

## Tier 2 Public Safety and Firefighter DC Plan

# 401(k) Option

You're in the Tier 2 Retirement System if you began employment or first became eligible for URS **on or after July 1, 2011**.

The 401(k) Option (**Defined Contribution Plan**) is one of two Tier 2 options that consists of employer 401(k) contributions.

» *Look inside for a brief overview of your retirement benefit*



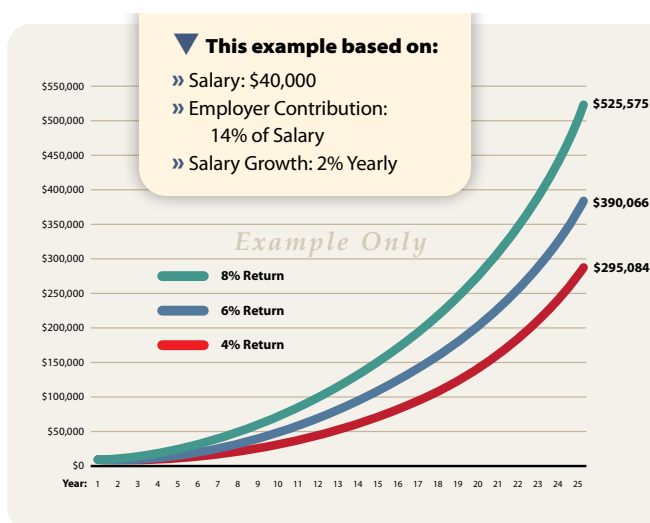
This brochure provides a brief overview of the Tier 2 Public Safety and Firefighter Defined Contribution Plan. Go to [www.urs.org](http://www.urs.org) for more details about your benefits.

# BENEFITS

## What's the 401(k) Option?

**A 401(k) is a retirement savings plan.** Your employer contributes an amount equal to 14% (or more, depending on your employer) of your salary into your 401(k). The money you get is based on employer contributions and two other main factors.

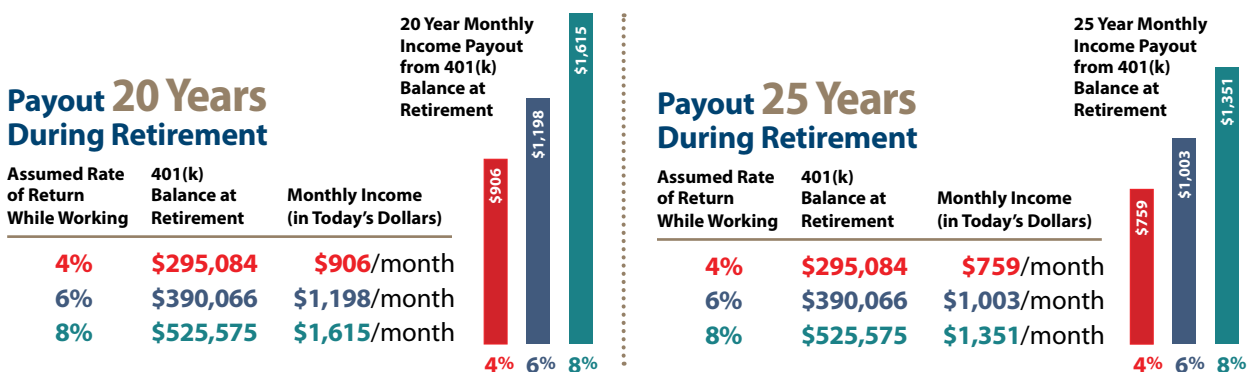
**INVESTMENT PERFORMANCE »** The way you invest your money and the financial markets will have a big impact on your retirement income.



The investment performance examples shown in this graph illustrate the time value of money and potential outcomes and are not to be considered advice or recommendations, nor are they guarantees of future results. These examples are based on the following assumptions: salary, employer contribution rate, and salary growth assumptions are shown on the graph; employer contributions will be made with each pay period until the time of retirement; contributions are compounded based on 4%, 6%, and 8% hypothetical rates of return, which are net of fees; and no withdrawals are made during the investment period and monies are held over the years reflected in the graph. The assumptions for the investment examples affect the potential return estimates and will not be the same as for your account. Individual account performance varies based on your investment selections, the underlying expenses of those selections, the timing of the investments, any cash flow in or out of the account during the investment period (such as loans or in-service distributions), and on the balances in the account.

