

**MINUTES OF THE JOINT MEETING
OF THE COMPENSATION AND AUDIT AND ETHICS COMMITTEES OF
THE UNIVERSITY OF TEXAS INVESTMENT MANAGEMENT COMPANY**

A joint meeting of the Compensation and the Audit and Ethics Committees (the "Committees") of The University of Texas Investment Management Company (the "Corporation") convened in open session on **November 18, 2015**, 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 Compensation Committee Chair, H. Lee S. Hobson and the Audit and Ethics Committee Chair, John D. White, 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:

H. Lee S. Hobson, Chair, Compensation Committee
John D. White, Chair, Audit and Ethics Committee
Phil Adams
Kyle Bass
David Beck
Ardon E. Moore

thus constituting a majority and quorum of the Committee and the Board. Compensation Committee Member R. Steven Hicks did not attend the meeting. Jeffery D. Hildebrand, Chairman of the Board, joined the meeting later as noted in the minutes. Committee Chairs ("Chairmen") Hobson and White called the meeting to order at 2:04 p.m. Employees of the Corporation attending the meeting were Bruce Zimmerman, CEO and Chief Investment Officer; Joan Moeller, Secretary and Treasurer; and Christy Wallace, Assistant Secretary. Also attending were Terry Hull and Allen Hah of The University of Texas System ("UT System") Administration; and Jerry Turner of Andrews Kurth LLP. Copies of materials supporting the Committee meeting agenda were previously furnished to each Committee member.

Approval of Minutes

Chairman White stated that no approval of minutes was necessary by the Audit and Ethics Committee. Chairman Hobson asked for approval of the minutes from the Compensation Committee meeting held on November 9, 2015. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the minutes of the Meeting of the Compensation Committee of the Board of Directors held on November 9, 2015, be, and are hereby, approved.

Jeffery D. Hildebrand, Chairman of the Board, joined the meeting at this time.

Executive Session

Chairman White announced, at 2:08 p.m., that, "The Audit & Ethics Committee of the Board of Directors of The University of Texas Investment Management Company having been duly convened in Open Session and notice of these meetings having been duly given, I hereby announce the convening of a closed meeting as an Executive Session of the Committees, for the purpose of deliberating individual personnel

compensation and evaluation matters, including Performance Incentive Awards for UTIMCO Compensation Program Participants for the Performance Period ended August 31, 2015. This Executive Session meeting of the Committee is authorized by *Texas Government Code* Section 551.074 (Personnel Matters). The date is November 18, 2015, and the time is now 2:08 p.m."

Chairman Hobson announced "The Compensation Committee of the Board of Directors of The University of Texas Investment Management Company having been duly convened in Open Session and notice of these meetings having been duly given, I hereby announce the convening of a closed meeting as an Executive Session of the Committees, for the purpose of deliberating individual personnel compensation and evaluation matters, including Performance Incentive Awards for UTIMCO Compensation Program Participants for the Performance Period ended August 31, 2015. This Executive Session meeting of the Committee is authorized by *Texas Government Code* Section 551.074 (Personnel Matters). The date is November 18, 2015, and the time is now 2:09 p.m." With the exception of Mr. Turner and Mr. Zimmerman, all other staff members left the meeting. Mr. Zimmerman left the meeting during discussion regarding his compensation matters.

Open Session

The Audit and Ethics Committee reconvened in Open Session and Chairman White announced: "The Open Session of the Audit & Ethics Committee of the Board of Directors of The University of Texas Investment Management Company is now reconvened. The date is November 18, 2015, and the time is now 2:30 p.m. During the Executive Session, the Committee 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 Committees in Executive Session."

Performance Incentive Award Related to the General Counsel and Chief Compliance Officer

Mr. White recommended that the Audit and Ethics Committee and the CEO jointly recommend to the Compensation Committee, subject to approval by the UTIMCO Board, the Performance Incentive Award for the General Counsel and Chief Compliance Officer for the 2014-2015 Performance Period. By motion duly made and seconded, the following resolution was unanimously adopted:

WHEREAS, the Audit Charter of the Audit and Ethics Committee requires that the Audit and Ethics Committee and the CEO approve the Chief Compliance Officer's performance goals and achievement of the goals and make a joint recommendation to the Compensation Committee as to the Base Salary and performance incentive award for the Chief Compliance Officer; and

WHEREAS, the Audit and Ethics Committee and the CEO have prepared a joint recommendation regarding the Performance Incentive Award of the General Counsel and Chief Compliance Officer for the 2014/2015 Performance Period; and

WHEREAS, subject to approval by the UTIMCO Board, the Audit and Ethics Committee and the CEO jointly recommend the Performance Incentive Award of the General Counsel and Chief Compliance Officer; and

WHEREAS, the Audit and Ethics Committee has reviewed the Performance Incentive Award for the General Counsel and Chief Compliance Officer for the 2014/2015 Performance Period and wishes to document approval of such Performance Incentive Award and recommend that the Compensation Committee approve the same.

