

**MINUTES OF MEETING
OF THE BOARD OF DIRECTORS OF
THE UNIVERSITY OF TEXAS INVESTMENT MANAGEMENT COMPANY**

The Board of Directors (the "Board") of The University of Texas Investment Management Company (the "Corporation") convened in an open meeting on **November 18, 2015**, 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 Chairman, Jeffery D. Hildebrand, with notice provided to each member in accordance with the Bylaws. The audio portion of the meeting was electronically recorded and broadcast over the Internet. Participating in the meeting were the following members of the Board:

Jeffery D. Hildebrand
Ardon E. Moore, Vice Chairman
Phil Adams
Kyle Bass
David J. Beck
H. Lee S. Hobson
John D. White

thus constituting a majority and quorum of the Board. William H. McRaven, Vice Chairman for Policy and Director R. Steven Hicks did not attend the meeting. Director John White joined the meeting later as noted in the minutes. Chairman Hildebrand called the meeting to order at 3:30 p.m. Employees of the Corporation attending the meeting were Bruce Zimmerman, CEO and Chief Investment Officer; Joan Moeller, Secretary and Treasurer; and Christy Wallace, Assistant Secretary. Other attendees were Kelth Brown of the McCombs School of Business at UT Austin; Jerry Turner of Andrews Kurth LLP; and Robert Cowley and Tracey Guidry Cooley of Deloitte & Touche LLP. Copies of materials supporting the Board meeting agenda were previously furnished to each member of the Board.

Minutes

The first item to come before the Board was approval of the minutes of the Board of Directors Meeting held on October 15, 2015. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

RESOLVED, that the minutes of the meeting of the Board of Directors held on October 15, 2015, be, and are hereby, approved.

Appointment of Corporate Officer

Chairman Hildebrand asked Bruce Zimmerman to explain to the Board the recommendation of appointment of Russ Kampfe as Corporate Officer. Mr. Zimmerman explained that Russ Kampfe's title changed from Senior Portfolio Manager to Managing Director – Fixed Income Investments. Managing Directors are considered officers of the Corporation. He requested that the Board approve appointment of Russ Kampfe

as an officer of the Corporation. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

RESOLVED, that Russ Kampfe is hereby appointed to the office of Managing Director of the Corporation to serve until the next Annual Meeting of the Corporation or until his resignation or removal.

Risk Committee Report

Chairman Hildebrand asked Mr. Bass to provide a report from the Risk Committee. Mr. Bass reported that the Committee had convened earlier that same day and minutes were approved from previous meetings. He stated that the Risk Committee approved 17 new investment mandate categorizations prepared by Staff for the period beginning July 1, 2015 and ending November 1, 2015. The Committee heard a report from Ms. Gonzalez on compliance items for the quarter ending August 31, 2015. Mr. Bass stated that there were no Board action items related to the Risk Committee report. John White joined the meeting at this time.

Audit and Ethics Committee Report

Chairman Hildebrand asked Mr. White to provide a report on behalf of the Audit and Ethics Committee. Mr. White reported that the Committee met twice since the Board last met, on November 11, 2015, and jointly with the Compensation Committee earlier in the day. At the meetings, the Committee approved minutes from their previous meeting, approved the Deloitte & Touche LLP's Audit Results and Communications and the audit reports of the Permanent University Fund ("PUF"), General Endowment Fund ("GEF"), Permanent Health Fund ("PHF"), Long Term Fund ("LTF"), Intermediate Term Fund ("ITF"), and the Statement of Investment Performance Statistics for the year ended August 31, 2015. They also heard a report from UT System Audit Office and approved their FY2016 Audit Plan and status of audits, and heard an update on UTIMCO's compliance, reporting and audit matters. The Committee discussed and approved the General Counsel and Chief Compliance Officer's Performance Incentive Award for the Performance Period ended August 31, 2015, and recommended to the Compensation Committee for further approval. The Committee convened in Executive Session for the purpose of deliberating individual personnel compensation matters related to the General Counsel and Chief Compliance Officer's Performance Incentive Award as a Participant in the UTIMCO Compensation Program for the Performance Period ended August 31, 2015. Mr. White asked Mr. Cowley of Deloitte and Touche LLP to provide the Board a brief report of Deloitte and Touche LLP's Financial Statement Audit Results and Communications and the Management's Representation Letter. Mr. White requested approval, on behalf of the Audit and Ethics Committee, of a resolution related to the Audits of the Funds for Fiscal Year 2015. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

RESOLVED, that Deloitte & Touche LLP's Financial Statement Audit Results and Communications on the Investment Funds Under Fiduciary Responsibility of The University of Texas System Board of Regents for the year ended August 31, 2015, be, and is hereby approved in the form as presented to the Board; and

FURTHER RESOLVED, that the separate annual financial statements and audit reports for the Permanent University Fund, the Permanent Health Fund, The

University of Texas System Long Term Fund, The University of Texas System General Endowment Fund, and The University of Texas System Intermediate Term Fund each for the fiscal years ended August 31, 2015, and August 31, 2014, and the Statement of Investment Performance Statistics for the year ended August 31, 2015, be, and are hereby approved in the form as presented to the Board.

