

**MINUTES OF MEETING
OF THE BOARD OF DIRECTORS OF
THE UNIVERSITY OF TEXAS/TEXAS A&M INVESTMENT MANAGEMENT COMPANY**

The Board of Directors (the "Board") of The University of Texas/Texas A&M Investment Management Company (the "Corporation") convened in an open meeting on **February 28, 2018**, in person at the corporate headquarters located at 210 West 7th Street, Suite 1700 in Austin, 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
Phil Adams
J. Kyle Bass
Robert Gauntt
Janet Handley
R. Steven Hicks
Ray Nixon
Ray Rothrock
James C. "Rad" Weaver

thus constituting a majority and quorum of the Board. Employees of the Corporation attending the meeting were Britt Harris, President, CEO and Chief Investment Officer; Joan Moeller, Secretary and Treasurer; Cecilia Gonzalez, Corporate Counsel and Chief Compliance Officer; Rich Hall, Deputy Chief Investment Officer; Scott Slayton, Managing Director; Uzi Yoeli, Managing Director; Russell Kampfe, Managing Director; Susan Chen, Managing Director; Ryan Ruebsahm, Managing Director; Eddie Lewis, Managing Director; Pat Pace, Senior Director; Directors Richard Rincon, Billy Prather, Suneel Kaji; and other team members. Other attendees were Student Regent Jaciel Castro of The University of Texas System ("UT System") Board of Regents; Harvey Schwartz, President and Co-COO of Goldman Sachs; Robert Cowley and Jason Bell of Deloitte and Touche LLP; Keith Brown of the McCombs School of Business at UT Austin; Jerry Turner of Orrick, Herrington & Sutcliffe LLP; Roger Starkey, Barry McBee, and Karen Adler of UT System; and David Rejino of The Texas A&M University System. Chairman Hildebrand called the meeting to order at 9:01 a.m. Copies of materials supporting the Board meeting agenda were previously furnished to each member of the Board.

Before beginning the Board Meeting, Mr. Harris recognized Melynda Shepherd and David Gahagan for all their hard work on the move to our new headquarters in the UT System Building. This is the inaugural Board of Directors meeting in the new headquarters.

Minutes

The first item to come before the Board was approval of the Minutes of the Board of Directors Meeting held on November 29, 2017. 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 November 29, 2017, be, and are hereby, approved.

Corporate Resolutions

Chairman Hildebrand recommended approval of a resolution appointing Rich Hall and Scott Slayton as corporate officers to the offices of Deputy Chief Investment Officer and Managing Director, respectively. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

RESOLVED, that Rich Hall and Scott Slayton are hereby appointed to the offices of Deputy Chief Investment Officer and Managing Director, respectively, of the Corporation to serve until the next Annual Meeting of the Corporation or until his resignation or removal.

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 17, 2018, in Austin, Texas.

Conversation with President and Co-COO of Goldman Sachs

Chairman Hildebrand introduced Mr. Harvey Schwartz, President and Co-COO of Goldman Sachs, and invited him to share with UTIMCO and the Board his thoughts on the current market situation. Mr. Harris addressed various prepared questions with Mr. Schwartz, including the market, economic, and political environment, central banking and international indicators, current and evolving regulations in the United States and FinTech, technology related to the financial sector. Mr. Harris and Mr. Schwartz answered the Directors' questions. Chairman Hildebrand thanked Mr. Schwartz for his presentation.

Performance and Market Update

Chairman Hildebrand asked Mr. Slayton to give the UTIMCO Performance and Market Update. Mr. Harris provided a brief introduction of Mr. Slayton to the Board. Mr. Slayton reflected on the 2017 market environment and returns and posited on the future economy, market activities, and expected returns.

Mr. Slayton also discussed 2017 returns for the funds, 14.5% for the Permanent University Fund ("PUF"); 14.5% for the Permanent Health Fund ("PHF") and the Long Term Fund ("LTF"). Total Net Asset Value ("NAV") at the end of 2016 was \$37.7B; NAV at the end of 2017 was \$43.2B, a difference of \$5.5B, which is a very large absolute return. University Lands contributed \$700M to the PUF and the PUF paid out \$900M during the year. Mr. Slayton and Mr. Harris answered the Directors' questions.

Total Alignment Presentation

Chairman Hildebrand asked Mr. Harris and Mr. Hall to present to the Board UTIMCO's Total Alignment plan and top ten priorities for 2018. Mr. Harris explained that the process of creating the significant action plan is to make a strong foundation for UTIMCO in the many years to come. The mantra of UTIMCO is Total Alignment, which means to become re-engaged with our mission, articulate a compelling vision, establish standards for excellence, strategize and prioritize what the environment should look like, and create a sustainable and healthy environment. To accomplish all of this, we must be in alignment with each other, our board, our partners, and our clients. The top ten priorities include the following: total alignment map, address agency priorities, preferred destination for investors/investments, focus on critical processes, align compensation, review underperforming areas, create new products, preferred investment employer, modernize analytical systems, and create great relationships/continually improve. Mr. Harris pointed out that the original mission statement of UTIMCO was excellent, but hard to remember. An employee, Drury Morris created several acronyms to help all UTIMCO employees remember the mission, vision, and cultural values of the organization. Chairman Hildebrand noted that any good organization has to have a noble cause for their employees to be totally engaged in the mission and vision.

