

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

A meeting of the Compensation Committee (the "Committee") of The University of Texas Investment Management Company (the "Corporation") convened in open session on **October 15, 2015**, at the offices of the Corporation, Suite 2800, 401 Congress Avenue, Austin, Texas, said meeting having been called by the Committee Chair, H. Lee S. Hobson, 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
Kyle Bass
R. Steven Hicks
Ardon E. Moore

Jeffery D. Hildebrand, Chairman of the Board, Director John D. White and Director Phil Adams also attended the meeting thus constituting a majority and quorum of the Committee and the Board. Committee Chair ("Chairman") Hobson called the meeting to order at 9:48 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; and Cecilia Gonzalez, internal General Counsel and Chief Compliance Officer. Other attendees were Jerry Turner of Andrews Kurth LLP; Keith Brown of the McCombs School of Business of The University of Texas at Austin; and Susan Lemke of Mercer. Copies of materials supporting the Committee meeting agenda were previously furnished to each Committee member.

Executive Session

Chairman Hobson announced, at 9:48 a.m., that, "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 this meeting having been duly given, I hereby announce the convening of a closed meeting as an Executive Session of the Committee, for the purpose of deliberating individual personnel compensation matters. This Executive Session meeting of the Committee is authorized by *Texas Government Code* Section 551.074 (Personnel Matters). The date is October 15, 2015, and the time is now 9:48 a.m. With the exception of Mr. Turner, Mr. Zimmerman and Ms. Lemke, all other staff members left the meeting. Mr. Zimmerman left the meeting during discussion regarding his compensation matters.

Open Session

The Committee reconvened in open session and Chairman Hobson announced that "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 October 15, 2015, and the time is now 10:50 a.m. During the Executive Session, the Committee deliberated individual personnel compensation matters but no action was taken nor decisions made, and no vote was called for or had by the Committee in Executive Session."

Base Salaries for the Corporation's Officers and Other UTIMCO Compensation Program Participants for 2015-2016 Fiscal Year

Chairman Hobson asked the Committee to approve recommendations for base salaries for all UTIMCO officers and other UTIMCO Compensation Program Participants, except for the CEO, for the 2015-2016 fiscal year. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the base salaries of the Corporation's Officers' and other UTIMCO Compensation Program Participants' (except that of the CEO) for the Fiscal Year 2015-2016 in the total amount of \$7,170,000 as presented by the CEO be, and are hereby, approved.

Corporation's CEO's Base Salary

Chairman Hobson asked the Committee to recommend for approval by the Board the proposed base salary for the Corporation's CEO for the 2015-2016 fiscal year. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the Committee hereby recommends that the Board of Directors of UTIMCO approve the Base Salary of the Corporation's CEO for the Fiscal Year 2015-2016 in the amount of \$750,000.

Compensation Program

Chairman Hobson recommended proposed amendments to the UTIMCO Compensation Program (the "Plan"), which consists of two elements: base salary and an annual incentive plan, and requested the Committee approve the proposed amendments and recommend same to the Board. Upon motion duly made and seconded, the following resolution was unanimously adopted:

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, the Compensation Committee of the Board (the "Committee") has reviewed certain proposed amendments to the Plan incorporated into an Amended and Restated Plan, in the form previously provided to the Committee; and

WHEREAS, the Committee approves such amendments and has determined to recommend them to the Board;

NOW, THEREFORE, be it:

RESOLVED, that the Committee hereby recommends to the Board that the Board approve and adopt the Amended and Restated Plan, effective September 1, 2015.

Engagement of External Auditor

Chairman Hobson asked for Committee recommendation to engage an external auditor to perform agreed upon procedure services for the Plan. The Plan states that the relative performance data and calculations of the Performance Incentive Awards are to be reviewed by the Corporation's external auditor prior to the Performance Incentive Awards being finalized and approved by the Board. Mr. Zimmerman and Staff recommended the appointment of Deloitte & Touche, LLP to perform certain agreed upon procedure services involving the recomputation of compensation for certain Participants in the Plan. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the firm of Deloitte & Touche, LLP be, and is hereby, engaged to perform agreed upon procedure services involving the recomputation of compensation for certain employees pursuant to the UTIMCO Compensation Program for the Performance Period ending August 31, 2015.

There being no further business to come before the Committee, the meeting was adjourned at approximately 10:56 a.m.

Secretary: 
Joan Moeller

Approved: 
H. Lee S. Hobson, Chair
Compensation Committee of
The University of Texas Investment Management Company

Date: 11/17/15