

**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 **November 18, 2014**, 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

Morris E. Foster, Chairman of the Board, also attended, thus constituting a majority and quorum of the Committee and the Board. Committee Chair ("Chairman") Bass called the meeting to order at 9:05 a.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, internal General Counsel and Chief Compliance Officer; Uzi Yoeli, Senior Director – Portfolio Risk Management; and other staff members. Other attendees were Roger Starkey and Allen Hah of The University of Texas System ("UT System") Administration; 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 July 23, 2014 meeting of the Risk Committee and the Joint Meeting of the Policy and Risk Committees held on July 29, 2014. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the minutes of the July 23, 2014 Meeting of the Risk Committee of the Board of Directors and the Joint Meeting of the Policy and Risk Committees held on July 29, 2014, be, and are hereby, approved.

Mandate Categorization

Chairman Bass asked Mr. Zimmerman to review the new mandate categorizations requiring approval by the Committee. Mr. Zimmerman briefly discussed the 24 new investment mandate categorizations and one re-categorization recommendation prepared by Staff for the period beginning July 10, 2014 and ending October 24, 2014, that needed to be approved by the Committee. Mr. Zimmerman also reviewed the *Mandate Categorization Update* presentation of the five mandates on the watch-list, stating that they continued to be monitored by Staff. The Chief Compliance Officer and CEO and Chief Investment Officer

concluded in the categorizations prepared by the Managing Directors. 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 July 10, 2014, through October 24, 2014, 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 has been a change in the investment characteristics of one mandate to warrant a re-categorization; and

WHEREAS, the Risk Committee has reviewed the new Asset Class and Investment Type Mandate Categorizations of twenty-four new mandates and the re-categorization of one existing mandate and concurs in the classifications as proposed by the Corporation's staff.

NOW, THEREFORE, BE IT

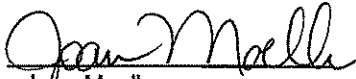
RESOLVED, that the Categorizations of the Asset Class and Investment Type for each Investment Mandate are hereby approved.

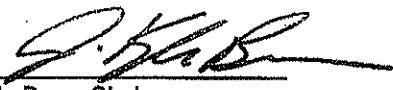
Compliance Summary Program

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 August 31, 2014, with no non-compliance items to report. She distributed a handout of Non-Insurance Related Internal Derivatives as of August 31, 2014, as required by the Corporation's Derivative Investment Policy. Also monitored were the risk targets, asset allocation targets and ranges and other investment related restrictions. Ms. Gonzalez provided to the Committee the Institutional Compliance Program Annual Report for the Year Ended August 31, 2014, including on-going monitoring of the compliance program, employee training, the preclearance of trades and the Corporation's Compliance Hotline. Ms. Gonzalez also reviewed the updated Institutional Compliance Action Plan for FY 2014 and the proposed Institutional

Compliance Action Plan for FY 2015. Mr. Zimmerman and Ms. Gonzalez answered the Committee Members' questions.

There being no further business to come before the Risk Committee, the meeting was adjourned at approximately 9:23 a.m.

Secretary: 
Joan Moeller

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

Date: 2/11/15