Chairman Hildebrand suggested having an outside agency objectively review UTIMCO's culture to evaluate how well the Total Alignment Plan has worked. Mr. Harris and the management team answered the Directors' questions.

At approximately 11:52 a.m. the Board recessed for lunch.

The meeting of the Board reconvened in open session at approximately 12:33 p.m.

Private Investments Report

Chairman Hildebrand asked Dr. Pace, Mr. Prather, Mr. Rincon, and Mr. Kaji to update the Board on the Private Investments Team and their current work. The presentation covered three of the five sectors in the Private Markets portfolio, Natural Resources, Developed Markets, and Emerging Markets.

The Private Investments portfolio is \$7.3 Billion or 25% of the total funds, half of which is in Natural Resources, with the remainder split between traditional markets private equity and emerging markets private equity. All the investments are made by outside managers through a fund or co-investment. Mr. Prather discussed the Natural Resources portfolio, Dr. Pace discussed the Developed Markets portfolio, and Messrs. Rincon and Kaji presented the Emerging Markets portfolio. The presenters answered the Directors' questions.

Co-Investment Strategy Report

Chairman Hildebrand asked Mr. Lewis to introduce the Board to UTIMCO's co-investment strategy for the Private Markets Team. UTIMCO's co-investment strategy involves deepening collaboration and improving relationships with our partners, which is in line with the Total Alignment Plan. Mr. Lewis explained that the first co-investment made by UTIMCO was in 2010, but the co-investment program did not start until 2012. Co-investments to date are 78 with a NAV of \$1.8 billion and 18.4% return. UTIMCO's goal is to become the preferred destination for co-investment opportunities with our premier list partners. Mr. Lewis and Mr. Harris answered the Directors' questions.

Audit and Ethics Committee Report

Chairman Hildebrand asked Director Handley to provide a report on behalf of the Audit and Ethics Committee. Director Handley reported that the Committee met via teleconference on February 21, 2018. At the meeting, the Committee approved the minutes from their previous meeting and approved the Deloitte & Touche LLP's Audit Results and Communications and the audited financial statements for the Corporation for the year ended August 31, 2017, subject to approval by the Board. The Committee made its recommendation to the Compensation Committee related to the Qualitative Performance Goals for the Corporate Counsel and Chief Compliance Officer for the Performance Period ended August 31, 2018. Routine matters of the Committee were also considered, including a report from UT System Audit Office; an update on UTIMCO's compliance, reporting, and audit matters; and a presentation of unaudited financial statements as of November 30, 2017 for the Investment Funds and the Corporation. Director Handley then asked Mr. Cowley, engagement partner from Deloitte and Touche, LLP, to briefly discuss the results of the audit of the Corporation with the Board. After Mr. Cowley's discussion, 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 for the Corporation for the year ended August 31, 2017, be, and is hereby approved in the form as presented to the Board; and further

RESOLVED, that the annual financial statements and audit report for the Corporation for the fiscal years ended August 31, 2017 and August 31, 2016, be, and are hereby approved in the form as presented to the Board.

Risk Committee Report

Chairman Hildebrand asked Director Bass to provide a report from the Risk Committee. Director Bass reported that the Risk Committee met via teleconference on February 21, 2018. During the meeting the Risk Committee approved the minutes of the November 16, 2017 meeting and discussed the categorization of nine investment mandates. During the meeting Ms. Gonzalez reviewed and discussed compliance reporting and the Committee listened to a market and portfolio risk update from Dr. Yoeli and Mr. Harris.

Policy Committee Report

Chairman Hildebrand asked Director Hicks to provide a report from the Policy Committee. Director Hicks reported that the Committee convened via teleconference on February 21, 2018. During the Policy Committee meeting, the Committee approved the minutes of the August 30, 2017 meeting and considered and approved proposed amendments to the Bylaws of The University of Texas/Texas A&M Investment Management Company, subject to approval by the Board and the Board of Regents of UT System. The proposed amendments are to update the principal place of business of the Corporation now that the move to the UT System building is complete and to Article V, Sections 4 and 5 (page 6) to allow a director to serve up to five full one-year terms as Chairman and Vice Chairman rather than the current three-year limitation on service in these offices. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

RESOLVED, that amendments to the UTIMCO Bylaws, as presented be, and are hereby, approved, subject to approval by the Board of Regents of The University of Texas System.

