

**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 **March 2, 2016**, 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, Chairman
Ardon E. Moore, Vice Chairman
William H. McRaven, Vice Chairman for Policy
Phil Adams
Kyle Bass
David J. Beck
R. Steven Hicks
H. Lee S. Hobson

thus constituting a majority and quorum of the Board. Director John D. White did not attend the meeting. Chairman Hildebrand called the meeting to order at 3:10 p.m. Employees of the Corporation attending the meeting were Bruce Zimmerman, CEO and Chief Investment Officer; Joan Moeller, Secretary and Treasurer; Christy Wallace, Assistant Secretary; Cecilia Gonzalez, Corporate Counsel and Chief Compliance Officer; Mark Warner, Senior Managing Director - Natural Resources, Emerging Markets & Lower/Middle Markets; Uzi Yoeli, Managing Director - Risk Management; Russ Kampfe, Managing Director – Fixed Income; Ryan Ruebsahm, Managing Director – LCC; Susan Chen, Managing Director – MCC, Technology & Deal Legal; Eddie Lewis, Senior Director – Real Estate; Pat Pace, Director – Healthcare & Lower/Middle Markets; Spencer Swayze, Director – Natural Resources; and other staff members. Other attendees were Jim Phillips, Roger Starkey, Allen Hah, Terry Hull, Melanie Thompson of UT System Administration; Keith Brown of the McCombs School of Business at UT Austin; Jerry Turner and Bob Jewell of Andrews Kurth 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 January 15, 2016. 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
January 15, 2016, be, and are hereby, approved.

Endowment and Operating Funds Update

Chairman Hildebrand asked Mr. Zimmerman to present the Corporation's endowment and operating funds update. Mr. Zimmerman stated that he was presenting the same information that was provided to the UT System Board of Regents at their last meeting. He provided Assets Under Management as of December 31,

2015, reporting that the Corporation had \$34.8 billion of assets under management: \$17.4 billion in the Permanent University Fund (“PUF”), \$8.2 billion in the General Endowment Fund (“GEF”), \$1.9 billion in the Short Term Fund (“STF”), \$0.1 billion in the Separately Invested Funds, \$0.1 billion in the Debt Proceeds Fund, and \$7.1 billion in the Intermediate Term Fund (“ITF”). He then gave a detailed report of each line item in the combined PUF and GEF Exposure. He also presented returns, returns vs. market, and market performance during calendar year 2015. Mr. Zimmerman presented active management, returns and value add. He then asked colleagues to discuss each investment strategy providing one year calendar returns. Mr. Kampfe, Mr. Swayze, Mr. Warner, Mr. Ruebsahm, Mr. Lewis, Ms. Chen, Mr. Rincon and Dr. Pace discussed and reported on their respective portfolios. Mr. Zimmerman gave an update on the private investments portfolio and asked Dr. Yoeli to report on different risk scenarios. Mr. Zimmerman and Investment Staff answered the Directors’ questions.

Investment Strategy

Chairman Hildebrand asked Mr. Zimmerman to provide information to the Board regarding investment strategy. Mr. Zimmerman discussed the presentation, *Investment Strategy*, which represented staff’s initial stages in the review of strategic investment performance, strategic asset allocation and various issues to create the optimal portfolio. Mr. Zimmerman answered the Directors’ questions.

Audit and Ethics Committee Report

Chairman Hildebrand asked Mr. Adams to provide a report on behalf of the Audit and Ethics Committee. Mr. Adams reported that the Committee met twice on January 15, 2016 and on February 17, 2016. At the January 15, 2016 meeting, the Committee approved minutes from their previous meeting, and on behalf of the Committee and the CEO, jointly recommended the position of Corporate Counsel and Chief Compliance Officer as an Eligible Position and Cecilia Gonzalez as a “Participant” in the UTIMCO Compensation Program for the 2015/2016 Performance Period subject to further approval by the Board. At the February 17, 2016 meeting, minutes were approved from the last meeting, and Deloitte & Touche LLP Financial Statement Audit Results and Communications and Audited Financial Statements for the Corporation were approved, subject to further approval by the Board. The Committee heard a report on the audit from Robert Cowley of Deloitte & Touche, LLP, a compliance report for the period ending November 30, 2015, from Ms. Gonzalez, received an update on ongoing audits from UT System Internal Audit, and Ms. Moeller presented the Unaudited Financial Statements for the PUF, the GEF, the PHF, the LTF, the ITF, and the Corporation for the three months ended November 30, 2015. The Committee also went into Executive Session to receive advice from counsel. On behalf of the Audit and Ethics Committee, the following resolutions were recommended for approval. 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 Corporation for the year ended August 31, 2015, be, and is hereby approved in the form as presented to the Audit and Ethics Committee, subject to approval by the Corporation’s Board.

