

**MINUTES OF SPECIAL CALLED MEETING OF THE
BOARD OF DIRECTORS OF
THE UNIVERSITY OF TEXAS INVESTMENT MANAGEMENT COMPANY**

The Board of Directors (the "Board") of The University of Texas Investment Management Company (the "Corporation") convened in an open meeting on **November 4, 2013**, 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 Chairman, Morris E. Foster, with notice provided to each member in accordance with the Bylaws. The audio portion of the meeting was electronically recorded. Participating in the meeting were the following members of the Board:

Morris E. Foster, Chairman
Ardon E. Moore, Vice Chairman
Francisco G. Cigarroa, Vice Chairman for Policy
Kyle Bass
Jeffery D. Hildebrand
R. Steven Hicks
Charles W. Tate
James P. Wilson

Chairman Foster called the meeting to order at 2:16 p.m. Chairman Foster, Vice Chairman Moore and Directors Bass, Hildebrand, Hicks, Tate and Wilson were in attendance, thus constituting a majority and quorum of the Board. Vice Chairman for Policy Cigarroa joined the meeting later, as noted in the minutes. Employees of the Corporation attending the meeting were Bruce Zimmerman, CEO and Chief Investment Officer; Joan Moeller, Secretary and Treasurer; Christy Wallace, Assistant Secretary; and Cecilia Gonzalez, internal General Counsel and Chief Compliance Officer. Other attendees were Keith Brown of the McCombs School of Business at UT Austin; Jerry Turner and Bob Jewell of Andrews Kurth LLP. Copies of materials supporting the Board meeting agenda were previously furnished to each Director.

Compensation Committee Report

Chairman Foster stated that the request for Executive Session would be bypassed at this meeting. He asked Mr. Bass to report on behalf of the Compensation Committee. Director Bass explained that the Committee and Staff believed that a compensation study was warranted for the 2013/2014 fiscal year and Mercer had been engaged to provide the study. Director Bass stated that the Committee had met on August 28, October 29, and on November 4, 2013, prior to the Board meeting, to discuss compensation in detail. At the November 4, 2013 meeting, the Committee passed a resolution to approve the base salaries for the Corporation's Officers' and other UTIMCO Compensation Program (the "Plan") Participants' (except that of the CEO) for the 2013-14 fiscal year, and a resolution to recommend Board approval of the Committee's proposed base salary for the Corporation's CEO for the 2013-2014 fiscal year. Director Bass noted that the recommended salary amount for the CEO was slightly below Plan policy, and the CEO had not received an increase in salary in the prior year.

Upon motion duly made and seconded, the following resolution was adopted by the Board:

RESOLVED, that the Board of Directors of UTIMCO hereby approves the Base Salary of the Corporation's CEO for the Fiscal Year 2013-2014 in the amount of \$655,000.

Director Bass stated that the Committee also recommended Board approval for the CEO's qualitative performance goals for the performance period ended August 31, 2014. Upon motion duly made and seconded, the following resolution was adopted by the Board:

WHEREAS, Section 5.4.(a) of the UTIMCO Compensation Program (the "Plan") provides that the Compensation Committee (the "Committee") of the Board of Directors of UTIMCO (the "Board") will approve the Performance Goals for each Participant (other than for the CEO) each Performance Period; and

WHEREAS, Section 5.4.(c) of the Plan provides that the Board will determine the Performance Goals of the CEO for each Performance Period; and

WHEREAS, the Board has reviewed the CEO's Qualitative Performance Goals for the Performance Period ended August 31, 2014, as prepared by the CEO, and recommended by the Committee and set forth in the document presented to the Board.

NOW, THEREFORE, be it:

RESOLVED, that the Board approves the Qualitative Performance Goals for the CEO for the Performance Period ended August 31, 2014, as set forth in the document presented to the Board.