Executive Session

Prior to going into executive session, Chairman Hildebrand announced that, "The Board of Directors of The University of Texas/Texas A&M 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 to consider individual personnel compensation and evaluation matters, pursuant to Texas Government Code Section 551.074. The date is February 28, 2018, and the time is now 2:32 p.m."

Reconvene in Open Session

The Board reconvened in open session and Chairman Hildebrand announced that, "The Open Session of the Board of Directors of The University of Texas/Texas A&M Investment Management Company is now reconvened. The date is February 28, 2018, and the time is now 2:49 p.m. During the Executive Session, the Board 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 Board in Executive Session."

Compensation Committee Report

Chairman Hildebrand asked Mr. Rothrock, Chairman of the Compensation Committee, to provide a report on the Committee's meeting. Mr. Rothrock stated that the Compensation Committee met via teleconference on February 21, 2018. The Committee approved the minutes of the November 29, 2017 meeting and approved adding two new employees in Eligible Positions, Scott Slayton and Steve Muenzen, as Participants in the UTIMCO Compensation Program for the Performance Period ending August 31, 2018, subject to approval by the Board. The Committee also met in Executive Session to discuss, and after executive session approved, the Qualitative Performance Goals for the Participants of the UTIMCO Compensation Program for the Performance Period ended August 31, 2018. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

WHEREAS, Section 5.3.(a) of the UTIMCO Compensation Program (the "Plan") provides that, in order to become a "Participant" in the Plan for a Performance Period, a UTIMCO employee must be (1) employed in a position designated by the Board of Directors of UTIMCO (the "Board") as an "Eligible Position" for that Performance Period and (2) selected by the Board as a Participant for that Performance Period; and WHEREAS, the Compensation Committee of the Board has recommended the following individuals, Scott Slayton (Managing Director – Investments) and Steve Muenzen (Analyst – Investments), as Participants in the Plan for the Performance Period ended August 31, 2018; and

WHEREAS, the UTIMCO Board wishes to select Scott Slayton (Managing Director – Investments) and Steve Muenzen (Analyst – Investments) as Participants for the Performance Period ending August 31, 2018.

NOW, THEREFORE, be it:

RESOLVED, that Scott Slayton (Managing Director – Investments) and Steve Muenzen (Analyst – Investments) are hereby designated as “Participants” in the Plan for the Performance Period ended August 31, 2018, effective as of January 29, 2018 and February 26, 2018, respectively.

Contracts Update

Chairman Hildebrand asked Mr. Harris to present the report on all contracts entered into since the last Board meeting. Mr. Harris explained that the Board has delegated to him the authority to execute on the behalf of corporation all contracts, leases, or other commercial arrangements (except investment management agency contracts, partnership agreements, investment consultant agreements and agreements with independent auditors) for a total obligation of \$1 million or less during the contract term; provided that, for purposes of this delegation any contract that does not have a fixed term shall be deemed to have a term of one year; provided further, that notice of any such new contracts, leases, or other commercial arrangements of \$100,000 or more shall be reported to the Board at its next regularly scheduled meeting, and annually, all existing contracts, leases, or other commercial arrangements of \$100,000 or more shall be reported to the Board. Mr. Harris followed by presenting the report on contracts entered into since the last Board meeting and requested the Board to ratify the contract as presented in Executive Session. Mr. Harris also explained that contracts related to the office move would be presented at the next scheduled Board meeting. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

WHEREAS, to meet a pressing need for a Deputy Chief Investment Officer, on behalf of the Corporation, the President, CEO and Chief Investment Officer, with the advice and consent of the Board Chairman, entered into an agreement with Rich Hall to serve as the Corporation’s Deputy Chief Investment Officer; and

WHEREAS, the President, CEO and Chief Investment Officer requests the UTIMCO Board ratify the agreement with Rich Hall dated December 12, 2017, on the terms as presented to the Board in executive session, if the UTIMCO Board deems appropriate.

NOW, THEREFORE, be it:

RESOLVED that the agreement entered into between the Corporation and Rich Hall dated December 12, 2017 (the “Agreement”), for Rich Hall to serve as Deputy Chief Investment Officer is hereby ratified, confirmed, approved and adopted.

FURTHER RESOLVED, that the President, CEO and Chief Investment Officer, and the Secretary of this Corporation be, and each of them hereby is, authorized and empowered (any one of them acting alone) to do or cause to be done all such acts or things and to sign and deliver, or cause to be signed and delivered, all such documents, in the name and on behalf of the Corporation, as such officer of this Corporation may deem necessary, advisable or appropriate to effectuate or carry out the purposes and intent of the foregoing resolution and to perform the obligations of this Corporation under the Agreement.

Adjourn

There being no further business to come before the Board, the meeting was adjourned at approximately 2:52 p.m.

Secretary: Joan Moeller
Joan Moeller

Approved: Jeffery D. Hildebrand Date: 6/19/18
Jeffery D. Hildebrand
Chairman, Board of Directors of
The University of Texas/Texas A&M Investment Management Company