

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

A meeting of the Policy Committee (the "Committee") of The University of Texas Investment Management Company (the "Corporation") convened in open session on **November 5, 2012**, 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, Printice L. Gary, 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:

Printice L. Gary, Chair
Kyle Bass
R. Steven Hicks

thus constituting a majority and quorum of the Committee. Director Morris E. Foster did not attend the meeting. Employees of the Corporation attending the meeting were Bruce Zimmerman, CEO and Chief Investment Officer; Joan Moeller, Secretary and Treasurer; Christy Wallace, Assistant Secretary; Gary Hill, Senior Manager – Investment Reporting; and various staff members. Also attending were Terry Hull, Jim Phillips, and Roger Starkey of The University of Texas System ("UT System") Administration; Keith Brown of McCombs School of Business of The University of Texas at Austin; and Jerry Turner of Andrews Kurth LLP. Chairman Gary called the meeting to order at 1:30 p.m. 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 the approval of the minutes of the Policy Committee meeting held on April 5, 2012, and the Joint Meetings of the Policy and Risk Committees held on July 7, 2011, and July 5, 2012. Upon motion duly made and seconded, the following resolution was adopted by the Committee:

RESOLVED, that the minutes of the Meeting of the Policy Committee of the Board of Directors held on April 5, 2012, and the Joint Meetings of the Policy and Risk Committees held on July 7, 2011 and July 5, 2012, be, and are hereby, approved.

Proposed Amendments to Corporation's Code of Ethics

Mr. Gary asked Mr. Zimmerman to review the proposed amendments to the Corporation's Code of Ethics. In accordance with the Audit Charter of the Audit and Ethics Committee, the Audit and Ethics Committee will periodically review the Code and recommend any proposed changes to the Policy Committee for concurrence and submission to the UTIMCO Board for approval. The charter of the Policy Committee also requires the Policy Committee to review proposed amendments to the Code and recommend to the UTIMCO Board the approval of such amendments. Mr. Zimmerman stated that Staff realized recently, based on the Code as currently drafted, that Staff is prevented from doing business with a publicly traded company merely because an employee's spouse, minor child, or dependent Relative works for that company; for example, the Corporation would no longer be able to purchase its computer equipment from Dell. Staff believed that in most circumstances, the employment in a business entity of a spouse, minor

child, or dependent Relative, who is not in a management or executive officer position and has no ability to influence its operating or financial decisions, should not be treated a prohibited transaction and should, after thoughtful consideration, be able to be waived. For this reason Staff recommended the Code be amended by adding Section 3.01(d) to permit the CEO, with the approval of the Chairman of the Policy Committee, to waive the application of Section 3.01 with respect to an agreement or transaction with a business entity in which the spouse, minor child, or other dependent Relative of an Employee received more than 5% of his income from the entity in the prior year (i.e., a pecuniary interest) so long as the individual is not in a management or executive officer position and does not have control of the operating or financial decisions of the business entity. Mr. Zimmerman stated that the draft changes to the Code are based on the joint efforts of Corporation's Staff, Andrews Kurth LLP, and UT System Office of General Counsel. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Committee:

WHEREAS, the charter of the Audit and Ethics Committee requires the Audit and Ethics Committee to periodically review the Code of Ethics policy of the Corporation and recommend any proposed changes to the Policy Committee (the "Committee") for concurrence and submission to the Board for approval; and

WHEREAS, the Audit and Ethics Committee has reviewed the Code of Ethics policy and recommended changes to the Committee for concurrence and submission to the Board for approval; and

WHEREAS, the Committee concurs in the recommended changes to the Code of Ethics policy.

NOW, THEREFORE, be it:

RESOLVED, that the Committee hereby concurs in the changes to the Code of Ethics policy recommended by the Audit and Ethics Committee in the form previously provided to the Committee, and recommends the approval of such changes by the UTIMCO Board.

There being no further business to come before the Committee, the meeting was adjourned at approximately 1:37 p.m.

Secretary: 
Joan Moeller

Approved: 
Printice L. Gary, Chair
Policy Committee of
The University of Texas Investment
Management Company

Date: _____