And,

RESOLVED, that the annual financial statements and audit report for the Corporation for the years ended August 31, 2015, and August 31, 2014 be, and are

hereby approved in the form as presented to the Audit and Ethics Committee, subject to approval by the Corporation's Board.

Risk Committee Report

Chairman Hildebrand asked Mr. Bass to provide a report from the Risk Committee. Mr. Bass reported that the Committee had convened on February 16, 2016, and minutes were approved from the previous meeting. He stated that the Risk Committee approved 16 new investment mandate categorizations prepared by Staff for the period beginning November 2, 2015 and ending January 31, 2016. The Committee heard a report from Ms. Gonzalez on quarterly compliance items for the quarter ending November 30, 2015 and a report from Mr. Zimmerman on performance and risk reporting. Mr. Bass stated that there were no Board action items related to the Risk Committee report.

Organization Update

Chairman Hildebrand asked Mr. Zimmerman to provide the Board with an update on the organization. Mr. Zimmerman discussed the current organization chart and gave a recruiting update on new positions at the Corporation. He also discussed the budget, comparing actual to budget. Mr. Zimmerman and Mr. Warner answered the Directors' questions.

Corporate Resolutions

Chairman Hildebrand recommended Board approval of the resolution to designate the Annual Meeting of the UTIMCO Board of Directors. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

RESOLVED, that the Annual Meeting of the Board of Directors will be held on May 5, 2016, in Austin, Texas.

Chairman Hildebrand then recognized the distinguished service of Directors Moore and White as members of the Board, with several Board members acknowledging their outstanding knowledge and guidance. Upon motion duly made and seconded, the following resolutions were unanimously adopted by the Board:

WHEREAS, in recognition of his substantial background and expertise in business, Ardon E. Moore was appointed by the Board of Regents of The University of Texas System to the Board of Directors of The University of Texas Investment Management Company ("UTIMCO") in 2006, reappointed to a second term in 2009, and was reappointed for a third and final term in 2012; and

WHEREAS, Mr. Moore served as Vice Chairman of the Board since 2012, and served as a member of the Compensation, Policy and Risk Committees; and

WHEREAS, during his tenure on the UTIMCO Board, Mr. Moore provided invaluable insight and counsel, drawing on his many years of business and investment experience as President and CEO of Lee M. Bass, Inc.; and

WHEREAS, Mr. Moore's commitment and service as a Director of UTIMCO were exemplary, reflecting his deep devotion to the education and development of students at all levels, and further evidenced as a member of The University of Texas Development Board and the Advisory Council, The University of Texas McCombs School of Business; and

WHEREAS, Mr. Moore's unselfish contributions are also evidenced in the civic and corporate arenas by his service on numerous boards, including President of the Fort Worth Zoological Association, Past President of All-Saints Episcopal School of Fort Worth, Past Trustee of the Stanford Business School Trust, the Cook Children's Hospital Foundation Board, and the Texas Water Foundation; and

WHEREAS, during Mr. Moore's tenure on the UTIMCO Board, UTIMCO managed the Permanent University Fund and other investments of The University of Texas System with the highest standards of integrity, professionalism, and competency, earning wide praise and recognition from UTIMCO's investment beneficiaries, namely The University of Texas System and The Texas A&M University System, as well as the alumni and patrons of such Systems, the State's legislative leaders, the national credit rating agencies, capital markets, and investment community generally; and

WHEREAS, much of the credit for UTIMCO's success is directly attributable to Mr. Moore's leadership, judgment, and commitment.

NOW, THEREFORE,

BE IT RESOLVED, that the Directors of The University of Texas Investment Management Company, on behalf of the grateful people of the State of Texas, particularly the Boards of Regents and Administrators of The University of Texas System and The Texas A&M University System, do hereby express to Ardon E. Moore their sincerest appreciation for his leadership and service that contributed immeasurably to UTIMCO's success; and

BE IT FURTHER RESOLVED, that all persons who read this Resolution should know that Mr. Moore has made a lasting and fundamental contribution to improve the manner in which public university endowments are invested and managed in the State of Texas, to the benefit of all of the citizens of the State, particularly the students and faculty of The University of Texas System and The Texas A&M University System.

