

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

The Risk Committee (the "Committee") of The University of Texas Investment Management Company (the "Corporation") convened in open session on **February 16, 2016**, 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 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 Committee:

Kyle Bass, Chair
H. Lee S. Hobson
Ardon E. Moore
John D. White

thus constituting a majority and quorum of the Committee. Committee Chair ("Chairman") Bass called the meeting to order at 3:08 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 and Lower/Middle Markets; Susan Chen, Managing Director – MCC, Technology & Deal Legal; Uzi Yoeli, Managing Director – Portfolio Risk Management; Russ Kampfe, Managing Director – Fixed Income; Eddie Lewis, Senior Director - Real Estate; and other staff members. Other attendees were Terry Hull and Allen Hah of The University of Texas System ("UT System") Administration; Jerry Turner and Bob Jewell of Andrews Kurth LLP; and Keith Brown of the McCombs School of Business at UT Austin. 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 approval of the minutes of the November 18, 2015 Meeting of the Risk Committee. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the minutes of the Meeting of the Risk Committee of the Board of Directors held on November 18, 2015, be, and are hereby, approved.

Mandate Categorization

Chairman Bass asked Mr. Zimmerman to give a brief explanation of the new mandate categorizations requiring approval by the Committee. Mr. Zimmerman summarized the 16 new investment mandate categorizations prepared and recommended by Staff for the period beginning November 2, 2015 and ending January 31, 2016. The watch list continues to be monitored, but no recommendations were made for re-categorization at this time. The Chief Compliance Officer and CEO and Chief Investment Officer concurred in the categorizations prepared by the Managing Directors.

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

WHEREAS, the purpose of the Mandate Categorization Procedure, amended as of July 22, 2013, is to provide greater transparency into the process of classifying an investment mandate within the approved Asset Classes and Investment Types as defined in the Investment Policy Statements for the Permanent University Fund, the General Endowment Fund, and the Intermediate Term Fund; and

WHEREAS, the Procedure requires the Managing Directors, the Chief Compliance Officer, and the Chief Investment Officer to review and categorize each new mandate, and to review mandates prior to each Risk Committee meeting to determine whether there have been any change(s) in the investment characteristics of the mandate that warrant a re-categorization and, if so, to recommend re-categorization to the Risk Committee for their approval or re-categorization; and

WHEREAS, a Managing Director, the Chief Compliance Officer, and the Chief Investment Officer have reviewed all new mandates prepared from November 2, 2015, through January 31, 2016, and categorized each as required by the Procedure; and

WHEREAS, the Managing Directors, the Chief Compliance Officer, and the Chief Investment Officer have reviewed existing mandates and determined there have been no changes in the investment characteristics of the mandates to warrant re-categorization; and

WHEREAS, the Risk Committee has reviewed the new Asset Class and Investment Type Mandate Categorizations of sixteen (16) new mandates and concurs in the classifications as proposed by the Corporation's staff.

NOW, THEREFORE, BE IT

RESOLVED, that the Categorizations of the Asset Class and Investment Type for each Investment Mandate are hereby approved.

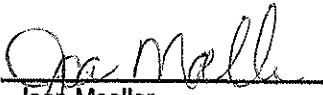
Compliance Summary Program

Chairman Bass asked Ms. Gonzalez to present the Compliance Summary Program update. Ms. Gonzalez presented to the Committee the Investment Policies Compliance Report for the Quarter Ended November 30, 2015. Also monitored were the risk targets, asset allocation targets and ranges, and other investment related restrictions. She reported that there were no out of compliance matters this quarter. Ms. Gonzalez also presented to the Committee the Institutional Compliance Program Report for the Quarter Ended November 30, 2015, including on-going monitoring of the compliance program, employee training, the preclearance of trades, and the Corporation's Compliance Hotline. She reported that within the information technology and security area there were two minor compliance violations of unencrypted personal information being sent over the internet by employees. Both employee violations were addressed. Ms. Gonzalez also gave an update on the Institutional Compliance Action Plan for FY 2016.

Performance and Risk Reporting

Chairman Bass asked Mr. Zimmerman to provide the risk and performance report. Mr. Zimmerman stated that he would be providing a very detailed funds update at the next Board of Directors meeting; therefore, limited his presentation to a brief summary. Mr. Zimmerman explained a few new slides in the report regarding endowment returns and ratios, and returns and value add. He presented specific slides that he prepared for the last UT System Board of Regents meeting, and reported on investment strategies, private investments portfolio, risk charts and the ITF. During the performance and risk reporting discussion, Mr. Zimmerman, Mr. Warner, Dr. Yoeli, Ms. Chen and Mr. Ruebsahm answered the Committee Member's questions.

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

Secretary: 
Joan Moeller

Approved: 
Kyle Bass, Chair
Risk Committee of the Board of Directors of
The University of Texas Investment
Management Company

Date: MAY 6, 2016