

**MINUTES OF MEETING
OF THE RISK COMMITTEE OF THE
BOARD OF DIRECTORS 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 **April 26, 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
John D. White

thus constituting a majority and quorum of the Committee. Director Ardon E. Moore did not attend the meeting. Committee Chair ("Chairman") Bass called the meeting to order at 3:04 p.m. Employees of the Corporation attending the meeting were Bruce Zimmerman, CEO and Chief Investment Officer; Joan Moeller, Treasurer and Secretary; 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 – Risk Management; Russ Kampfe, Managing Director – Fixed Income; Gary Hill, Senior Manager – Investment Reporting; and other staff members. Other attendees were Jerry Turner 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 February 16, 2016 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 February 16, 2016, be, and are hereby, approved.

Mandate Categorization

Chairman Bass asked Mr. Zimmerman to give a brief summary of the new mandate categorizations requiring approval by the Committee. Mr. Zimmerman summarized the 14 new investment mandate categorizations prepared and recommended by Staff for the period beginning February 1, 2016 and ending April 1, 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 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 February 1, 2016, through April 1, 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 fourteen (14) 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

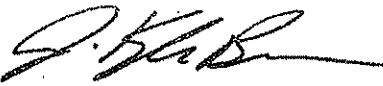
Chairman Bass asked Ms. Gonzalez to present the Compliance Summary Program update. Ms. Gonzalez presented to the Committee the Investment Policies Compliance Report for the Quarter Ended February 29, 2016. Also monitored were the Derivative Investment Policy, risk targets, asset allocation targets and 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 February 29, 2016, including on-going monitoring of the compliance program, employee training, the preclearance of trades, and the Corporation's Compliance Hotline. She reported that there had been several changes within the organization but all Staff responsibilities had been tracked with regards to compliance due diligence. Within the information technology and security area there was one malware incident and several compliance violations, including storing of Corporation data on unapproved personal devices or cloud services. All issues were addressed with the respective user and were resolved. Ms. Gonzalez also gave an update on the Institutional Compliance Action Plan for FY 2016 and reported that a new Compliance Specialist had been hired, with March 15, 2016, as his first date of employment. Ms. Gonzalez answered the Committee Members' questions.

Performance and Risk Reporting

Chairman Bass asked Mr. Zimmerman to provide a brief performance and risk report. Mr. Zimmerman stated that since he would be providing a very detailed funds update at the next Board of Directors meeting, he would summarize his report at this meeting. He briefly reported on returns as of February 29, 2016, value add and benchmarks, and added that a presentation on private investments would be provided at the full board meeting.

Chairman Bass stated that the Committee would not recess into a briefing session as offered on the agenda. There being no further business to come before the Risk Committee, the meeting was adjourned at approximately 3:18 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: 8/5/16