Compensation Committee Report

Chairman Hildebrand asked Mr. Hobson, Chairman of the Compensation Committee to provide a report on the Committee's meetings. Mr. Hobson stated that the Compensation Committee (the "Committee") met on November 9, 2015 and again earlier in the day jointly with the Audit and Ethics Committee. At its meeting on November 9, 2015, the Committee approved Committee meeting minutes of its October 12, 2015 and October 15, 2015 meetings and met in Executive Session.

At the joint meeting held earlier in the day, the Committee approved the minutes of its November 9, 2015 meeting. Two other resolutions were also approved, subject to further approval by the Board. These resolutions included approval of the Performance Incentive Awards for the Plan Participants for the Performance Period (excluding the CEO) ended August 31, 2015, and a recommendation of the Performance Incentive Award of the CEO for the 2014/2015 Performance Period ended August 31, 2015. Two other resolutions regarding the designation of Participants in Corporation's Compensation Program for the 2015/2016 Performance Period and Qualitative Goals for the Performance Period ended August 31, 2016, were deferred to a later Committee meeting. Upon motion duly made and seconded, the following resolutions were unanimously adopted by the Board:

WHEREAS, Section 5.5.(d) of the UTIMCO Compensation Program (the "Plan") provides that, at the end of each "Performance Period," the Board will approve the "Performance Incentive Award" of the CEO based upon a determination of the level of achievement of the CEO with respect to his or her "Performance Goals" for such Performance Period; and

WHEREAS, the Compensation Committee has reviewed and approved the actual performance of the CEO during the 2014/2015 Performance Period and has submitted its recommendation to the Board for approval; and

WHEREAS, the Board has reviewed the actual performance of the CEO during the 2014/2015 Performance Period and has compared such actual performance relative to each Performance Goal category for the CEO against his corresponding Performance Goal for such Performance Period.

NOW, THEREFORE, be it:

RESOLVED, that the Board approves the CEO's Performance Incentive Award for the 2014/2015 Performance Period in the amount of \$1,573,586 and be it

FURTHER RESOLVED, that of the CEO's \$1,573,586 Performance Incentive Award for the 2014/2015 Performance Period, 50% (\$786,793) will be deferred pursuant to the Plan.

And,

WHEREAS, Section 5.5.(d) of the UTIMCO Compensation Program (the "Plan") provides that, at the end of each "Performance Period," the Compensation Committee will approve, subject to further approval of the UTIMCO Board, the "Performance Incentive Award" of each Participant based upon a determination of the level of achievement of such Participant against his or her "Performance Goals" for such Performance Period; and

WHEREAS, in accordance with Section 5.5.(d) of the Plan, the Compensation Committee has determined the level of achievement by each Participant in the Plan during the 2014/2015 Performance Period of his or her Performance Goals for such Performance Period; and

WHEREAS, Sections 5.5.(e) and 5.5.(f) of the Plan provide that, based on the percentage achieved of each Participant's Performance Goals for a Performance Period, a Performance Incentive Award will be calculated for such Participant for such Performance Period in accordance with the calculation methodology set forth in Appendix A of the Plan; and

WHEREAS, Section 5.5.(f) of the Plan provides that the Compensation Committee will review all calculations of Performance Incentive Awards, make any changes it deems appropriate, and submit its recommendation to the Board for approval; and

WHEREAS, the Compensation Committee has reviewed the Performance Incentive Awards for all Participants who have met or exceeded their performance benchmarks for the 2014/2015 Performance Period, made changes it deemed appropriate, approved such Performance Incentive Awards, and recommended that the Board approve the same.

NOW, THEREFORE, be it:

RESOLVED, that the Board approves the Performance Incentive Awards for all Participants for the 2014/2015 Performance Period (excluding the CEO) in the total aggregate amount of \$6,844,211 and be it

FURTHER RESOLVED, that of the Performance Incentive Awards for the 2014/2015 Performance Period (excluding the CEO), 28.6% (\$1,960,572) will be deferred pursuant to the Plan.

Proposed 2016 Meeting Dates

Chairman Hildebrand presented the 2016 Meeting Dates for the Corporation, with no action necessary.

Mr. Zimmerman thanked the Board on behalf of himself and all staff.

There being no further business to come before the Board, the meeting was adjourned at approximately 3:53 p.m.

Secretary: 
Joan Moeller

Approved:  Date: 2/1/16
Jeffery D. Hildebrand
Chairman, Board of Directors of
The University of Texas Investment Management Company