

**MINUTES OF MEETING
OF THE BOARD OF DIRECTORS OF
THE UNIVERSITY OF TEXAS/TEXAS A&M INVESTMENT MANAGEMENT COMPANY**

The Board of Directors (the "Board") of The University of Texas/Texas A&M Investment Management Company (the "Corporation") convened in an open meeting on **September 20, 2018**, by telephone at the corporate headquarters located at 210 West 7th Street, Suite 1700 in Austin, said meeting having been called by the Chairman, Jeffery D. Hildebrand, with notice provided to each member in accordance with the Bylaws. The audio portion of the meeting was electronically recorded and broadcast over the Internet. Participating in the meeting were the following members of the Board:

Jeffery D. Hildebrand
J. Kyle Bass
Robert Gauntt
Janet Handley
R. Steven Hicks
Ray Nixon
Ray Rothrock
Clifton L. Thomas, Jr.
James C. "Rad" Weaver

thus constituting a majority and quorum of the Board. Employees of the Corporation attending the meeting were Britt Harris, President, CEO and Chief Investment Officer; Rich Hall, Deputy Chief Investment Officer; Joan Moeller, Secretary and Treasurer; Cecilia Gonzalez, Corporate Counsel and Chief Compliance Officer; and other team members. Other attendees were Keith Brown of the McCombs School of Business at UT Austin; Jerry Turner and Jerry Kyle of Orrick, Herrington & Sutcliffe LLP; Allen Hah, Eric Polonski and Karen Adler of The University of Texas System ("UT System"); and Maria Robinson and David Rejino of The Texas A&M University System. Chairman Hildebrand called the meeting to order at 10:02 a.m. Copies of materials supporting the Board meeting agenda were previously furnished to each member of the Board.

Minutes

The first item to come before the Board was approval of the Minutes of the Board of Directors Meeting held on July 26, 2018. 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 July 26, 2018, be, and are hereby, approved.

Delegation of Authority Policy and Intermediate Term Fund Policy Discussion

Chairman Hildebrand asked Mr. Harris to explain the changes regarding the proposed amendments to the Delegation of Authority Policy and the Intermediate Term Fund (ITF) Investment Policy Statement. Mr. Harris explained that the Investment Team was requesting amendments to the ITF Investment Policy Statement to

correct errors to the policy statement approved by the UTIMCO Board on July 26, 2018, and the UT System Board of Regents on August 10, 2018. Mr. Harris explained that section A of the ITF policy listed target ranges for Total Stable Value as 13.0 – 23.0%, but it should have been 36.0 – 52.0%. In addition, the minimum range for Total Global Equity is being changed from 47.5% to 45.0%, and the maximum range for Cash in Stable Value is being increased from 5.0% to 8.0%.

The Investment Team also requested amendments to the Delegation of Authority Policy that was effective July 26, 2018, consistent with the strategic asset allocation and continuing transfer of ITF dollars to the Long Term Fund (LTF). There were also minor editorial changes.

Mr. Hall and Mr. Harris answered the Directors' questions regarding the proposed amendments and the rate of transfer from the ITF to the LTF. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

RESOLVED, that amendments to the Investment Policy Statement of the Intermediate Term Fund, as presented be, and is hereby approved, subject to approval by the Board of Regents of The University of Texas System;

and

FURTHER RESOLVED, that amendments to the Delegation of Authority Policy as presented be, and are hereby approved.

Executive Session

Prior to going into executive session, Chairman Hildebrand announced that, "The Board of Directors of The University of Texas/Texas A&M 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 to deliberate individual personnel compensation matters pursuant to Texas Government Code Section 551.074. The date is September 20, 2018, and the time is now 10:12 a.m." Except for Mr. Harris, Mr. Hall, Ms. Moeller, and Mr. Turner, all others left the meeting at this time. Mr. Harris, Mr. Hall and Ms. Moeller left the meeting during discussion of Mr. Harris' compensation.

Reconvene in Open Session

The Board reconvened in open session and Chairman Hildebrand announced that, "The Open Session of the Board of Directors of The University of Texas/Texas A&M Investment Management Company is now reconvened. The date is September 20, 2018, and the time is now 10:28 a.m. During the Executive Session, the Board deliberated individual personnel compensation matters but no action was taken nor decisions made, and no vote was called for or had by the Board in Executive Session."

Corporation Budget

Chairman Hildebrand asked Mr. Harris to discuss the corporation's budget for the next fiscal year. Mr. Harris explained the changes to the budget compared to the proposed budget and compared to the last fiscal year.

He stated that he had cut out an additional \$2 million from the budget since it was first drafted. The Board of Directors asked him to do an analysis and create a five-year plan for expected budget changes. They commended him for working to keep the budget low in relation to UTIMCO's peer group. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

RESOLVED, that the UTIMCO Management Fee of \$43,789,012 and the Other Direct Fund Costs of \$11,525,174, resulting in Total Fees of \$55,314,186, Capital Budget of \$263,000 and the Allocation Schedule; as provided to the Board for the period beginning September 1, 2018 through August 31, 2019, be, and are hereby, approved, subject to approval by the Board of Regents of The University of Texas System.

Adjourn

There being no further business to come before the Board, the meeting was adjourned at approximately 10:39 a.m.

Secretary: 
Joan Moeller

Approved:  Date: 1/16/19
Jeffery D. Hildebrand
Chairman, Board of Directors of
The University of Texas/Texas A&M Investment Management Company