NOW, THEREFORE, be it:

RESOLVED, that the Audit and Ethics Committee approves the Performance Incentive Award for the General Counsel and Chief Compliance Officer as recommended by the CEO for the 2014/2015 Performance Period, and the Audit and Ethics Committee and CEO hereby jointly recommend to the Compensation Committee the Performance Incentive Award for the General Counsel and Chief Compliance Officer for the 2014/2015 Performance Period.

Chairman White and Director Adams left the meeting at this time, with a quorum still remaining for the Compensation Committee in Executive Session.

Open Session

The Compensation Committee reconvened in Open Session and Chairman Hobson announced: "The Open Session of the Compensation Committee of the Board of Directors of The University of Texas Investment Management Company is now reconvened. The date is November 18, 2015, and the time is now 3:24 p.m. During the Executive Session, the Committee 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 Committees in Executive Session."

Performance Incentive Awards for UTIMCO Compensation Program Participants for the Performance Period ended August 31, 2015

Chairman Hobson asked the Committee to recommend Performance Incentive Awards for UTIMCO Compensation Program (the "Plan") Participants, including the CEO, for the Performance Period ended August 31, 2015. Upon motion duly made and seconded the following resolutions were unanimously adopted:

WHEREAS, Section 5.5(d) of the UTIMCO Compensation Program (the "Plan") provides that, at the end of each "Performance Period," the Board will determine the level of achievement of the CEO relative to the CEO's "Performance Goals" for such Performance Period; and

WHEREAS, the Committee has reviewed the actual performance of the CEO during the Performance Period and has compared such actual performance relative to each Performance Goal category for the CEO against his corresponding Performance Goal for such Performance Period and recommends that the Board review the same; and

WHEREAS, Sections 5.5.(e) and 5.5.(f) of the Plan provide that, based on the percentage achieved of each Participant's Performance Goals for a Performance Period, a "Performance Incentive Award" will be calculated for each Participant for such Performance Period in accordance with the calculation methodology set forth in Appendix A of the Plan; and

WHEREAS, Section 5.5.(f) of the Plan provides that the Committee will review all calculations of Performance Incentive Awards, make any changes it deems appropriate, and submit its recommendation to the Board for approval; and

WHEREAS, the Committee has reviewed the calculation of the Performance Incentive Award for the CEO of the Corporation, approves such calculation, and recommends that the Board approve the CEO's Performance Incentive Award.

NOW, THEREFORE, be it:

RESOLVED, that the CEO's Performance Incentive Award for the 2014/2015 Performance Period in the total amount of \$1,573,586 is hereby approved, subject to further approval of the UTIMCO Board and be it

FURTHER RESOLVED, that of the CEO's \$1,573,586 Performance Incentive Award for the 2014/2015 Performance Period, 50% (\$786,793) will be deferred pursuant to the Plan.

And

WHEREAS, Section 5.5.(d) of the UTIMCO Compensation Program (the "Plan") provides that, at the end of each Performance Period, the Compensation Committee (the "Committee") will approve, subject to further approval by the UTIMCO Board (the "Board") the "Performance Incentive Award" of each Participant (excluding the CEO) based upon a determination of the level of achievement of such Participant against his or her "Performance Goals" for such Performance Period; and

WHEREAS, in accordance with Section 5.5.(d) of the Plan, the Committee has determined the level of achievement of each Participant in the Plan during the 2014/2015 Performance Period of his or her Performance Goals for such Performance Period; and

WHEREAS, Section 5.5.(e) of the Plan provides that, based on the percentage achieved of each Participant's Performance Goals for a Performance Period, a Performance Incentive Award will be calculated for each Participant for such Performance Period in accordance with the calculation methodology set forth in Appendix A of the Plan; and

WHEREAS, Section 5.5.(f) of the Plan provides that the Committee will review all calculations of Performance Incentive Awards, make any changes it deems appropriate, and submit its recommendation to the Board for approval; and

WHEREAS, the Compensation Committee has reviewed the Performance Incentive Awards for all Participants who have met or exceeded their performance benchmarks for the 2014/2015 Performance Period and wishes to document approval of such Performance Incentive Awards and recommend that the Board approve the same.

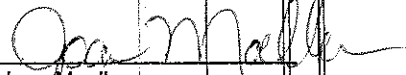
NOW, THEREFORE, be it:

RESOLVED, that the Performance Incentive Awards for all Participants (excluding the CEO) for the 2014/2015 Performance Period in the total aggregate amount of \$6,844,211 is hereby approved, subject to further approval of the UTIMCO Board and be it

FURTHER RESOLVED, that of the Performance Incentive Awards for all Participants (excluding the CEO), 28.6% (\$1,960,572) will be deferred pursuant to the Plan.

Chairman Hobson stated that the CEO's Qualitative Performance Goals for the Performance Period ended August 31, 2016, and the designation of Employees in Eligible Positions as Participants in the Plan for the 2015/2016 Performance Period were tabled and the Compensation Committee would consider action at a later date.

There being no further business to come before the Committee, the meeting was adjourned at approximately 3:25 p.m.

Secretary: 
Joan Moeller

Approved:  Date: 2/15/16
H. Lee S. Hobson, Chair
Compensation Committee of
The University of Texas Investment Management Company

Approved:  Date: 02/05/16
John D. White, Chair
Audit and Ethics Committee of
The University of Texas Investment Management Company