawkshaw and Messrs. Byrd and Ghazi is 400 Madison Avenue, 14th Floor, New York, New York 10017.

**SECTION 16(a) BENEFICIAL OWNERSHIP  
REPORTING COMPLIANCE**

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors and executive officers to file reports of holdings and transactions in our shares with the SEC. For the fiscal year ended September 30, 2008, to our knowledge and based on written representations from our officers and directors, we believe that the applicable reporting requirements of Section 16(a) have been satisfied.

**CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

**Policy Regarding Transactions with Related Persons**

Our Board of Directors adopted a written Related Party Transaction Policy (the Policy ) pursuant to which all Interested Transactions with a Related Party are subject to review and approval by the Nominating and Corporate Governance Committee. Ongoing or long-term transactions with a Related Party in existence at the time the Policy was adopted, if any, will also be subject to ratification on at least an annual basis. For purposes of the Policy, an Interested Transaction is a transaction, arrangement or relationship or a series of similar transactions, arrangements or relationships (including any indebtedness or guaranty of indebtedness) in an amount equal to or exceeding \$60,000 in any fiscal year in which us, including any of our subsidiaries, was, is or will be a participant and in which any Related Party had, has or will have a direct or indirect material interest. Any indirect interest includes an interest held by or

through any entity in which any Related Party is employed or is a partner or principal; or in a similar position or in which such Related Party has a 10% or greater beneficial ownership interest. A Related Party includes executive officers, directors, nominees for director, any person who is known to be the beneficial owner of more than 5% of any class of our voting securities and any immediate family member of any of the foregoing persons.

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In considering whether to approve an Interested Transaction, the Nominating and Corporate Governance Committee considers such factors as it deems appropriate, which may include: (i) the Related Party's relationship with us and interest in the transaction; (ii) the material facts of the proposed Interested Transaction, including the proposed value of such transaction, or, in the case of indebtedness, the principal amount that would be involved; (iii) the benefits to us of the Interested Transaction; (iv) an assessment of whether the Interested Transaction is on terms that are comparable to the terms available with an unrelated party; (v) in the case of an existing transaction, the impracticability or cost of securing alternative arrangements and (vi) such other factors as the Committee deems relevant.

The Policy provides for standing pre-approval for certain categories of transactions with a Related Party without the need for specific approval by the Nominating and Corporate Governance Committee. These categories are: (i) certain transactions with other companies where the Related Party's only relationship is as an employee (other than as an executive officer), director or beneficial owner of less than 10% of the company's shares, if the aggregate amount involved does not exceed the greater of \$1 million or 2% of the other company's gross annual revenues in its most recently completed fiscal year; (ii) charitable contributions, grants or endowments by us to charitable organizations, foundations or universities at which a Related Party's only relationship is as an employee (other than as an officer) or a director or trustee, if the aggregate amount involved does not exceed the lesser of \$500,000 or 2% of the charitable organization's total annual receipts in its most recently completed fiscal year; and (iii) certain other transactions and arrangements which under certain SEC rules are excepted from disclosure as transactions with a Related Party.

## **Registration Rights Agreement**

We are a party to a registration rights agreement with, among others, the following stockholders: (i) JZ Equity Partners PLC and the permitted transferees of The Jordan Company, LLC (collectively, the TJC Stockholders); (ii) Charlesbank Voting Trust, Charlesbank Equity Fund V, Limited Partnership, CB Offshore Equity Fund V, L.P., CB Equity Co-investment Fund V, Limited Partnership and Coyote Training Group, LLC (collectively, the Charlesbank Stockholders), (iii) Whites Family Company, LLC; and (iv) Robert D. Hartman. The registration rights agreement provides for piggyback registration rights with respect to the restricted shares of our common stock held by each of the stockholder parties to this agreement, including Robert D. Hartman, one of our former Directors, and Whites Family Company, LLC, an entity controlled by John White, our Chairman of the Board of Directors. Accordingly, if we propose to register any of our common stock for sale to the public, we are required to give written notice of our intention to do so to each of the stockholders who are a party to this agreement and to use our best efforts to include in the registration statement the number of restricted shares of our common stock beneficially owned and requested to be registered by such stockholders, subject to reduction of such shares under certain circumstances by an underwriter. If a reduction of shares is necessary, stockholders who request to participate in the registration will do so pro rata based on the numbers of shares held by such stockholders on a fully-diluted basis, except that we will have first priority to register shares of our common stock if we initiate the registration for our own account. Pursuant to the registration rights agreement, the piggyback right terminates from and after the date on which those stockholders cease to beneficially own at least 1% of our issued and outstanding shares of common stock.