Director Bass also recommended, on behalf of the Compensation Committee, appropriate action from the Board related to the updated and amended Tables 1 and 2 of the Plan, copies of which are attached, to replace the current Appendices C and D, respectively, effective as of September 1, 2013. Upon motion duly made and seconded, the following resolution was adopted by the Board:

WHEREAS, Section 7.2. of the UTIMCO Compensation Program (the "Plan") provides that UTIMCO, by action of its Board of Directors (the "Board"), has the right in its discretion to amend the Plan or any portion thereof from time to time; and

WHEREAS, Section 5.3.(a) of the Plan requires Table 1 to be revised, as necessary, for subsequent Performance Periods to set forth any changes or additions to the Eligible Positions, the weightings for the Eligible Positions, the Incentive Award Opportunities, and any Applicable Deferral Percentage for each Eligible Position, for that Performance Period as soon as administratively practicable after confirmation of such Eligible Positions by the Board for such Performance Period and to be attached as Appendix C to the Plan; and

WHEREAS, Section 5.8.(b)(1) of the Plan requires Table 2 to be revised, as necessary, for subsequent Performance Periods to reflect new benchmarks, as well as threshold, target, and maximum performance standards, in effect during the three-year rolling historical period, culminating with the subsequent Performance Period and to be attached as Appendix D to the Plan; and

WHEREAS, the Board has reviewed the revised Tables 1 and 2, and approves the amendments as recommended by the Compensation Committee.

NOW, THEREFORE, be it:

RESOLVED, the updated and amended Tables 1 and 2, copies of which are attached hereto, are hereby adopted and approved to replace the current Appendices C and D, respectively, effective as of September 1, 2013.

On behalf of the Compensation Committee, Director Bass recommended the individuals who may become Participants in the Plan for the Performance Period ended August 31, 2014, as set forth on Exhibit 1, attached, with an effective date of September 1, 2013. Upon motion duly made and seconded, the following resolution was 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 individuals who may become Participants for the Performance Period ended August 31, 2014 set forth on Exhibit 1 attached hereto; and

WHEREAS, the UTIMCO Board has reviewed Exhibit 1 and wishes to select the individuals who may become Participants for the Performance Period ended August 31, 2014.

NOW, THEREFORE, be it:

RESOLVED, that, the individuals set forth on Exhibit 1 attached hereto are hereby designated as "Participants" in the Plan for the Performance Period ended August 31, 2014, effective as of September 1, 2013.

Director Bass reported one action item taken by the Compensation Committee that did not require further approval by the Board. The Committee reviewed and approved the Qualitative Performance Goals for the Participants, other than the CEO's goals, of the UTIMCO Compensation Program for the Performance Period ended August 31, 2014.

Minutes

The next item to come before the Board was approval of the minutes of the Board of Directors Meeting held on October 10, 2013. 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 October 10, 2013, be, and are hereby, approved.

2013-14 Budget

Chairman Foster asked Mr. Zimmerman to present the Corporation's FY14 Budget. Director Cigarroa joined the meeting and Director Bass left the meeting at this time. Mr. Zimmerman reported the FY 2014 Budget. His presentation included all estimated expenses associated with the management of the Investment Funds, including the reserve analysis. At the same time the Corporation submits its annual budget, it submits to the UT System Board an allocation formula for charging the annual budget to the Investment Funds. In addition to the annual budget, UTIMCO submits its capital expenditures budget. The Corporation's budget is subject to further approval by the UT System Board. Staff recommended approval of the UTIMCO Management Fee and Other Direct Fund Costs, resulting in Total Fees of \$32,214,480; a Capital Budget of \$1,034,900; and the Allocation Schedule; as provided to the Board for the period beginning September 1, 2013 through August 31, 2014. During the preparation of the annual budget, a reserve analysis is also prepared. Within 90 days after the end of each fiscal year, in the event that there is a surplus, UTIMCO distributes that portion of the cash reserves as may be directed by the UT System Board back to the Funds which generated the surplus. Based on the reserve analysis, no cash reserves were required to be distributed back to the Funds. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the UTIMCO Management Fee of \$24,469,511 and the Other Direct Fund Costs of \$7,744,969, resulting in Total Fees of \$32,214,480, Capital Budget of \$1,034,900 and the Allocation Schedule; as provided to the Board for the period beginning September 1, 2013 through August 31, 2014, be, and are hereby, approved, subject to approval by the Board of Regents of The University of Texas System.

