

**MINUTES OF THE JOINT MEETING  
OF THE POLICY AND RISK COMMITTEES OF  
THE UNIVERSITY OF TEXAS INVESTMENT MANAGEMENT COMPANY**

A joint meeting of the Policy and the Risk Committees (the "Committees") of The University of Texas Investment Management Company (the "Corporation") convened in open session on July 29, 2014, at the offices of the Corporation, Suite 2800, 401 Congress Avenue, Austin, Texas, said meeting having been called by the Policy Committee Chair, Jeffery D. Hildebrand, and the Risk Committee Chair, Kyle Bass, 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 Committees:

Jeffery D. Hildebrand, Chair, Policy Committee  
Kyle Bass, Chair, Risk Committee  
R. Steven Hicks  
H. Lee S. Hobson  
Ardon Moore  
Robert L. Stillwell  
John D. White

Morris Foster, Chairman of the Board, also attended the meeting, thus constituting a majority and quorum of the Committees and the Board. Employees of the Corporation attending the meeting were Bruce Zimmerman, CEO and Chief Investment Officer; Cathy Iberg, President and Deputy CIO; Joan Moeller, Secretary and Treasurer; Christy Wallace, Assistant Secretary; Cissie Gonzalez, Internal General Counsel and Chief Compliance Officer; and various staff members. Also attending were Terry Hull, Allen Hah, Guillermo Garcia, Jim Phillips and Roger Starkey of The University of Texas System ("UT System") Administration; Keith Brown of the McCombs School of Business of The University of Texas at Austin; Jerry Turner of Andrews Kurth LLP and Maria Robinson and Billy Hamilton of The Texas A&M University System. Chair Hildebrand and Chair Bass called the meeting to order at approximately 10:10 a.m. Copies of materials supporting the Committee meeting agenda were previously furnished to each Committee member.

**Annual Investment Policy Review**

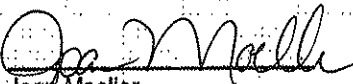
Mr. Hildebrand asked Mr. Zimmerman to present the *FY 2015 Investment Policy Review and Recommendation* and Staff's proposed changes to the Investment Policies. The Investment Management Services Agreement (IMSA) requires UTIMCO Staff to review current Investment Policies for each Fund at least annually and propose Staff's recommendations to both the Policy and Risk Committees, subject to approval by the Board and the UT System Board of Regents. Mr. Zimmerman provided a comprehensive analysis of the portfolio's positioning, return/risk assumptions, and the current and future economic environment considerations used in developing the recommended changes to the Asset Class and Investment Type targets and ranges for FY 2015 to be effective September 1, 2014. Exhibits A of the Permanent University Fund (PUF), the General Endowment Fund (GEF), and the Intermediate Term Fund (ITF), and Exhibits B in the Permanent Health Fund (PHF) and the Long Term Fund (LTF) Investment Policy Statements, were amended to set forth the revised Policy Portfolio Asset Class and Investment Type targets and ranges for FY 2015. In addition, the one year downside deviation was adjusted to reflect the revised Asset Class and Investment Type targets for FY 2015. Finally, the Expected Annual Return

(Benchmark) target for FY 2015 was updated for the PUF, GEF, PHF and LTF. Staff reviewed but did not recommend any changes to the Separately Invested Funds (SIF) and Short Term Funds (STF) Investment Policy Statements. Mr. Zimmerman also reviewed with the Risk and Policy Committees proposed changes to the Derivative Investment Policy (effective August 21, 2014); the Liquidity Policy (effective August 21, 2014); and Delegation of Authority Policy (effective July 29, 2014). Mr. Zimmerman answered the Committee Members' questions. After deliberation, the Committee Members decided to postpone action on the Delegation of Authority Policy pending further discussion with Staff. Chairman Hildebrand and Chairman Bass, on behalf of the Policy and Risk Committees, recommended approval of the following resolution. Upon motion duly made and seconded, the following resolution was adopted by the Committee:

RESOLVED, that amendments to the Investment Policy Statements of the Permanent University Fund, General Endowment Fund, Permanent Health Fund, Long Term Fund, and Intermediate Term Fund, and amendments to the Derivative Investment Policy, and Liquidity Policy, as presented be, and are hereby, approved, subject to approval by the Corporation's Board of Directors.

There being no further business to come before the Committee, the meeting was adjourned at 11:18 a.m.

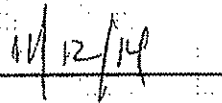
Secretary:

  
Joan Moeller

Approved:

  
Jeffery D. Hildebrand, Chair  
Policy Committee of  
The University of Texas Investment  
Management Company

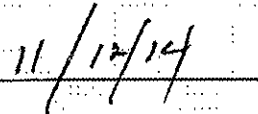
Date:



Approved:

  
Kyle Bass, Chair  
Risk Committee of  
The University of Texas Investment  
Management Company

Date:



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 July 29, 2014, at the offices of the Corporation, Suite 2800, 401 Congress Avenue, Austin, Texas, said meeting having been called by the Committee Chair, Jeffery D. Hildebrand, 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:

Jeffery D. Hildebrand, Chair  
R. Steven Hicks  
Robert L. Stillwell  
John D. White

Morris Foster, Chairman of the Board, and Director Hobson also attended the meeting thus constituting a majority and quorum of the Committee and the Board. Employees of the Corporation attending the meeting were Bruce Zimmerman, CEO and Chief Investment Officer; Cathy Iberg, President and Deputy CIO; Joan Moeller, Secretary and Treasurer; Christy Wallace, Assistant Secretary; Cissie Gonzalez, internal General Counsel and Chief Compliance Officer; and various staff members. Also attending were Terry Hull, Allen Hah, Guillermo Garcia, Jim Phillips and Roger Starkey of The University of Texas System ("UT System") Administration; Keith Brown of the McCombs School of Business of The University of Texas at Austin; Jerry Turner of Andrews Kurth LLP and Maria Robinson and Billy Hamilton of The Texas A&M University System. Committee Chair Hildebrand called the meeting to order at 10:05 a.m. Copies of materials supporting the Committee meeting agenda were previously furnished to each Committee member.

Minutes

Chairman Hildebrand asked the Committee for approval of the minutes of the Policy Committee meeting held on April 29, 2014. Upon motion duly made and seconded, the following resolution was adopted by the Committee:

RESOLVED, that the minutes of the Meeting of the Policy Committee of the Board of Directors held on April 29, 2014, be and are hereby, approved.

There being no further business to come before the Committee, the meeting was adjourned at approximately 10:08 a.m.

Secretary:   
Joan Moeller

Approved:   
Jeffery D. Hildebrand, Chair  
Policy Committee of  
The University of Texas Investment Management Company

Date: 11/12/14