## **Transactions with Management and Others**

Since 1991, we have leased some of our properties from entities controlled by John C. White, the Chairman of our Board of Directors, or entities in which Mr. White's family members have an interest. A portion of the property comprising the Orlando location is occupied pursuant to a lease with the John C. and Cynthia L. White 1989 Family Trust, with the lease term expiring on August 19, 2022. The annual base lease payments for the first year under this lease totaled approximately \$326,000, with annual adjustments based on the higher of (i) an amount equal to 4% of the total annual rent for the immediately preceding year or (ii) the percentage of increase in the Consumer Price Index. Another portion of the property comprising the Orlando location is occupied pursuant to a lease with Delegates LLC, an entity controlled by the White Family Trust, with the lease term expiring on July 1, 2016. The beneficiaries of the

White Family Trust, which is an irrevocable grantor trust, are Mr. White's children and the trustee of the trust is not related to Mr. White. Annual base lease payments under

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this lease totaled approximately \$680,000, with annual adjustments based on the higher of (i) an amount equal to 4% of the total annual rent for the immediately preceding year or (ii) the percentage of increase in the Consumer Price Index. Additionally, since April 1994, we have leased two of our Phoenix properties under one lease from City Park LLC, a successor in interest of 2844 West Deer Valley L.L.C. and in which the John C. and Cynthia L. White 1989 Family Trust holds a 25% interest. This lease expires on February 28, 2015, and the annual base lease payments under this lease, as amended, totaled approximately \$463,000, with annual adjustments based on the higher of (i) an amount equal to 4% of the total annual rent for the immediately preceding year or (ii) the percentage of increase in the Consumer Price Index. The table below sets forth the total payments that the Company made in fiscal 2007, 2008 and 2009 under these leases:

	<b>John C. and Cynthia L. White 1989 Family Trust</b>			
	<b>City Park LLC</b>			<b>Delegates LLC</b>
Fiscal 2007	\$ 621,992	\$	564,793	\$ 1,022,818
Fiscal 2008	\$ 565,541	\$	597,025	\$ 989,514
Fiscal 2009	\$ 599,531	\$	634,904	\$ 1,028,951

We believe that the rental rates under these leases approximate the fair market rental value of the properties at the time the lease agreements were negotiated.

Chris McWaters, the husband of our Chief Executive Officer, Kimberly McWaters, works for us as our Director of Manufacturer Specific Advanced Training Admissions and Employment and has been employed by us for over 16 years. Chris McWaters' compensation in fiscal 2009, including the value of equity-based compensation awarded to him, totaled approximately \$125,164. He is eligible to receive benefits that are provided to all of our employees generally, including equity incentive awards under our 2003 Incentive Compensation Plan. In fiscal 2009, Chris McWaters received a grant of 488 shares of restricted stock under our 2003 Incentive Compensation Plan.

John Murphy, the brother of our Chief Executive Officer, Kimberly McWaters, works for us as our Field National Training Director and has been employed by us for over eight years. Mr. Murphy's compensation in fiscal 2009, including the value of equity-based compensation awarded to him, totaled approximately \$188,605. He is eligible to receive benefits that are provided to all of our employees generally, including equity incentive awards under our 2003 Incentive Compensation Plan. In fiscal 2009, Mr. Murphy received a grant of 488 shares of restricted stock under our 2003 Incentive Compensation Plan.

Lori Smith, the wife of our former Executive Vice President and Chief Operating Officer, Sherrell Smith, works for us as our Vice President of Business Intelligence and has been employed by us for 16 years. Lori Smith's compensation in fiscal 2009, including the value of equity-based compensation awarded to her, totaled approximately \$188,971. She is eligible to receive benefits that are provided to all of our employees generally, including equity incentive awards under our 2003 Incentive Compensation Plan. In fiscal 2009, Lori Smith received a grant of 2,503 shares of restricted stock and 625 performance shares under our 2003 Incentive Compensation Plan.