There being no further business to come before the Board, the meeting was adjourned at approximately 2:29 p.m.

Secretary: Joan Moeller
Joan Moeller

Approved: Morris Foster Date: 12/13/13
Morris E. Foster
Chairman, Board of Directors of
The University of Texas Investment Management Company

Appendix C, Table 1

Eligible Positions, Weightings, Incentive Award Opportunities, and Percentage of Award Deferred for each Eligible Position
(for the Performance Periods Beginning After August 31, 2013)

Eligible Position	Weighting						Incentive Award Opportunity (% of Salary)		Percentage of Award Deferred
	Entity	Asset Class/ Investment Type	Qualitative (Individual)	Incentive Award Opportunity (% of Salary)		Target	Maximum		
				< Threshold	Threshold				
<i>Investment Professionals</i>									
CEO & Chief Investment Officer	60%	0%	40%	0%	0%	100%	125%	340%	50%
President & Deputy CIO	40%	40%	20%	0%	0%	95%	115%	300%	50%
Managing Director - Investments	30%	40%	30%	0%	0%	85%	100%	240%	40%
Managing Director - Private Investments	30%	30%	40%	0%	0%	85%	100%	240%	40%
Senior Director - Investments	25%	35%	40%	0%	0%	60%	70%	185%	35%
Senior Portfolio Manager	20%	40%	40%	0%	0%	60%	70%	185%	35%
Senior Director - Risk Management	30%	0%	70%	0%	0%	50%	55%	170%	35%
Portfolio Manager	20%	40%	40%	0%	0%	50%	60%	170%	30%
Director - Investments	20%	40%	40%	0%	0%	50%	60%	170%	30%
Director - Private Investments	20%	30%	50%	0%	0%	50%	60%	170%	30%
Director - Risk Management	30%	0%	70%	0%	0%	40%	50%	150%	30%
Senior Associate - Investments	15%	35%	50%	0%	0%	40%	50%	150%	20%
Senior Associate - Private Investments	15%	25%	60%	0%	0%	40%	50%	150%	20%
Senior Associate - Risk Management	30%	0%	70%	0%	0%	40%	45%	140%	20%
Associate - Investments	15%	30%	55%	0%	0%	35%		135%	15%
Associate - Private Investments	15%	20%	65%	0%	0%	35%		135%	15%
Associate - Risk Management	30%	0%	70%	0%	0%	35%		120%	15%
Senior Analyst - Investments	10%	20%	70%	0%	0%	30%		100%	0%
Analyst - Investments	10%	20%	70%	0%	0%	25%		75%	0%
Analyst - Risk Management	30%	0%	70%	0%	0%	25%		75%	0%
<i>Operations/Support Professionals</i>									
Senior Managing Director	20%	0%	80%	0%	0%	60%	65%	150%	40%
Chief Technology Officer	20%	0%	80%	0%	0%	50%	55%	100%	30%
General Counsel & Chief Compliance Officer	0%	0%	100%	0%	0%	50%		120%	30%
Senior Manager	20%	0%	80%	0%	0%	40%	50%	90%	25%
Manager	20%	0%	80%	0%	0%	40%	50%	80%	25%
Deal Attorney Investment Counsel	20%	0%	80%	0%	0%	40%		80%	25%
Senior Financial Analyst	20%	0%	80%	0%	0%	30%	40%	60%	20%
IT Investment Associate	20%	0%	80%	0%	0%	35%		100%	20%

Appendix D, Table 2
Benchmarks for Entities and Asset/Class Investment Type
Threshold, Target, and Maximum Performance Standards
(9/1/123 through 8/31/134)