PASSED AND ADOPTED this 2nd day of March, 2016.

And,

WHEREAS, in recognition of his substantial background and expertise in business, John D. White was appointed by Governor Rick Perry to the Board of Regents of The Texas A&M University System from 2003 to 2009; and reappointed in 2011 for an additional four-year term, serving as chairman from 2005-2007 and vice-chairman from 2007 to 2009; and

WHEREAS, in 2014, Mr. White was appointed to the Board of Directors of The University of Texas Investment Management Company ("UTIMCO") by the Board of Regents of The Texas A&M University System; and

WHEREAS, Mr. White is a fifth generation Texas rancher, received his Bachelor of Arts degree in Political Science from Texas A&M University, a law degree from The University of Texas School of Law, and began his career in the U.S. Air Force as Judge-Advocate; and

WHEREAS, during his tenure on the UTIMCO Board, Mr. White provided invaluable insight and counsel, drawing on his immense legal experience in a variety of industry sectors, with a focus on energy, including having been elected as managing partner of three different law firms in his legal career, serving as a partner with Murphree Venture Partners LP; co-founder, Chairman of the Board and CEO for Standard Renewable Energy Group, LLC; a principal of the Southern Funds Group, LLC; and Managing Director of The Wind Alliance, a public, private, University consortium; and

WHEREAS, Mr. White's commitment and service as a Director of UTIMCO were exemplary, reflecting his deep devotion to the education and development of students at all levels, and further evidenced by his work in prior years with the Texas A&M University System Committee on Finance; the Committee on Buildings and Physical Plant; the Policy Review Committee; chair of the Committee on Audit; chair of the Public Policy and Planning Committee; service as a member of the Presidential Library Committee; and The Texas A&M University System Board of Regents' special liaison to the Texas A&M Association of Former Students, Board for Lease of University Lands, Texas A&M System Research, the Texas A&M Corps of Cadets and Texas A&M System Military Training Programs; and

WHEREAS, Mr. White's unselfish contributions are also evidenced in the corporate and civic arenas by his current service on numerous boards, including as a board member of the Houston Technology Center, The Greater Houston Partnership; The Association for Community Broadcasting; Chairman of the Board of the Ed Rachal Foundation; a fellow of the American, Texas and Houston Bar foundations; a member of the State Bar of Texas; past president of the Texas Aggie Bar Association; past member of the Texas A&M Vision 2020 Project Faculty Committee and Houston Livestock Show and Rodeo International Committee; and

WHEREAS, during Mr. White's tenure on the UTIMCO Board, UTIMCO managed the Permanent University Fund and other investments of The University of Texas System with the highest standards of integrity, professionalism, and competency, earning wide praise and recognition from UTIMCO's investment beneficiaries, namely The University of Texas System and The Texas A&M University System, as well as the alumni and patrons of such Systems, the State's legislative leaders, the national credit rating agencies, capital markets, and investment community generally; and

WHEREAS, Mr. White has provided outstanding leadership, judgment, and commitment through his dedicated service as Chairman of the Audit and Ethics Committee and Member of the Board's Policy and Risk Committees. NOW, THEREFORE,

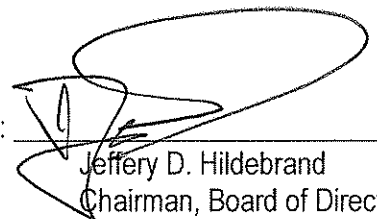
BE IT RESOLVED, that the Directors of The University of Texas Investment Management Company, on behalf of the grateful people of the State of Texas, particularly the Boards of Regents and Administrators of The University of Texas System and The Texas A&M University System, do hereby express to John D. White their sincerest appreciation for his leadership and service that contributed immeasurably to UTIMCO's success; and

BE IT FURTHER RESOLVED, that all persons who read this Resolution should know that Mr. White has made a lasting and fundamental contribution to improve the manner in which public university endowments are invested and managed in the State of Texas, to the benefit of all of the citizens of the State, particularly the students and faculty of The University of Texas System and The Texas A&M University System.

PASSED AND ADOPTED this 2nd day of March, 2016.

There being no further business to come before the Board, the meeting was adjourned at approximately 5:45 p.m.

Secretary: 
Joan Moeller

Approved: 
Jeffery D. Hildebrand
Chairman, Board of Directors of
The University of Texas Investment Management Company

Date: 