

**MINUTES OF MEETING OF
THE POLICY COMMITTEE OF
THE UNIVERSITY OF TEXAS INVESTMENT MANAGEMENT COMPANY**

A meeting of the Policy Committee (the "Committee") of The University of Texas Investment Management Company (the "Corporation") convened in open session on **November 6, 2008**, by means of conference telephone enabling all persons participating in the meeting to hear each other, at the offices of the Corporation, Suite 2800, 401 Congress Avenue, Austin, Texas, said meeting having been called by the Policy Committee Chair, Colleen McHugh, with notice provided to each member in accordance with the Corporation's Bylaws. The audio portion of the meeting was electronically recorded. Participating in the meeting were the following members of the Committee:

Colleen McHugh, Chair
Paul Foster

thus constituting a majority and quorum of the Committee. Director Ardon E. Moore was not present at the meeting. Also attending the meeting from the Corporation were Bruce Zimmerman, CEO and Chief Investment Officer; Joan Moeller, Secretary and Treasurer; Christy Wallace, Assistant Secretary; Cissie Gonzalez, internal General Counsel and Chief Compliance Officer; Melynda Shepherd, Manager – Finance and Administration; and Debbie Childers, Manager - Portfolio Accounting and Operations. Also attending were Keith Brown of the McCombs School of Business at UT Austin; Philip Aldridge, Charlie Chaffin, Jim Phillips, Moshmee Kalamkar, and Miles Ragland of UT System Administration; William Volk of Vinson & Elkins LLP; Jerry Turner of Andrews Kurth LLP; and Tom Wagner and Robert Connolly of Deloitte & Touche LLP. Chair McHugh called the meeting to order at 2:42 p.m. Copies of materials supporting the Committee meeting agenda were previously furnished to each Committee member.

Minutes

The first matter to come before the Committee was the approval of the minutes of the Joint Policy and Risk Committee meeting held on July 15, 2008, and the Policy Committee meeting held on July 15, 2008. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Committee:

RESOLVED, that the minutes of the Joint Meeting of the Policy and Risk Committees held on **July 15, 2008**, and the meeting of the Policy Committee held on **July 15, 2008** be, and are hereby, approved.

Travel Guidelines

Ms. McHugh explained that the next item for discussion and appropriate action was a proposed amendment to the Corporation's Travel Guidelines. Ms. McHugh asked Mr. Zimmerman to summarize the requested change. Mr. Zimmerman stated that the proposed amendment was based on the recommendation of the UT System Audit Office. The Audit Office recommended that UTIMCO add provisions related to ground transportation costs, in particular, private car services, in the UTIMCO Travel Guidelines. UTIMCO Travel Guidelines provide UTIMCO employees with information regarding and guidance about the procedures and responsibilities for traveling on company business. Mr. Zimmerman

and Mr. Chaffin answered the Committee Members' questions. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the UTIMCO Travel Guidelines be, and are hereby, approved in the form submitted to the Policy Committee.

Delegation of Authority

Ms. McHugh asked Mr. Zimmerman to explain the proposed amendment to the Delegation of Authority Policy. Mr. Zimmerman stated that at a previous Board meeting, the Directors requested that UTIMCO staff return to the Board at a future meeting with a policy recommendation that would address handling of manager mandates that exceed the limits of delegated authority in the Delegation of Authority Policy due to appreciation of the investment. The proposed amendments to the Delegation of Authority Policy were reviewed and approved by the Risk Committee, subject to approval by the Policy Committee and the Board. Mr. Zimmerman and Mr. Aldridge answered the Committee Members' questions. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that amendments to the Delegation of Authority Policy be, and are hereby, approved in the form submitted to the Policy Committee, subject to approval by the Corporation's Board of Directors.


Master Investment Management Services Agreement

Ms. McHugh asked Mr. Zimmerman to present the next agenda item, which proposed changes to the Master Investment Management Services Agreement (IMSA) between UTIMCO and the UT System Board of Regents. Mr. Zimmerman explained that the UTIMCO Code of Ethics was approved by the UT Board at their August 14, 2008 meeting, subject to an amendment proposed by Regent Janiece Longoria and the requirements that UTIMCO (1) maintain a log of (a) all agreements and transactions between UTIMCO and a Director or Employee and (b) all investments in the private investments of a business entity in which a Director or Employee then owns a private investment, or is then co-investing, in the same business entity as UTIMCO, which annually shall be reviewed by the UTIMCO Board of Directors and reported to the UT Board; and (2) report to the UT Board annually on compliance with the UTIMCO Code of Ethics and any recommended changes to the UTIMCO Code of Ethics following review by the UTIMCO Board of Directors. UTIMCO staff drafted changes to the IMSA, consistent with the above requirements, which were also reviewed and approved by UT System staff. If approved by the Committee, these changes will need further approval from the full Board and the UT System Board of Regents. Mr. Zimmerman answered the questions of the Committee Members. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the Master Investment Management Services Agreement with UTIMCO ("IMSA") be, and is hereby, approved in the form submitted to the Policy Committee, subject to approval by the Corporation's Board and the Board of Regents of The University of Texas System.

There being no further business to come before the Committee, the meeting was adjourned at approximately 2:55 p.m.

Secretary: 
Joan Moeller

Approved: 
Colleen McHugh, Chair
Policy Committee of
The University of Texas Investment
Management Company

Date: 7.9.2009