### **SUBMISSION OF STOCKHOLDER PROPOSALS**

From time to time, stockholders seek to nominate directors or to present proposals for inclusion in the proxy statement and form of proxy, or otherwise for consideration at the annual meeting. To be included in the proxy statement or considered at an annual meeting, a stockholder must timely submit nominations of directors or other proposals to us in

addition to complying with certain rules and regulations promulgated by the SEC. We intend to hold our year 2011 annual meeting during February 2011. We must receive proposals for our 2011 annual meeting no later than September 17, 2010 for possible inclusion in the proxy statement, or between October 27, 2010 and November 26, 2010, for possible consideration at the meeting. Stockholders should direct any proposals, as well as related questions, to our Corporate Secretary at the address set forth on the first page of this Proxy Statement.

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**ANNUAL REPORT**

Our 2009 annual report to stockholders has been mailed to stockholders concurrently with the mailing of this Proxy Statement, but is not incorporated into this Proxy Statement and is not to be considered to be a part of our proxy solicitation materials.

Upon request, we will provide, without charge to each stockholder of record as of the record date specified on the first page of this Proxy Statement, a copy of our annual report on Form 10-K for the year ended September 30, 2009 as filed with the SEC. Any exhibits listed in the annual report on Form 10-K also will be furnished upon request at the actual expense that we incur in furnishing such exhibits. Any such requests should be directed to our Corporate Secretary at the address set forth on the first page of this Proxy Statement.

**DELIVERY OF DOCUMENTS TO SECURITY HOLDERS**

Pursuant to the rules of the SEC, we and services that we employ to deliver communications to our stockholders are permitted to deliver to two or more stockholders sharing the same address a single copy of each of our annual report to stockholders and the Proxy Statement. Upon written or oral request, we will deliver a separate copy of the annual report to stockholders and/or proxy statement to any stockholder at a shared address to which a single copy of each document was delivered and who wishes to receive separate copies of such documents in the future. Stockholders receiving multiple copies of such documents may request that we deliver single copies of such documents in the future. Stockholders may notify us of their requests by calling or writing our Corporate Secretary at Universal Technical Institute, Inc., 20410 North 19th Avenue, Suite 200, Phoenix, Arizona 85027, telephone (623) 445-0727.

Phoenix, Arizona

Dated: January 15, 2010

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Proxy

**PROXY SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS  
FOR 2010 ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD ON FEBRUARY 24, 2010**

The undersigned appoints John C. White and Kimberly J. McWaters, and each of them, as proxies, each with full power of substitution, on behalf and in the name of the undersigned, to represent the undersigned at the 2010 Annual Meeting of Stockholders of UNIVERSAL TECHNICAL INSTITUTE, INC. ( UTI ), to be held on February 24, 2010, and at any adjournment or postponement thereof and authorizes them to vote at such meeting, as designated on the reverse side of this form, all the shares of common stock of UTI held of record by the undersigned on January 8, 2010. **IF NO OTHER INDICATION IS MADE ON THE REVERSE SIDE OF THIS FORM, THE PROXIES WILL VOTE FOR ALL PROPOSALS AND, IN THEIR DISCRETION, UPON SUCH OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE MEETING.**

See reverse for voting instructions.

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**NOTE: PLEASE MARK, DATE, SIGN AND MAIL THIS PROXY IN THE POST PAID ENVELOPE.**

**Votes Must Be Indicated**

**(X) In Black Or Blue Ink: ý**

**The Board of Directors Recommends a Vote FOR Item 1.**

1. Election of Directors:

	For	Against	Abstain
1a. A. Richard Caputo, Jr.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
1b. Allan D. Gilmour	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**The Board of Directors Recommends a Vote FOR Item 2.**

2. Ratification of Appointment of Independent Registered Public Accounting Firm:

For	Against	Abstain
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

At the proxies discretion on any other matters which may properly come before the meeting or any adjournment or postponement thereof.

**THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED AS DIRECTED OR, IF NO DIRECTION IS GIVEN, WILL BE VOTED FOR ALL NOMINEES FOR ELECTION AND FOR PROPOSAL 2.**

To change your address, please mark this box.

To include any comments, please mark this box.

**SCAN LINE**

Stockholder sign here Co-Owner sign here Date

This proxy should be dated, signed by the stockholder(s) exactly as his or her name appears herein, and returned promptly in the enclosed envelope. Persons signing in a fiduciary capacity should so indicate. If shares are held by joint tenants or as community property, both stockholders should sign.