

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

A meeting of the Compensation Committee (the "Committee") of The University of Texas Investment Management Company (the "Corporation") convened in open session on **December 1, 2016**, at the offices of the Corporation, Suite 2800, 401 Congress Avenue, Austin, Texas, said meeting having been called by the Committee Chair, H. Lee S. Hobson, 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:

H. Lee S. Hobson, Chair
Kyle Bass
Ray Nixon
Ray Rothrock

Jeffery D. Hildebrand, Chairman of the Board, Directors Phil Adams, R. Steven Hicks, and David J. Beck also attended the meeting, thus constituting a majority and quorum of the Committee and the Board. Committee Chair ("Chairman") Hobson called the meeting to order at 8:30 a.m. Employees of the Corporation attending the meeting were Mark Warner, Interim CEO and Chief Investment Officer; Joan Moeller, Treasurer and Secretary; Cissie Gonzalez, Corporate Counsel and Chief Compliance Officer. Other attendees were Jerry Turner and Bob Jewell of Andrews Kurth Kenyon LLP. Copies of materials supporting the Committee meeting agenda were previously furnished to each Committee member.

Approval of Minutes

Chairman Hobson announced that the approval of minutes from the Compensation Committee meetings held on November 17, 2016 and November 28, 2016 were being deferred until a future meeting.

Executive Session

Chairman Hobson announced that, "The Compensation Committee of the Board of Directors of The University of Texas Investment Management Company having been duly convened in Open Session and notice of this meeting having been duly given, I hereby announce the convening of a closed meeting as an Executive Session of the Committee, for the purpose of deliberating individual personnel compensation and evaluation matters, including Performance Incentive Awards for UTIMCO Compensation Program Participants for the Performance Period ended August 31, 2016. This Executive Session meeting of the Committee is authorized by Texas Government Code Section 551.074 (Personnel Matters). The date is December 1, 2016, and the time is now 8:32 a.m." With the exception of Mr. Warner, Ms. Moeller, Mr. Turner and Mr. Jewell, all staff members left the meeting. Mr. Warner and Ms. Moeller left the meeting during discussion of their compensation.

Open Session

The Committee reconvened in open session and Chairman Hobson announced that, "The Open Session of the Compensation Committee of the Board of Directors of The University of Texas Investment Management Company is now reconvened. The date is December 1, 2016, and the time is now 9:31 a.m. During the Executive Session, the Committee deliberated individual personnel compensation and evaluation matters but no action was taken nor decisions made, and no vote was called for or had by the Committee in Executive Session."

Performance Incentive Awards for the Participants of the UTIMCO Compensation Program for the Performance Period ended August 31, 2016

Chairman Hobson stated that there were two resolutions for Committee Consideration. The first resolution before the committee was the former CEO's Performance Incentive Award. The second resolution before the Committee was the Participants' Performance Incentive Awards. Both resolutions are subject to further approval by the Board, as set forth in the Committee Meeting materials. Upon motion duly made and seconded, the following resolutions were unanimously adopted:

WHEREAS, Section 5.5.(d) of the UTIMCO Compensation Program (the "Plan") provides that, at the end of each "Performance Period," the Board will determine the level of achievement of the CEO relative to the CEO's "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 each 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 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 Committee has reviewed the calculation of the Performance Incentive Award related to Entity Performance for the CEO of the Corporation, approves such calculation, and recommends that the Board approve the CEO's Performance Incentive Award related to Entity Performance.

NOW, THEREFORE, be it:

RESOLVED, that the CEO's Performance Incentive Award related to Entity Performance for the 2015/2016 Performance Period in the total amount of \$1,141,531 is hereby approved, subject to further approval of the UTIMCO Board.

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

(the "Committee") will approve, subject to further approval by the UTIMCO Board (the "Board"), the "Performance Incentive Award" of each Participant (excluding the CEO) 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 Committee has determined the level of achievement of each Participant in the Plan during the 2015/2016 Performance Period of his or her Performance Goals for such Performance Period; and

WHEREAS, Section 5.5.(e) of the Plan provides that, based on the percentage achieved of each Participant's Performance Goals for a Performance Period, a Performance Incentive Award will be calculated for each 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 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 2015/2016 Performance Period and wishes to document approval of such Performance Incentive Awards and recommend that the Board approve the same.

NOW, THEREFORE, be it:

RESOLVED, that the Performance Incentive Awards for all Participants (excluding the CEO) for the 2015/2016 Performance Period in the total aggregate amount of \$5,654,251 is hereby approved, subject to further approval of the UTIMCO Board and be it

FURTHER RESOLVED, that of the Performance Incentive Awards for all Participants (excluding the CEO), 28% (\$1,606,877) will be deferred pursuant to the Plan.

Adjourn

There being no further business to come before the Committee, the meeting was adjourned at approximately 9:34 a.m.

Secretary: Joan Moeller
Joan Moeller

Approved: H. Lee S. Hobson Date: 3/21/17
H. Lee S. Hobson, Chair
Compensation Committee of the Board of Directors of
The University of Texas Investment Management Company