Asset Class/Investment Type	Benchmark	Policy Portfolio Weights		Performance Standards		
		Total Endowment	IFF	Threshold	Target	Maximum
		Assets	(% of Portfolio)			
Entity: Benchmark (Total Endowment Funds)	Policy Portfolio	n/a	n/a	+0 bps	+75 +100 bps	+225 +250 bps
Entity: Benchmark (Intermediate Term Fund)	Policy Portfolio	n/a	n/a	+0 bps	+50 bps	+150 bps
Investment Grade Fixed Income	Barclays Capital Global Aggregate Index	7.5%	35.0% 30.0%	+0 bps	+25 bps	+62.5 bps
Real Estate	FTSE EPRA/NAREIT Developed Index NET TRI USD	2.5%	5.0% 3.0%	+0 bps	+62.5 bps	+150 bps
Natural Resources	50% Dow Jones-UBS Commodity Total Return Index and 50% MSCI World Natural Resources Index	7.5%	7.5% 7.0%	+0 bps	+62.5 bps	+150 bps
Developed Country Equity	MSCI World Index with net dividends	45.0% 14.0%	40.0% 9.0%	+0 bps	+62.5 bps	+150 bps
Emerging Markets Equity	MSCI Emerging Markets with net dividends	42.0% 10.0%	7.5% 6.0%	+0 bps	+62.5 bps	+150 bps
Hedge Funds (Less Correlated & Constrained Investments)	Hedge Fund Research Indices Fund of Funds Composite Index	30.0%	35.0% 45.0%	+0 bps	+75 bps	+250 bps
Private Investments (excludes Real Estate)	Venture Economics Custom Index	24.5% 23.3%	0%	+0 bps	+100 +150 bps	+350 +450 bps
Private Investments Real Estate	NACREIF Custom Index	4.0% 5.2%	0%	+0 bps	+100 +150 bps	+325 +450 bps
Specific asset class benchmarks:						
Credit-Related Fixed Income	Barclays Capital Global High Yield Index			+0 bps	+37.5 bps	+100 bps
Internal Investment Grade Fixed Income	US Barclays Capital Aggregate			+0 bps	+25 bps	+50 bps

Exhibit 1
Designation of Plan Participants in Eligible Positions
in the Performance Period Ended August 31, 2014

ELIGIBLE POSITION	PARTICIPANTS
<i>Investment Professionals</i>	
CEO & Chief Investment Officer	Bruce Zimmerman
President and Deputy CIO	Cathy Iberg
Managing Director - Private Investments	Lindel D. Eakman
Managing Director - Investments	Mark Warner
Managing Director - Investments	Mark Shoberg
Managing Director - Investments	Ryan Ruebsahm
Managing Director - Investments	Susan Chen
Senior Director - Risk Management	Uzi Yoeli
Senior Portfolio Manager	Russ Kampfe
Portfolio Manager	Harland Doak
Director - Investments	Zac McCarroll
Director - Investments	Courtney F. Powers
Director - Investments	Edward Lewis
Director - Private Investments	Scott Bigham
Director - Investments	Amanda Hopper
Director - Private Investments	Mike McClure
Senior Associate - Risk Management	Kate Wagner
Associate - Investments	Mukund Joshi
Associate - Private Investments	Lara Jeremko
Associate - Investments	Drury Morris
Analyst - Investments	Russell Brown
Analyst - Investments	Rafael Ramirez, Jr.
Analyst - Investments	Spencer Branch
Analyst - Investments	Adrienne Smith
Analyst - Investments	Jena Michels
<i>Operations/Support Professionals</i>	
Senior Managing Director	Joan Moeller
General Counsel and Chief Compliance Officer	Anna Cecilia Gonzalez
Chief Technology Officer	Uche Abalogu
Senior Manager	Gary Hill
Manager	Debbie Childers
Manager	Melynda Shepherd
Senior Financial Analyst	Lara McKinney
Deal Attorney	Jon Ellison
IT Investment Associate	Aman Jain