Visit the online Savings Plans Future Values Calculator at [www.urs.org/calculators](http://www.urs.org/calculators) to estimate the future value of your account using customized assumptions.

**PAYOUT PERIOD »** You choose how to draw from your account in retirement. Your monthly withdrawals will be based on your account balance and how long you need the retirement income from your account to last.



The payout examples above illustrate hypothetical monthly payments from your account based on the following assumptions: a 20- and 25-year payout period; initial account balances at the time of retirement based on 4%, 6%, and 8% hypothetical rates of return and taken from the graph above; a 4% hypothetical rate of return during the payout period, which is net of fees; 2% annual inflation rate; and, besides the monthly payment shown, no additional withdrawals or contributions are made during the payout period. The assumptions for the example payouts will not be the same as for your account. For this reason, potential payouts from your account will not match those shown in the tables and will vary based on the balance in your account, investment selections, the underlying expenses of those selections, the timing of the investments, and cash flow in or out of the account during the investment and payout periods.



# PAYOUTS

## When Can I **Withdraw My Money**?

You can withdraw your money after you have terminated employment. However, depending on your age, you may be subject to a 10% IRS early-withdrawal penalty.

**You can avoid** the early-age penalty by meeting one of the following criteria:

- » Age 59½
- » Work until the calendar year you turn 50
- » Payout based on life expectancy



## What Are My **Payout Options**?



- » **Leave funds** with URS
- » **Roll over funds** to another account
- » **Withdraw funds**
  - › Lump-sum distribution
  - › Partial distribution as desired
  - › Periodic payment
    - » Monthly\*    » Semi-annually\*
    - » Quarterly\*    » Annually\*

*\*Age 72 Minimum Distribution Requirement*

*IRS requires annual minimum withdrawals at age 72 unless you are still employed.*

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## Death Benefits

- » Your beneficiary may get a payment of 75% of your highest annual salary.
- and**
- » Your beneficiaries will receive your vested account balance.

## Important Legal Notice

*Investing is an important decision. Read the Summary Plan Descriptions and Investment Fund Fact Sheets in their entirety for more information and consider all investment objectives, risks, charges, and expenses before investing in URS Savings Plans. All investing is subject to risk, and you assume all investment risks, including potential for loss of principal as well as responsibility for any federal and state tax consequences.*

**No Guarantees.** The URS Savings Plans investments described in this publication: are not insured; are not a deposit or obligation of, nor guaranteed by, any financial institution; and are not guaranteed by URS or any government agency. Because you make the investment decisions about your account, the plan's sponsor, trustees, and others associated with the investments are not responsible or liable for your investment performance.

**Performance.** Past performance does not guarantee future results. The value of your investment may vary depending on market conditions and the performance of the investment option you select. It could be more or less than the amount you contribute; in short, your investment could lose value.

**Consult an advisor.** The information provided in this document does not contain financial, investment, tax, or legal advice and cannot be construed as such or relied upon for those purposes. Please consult your own investment, tax, or legal advisors for qualified professional advice in these areas.

**Also Note:** This brochure refers to the Tier 2 Public Employees Hybrid Retirement System as the "Hybrid Option" and the Tier 2 Public Employees Defined Contribution Plan as the "401(k) Option." Go to [www.urs.org](http://www.urs.org) for more details about your benefits.



**URS Savings Plans Dept.**  
801-366-7720 | 800-688-4015

## How Do I Learn More?

**Access your personal accounts at myURS.**

Go to **[www.urs.org](http://www.urs.org)** and click "LOGIN" in the upper-right corner. You'll need your URS account number to create a new account and view information such as:

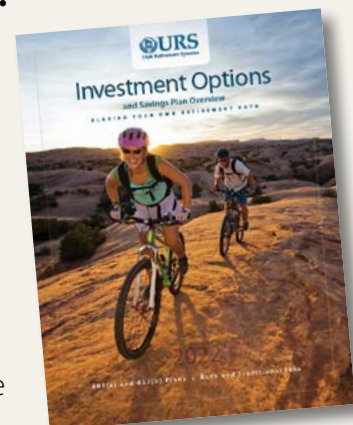
- » Beneficiaries
- » Investment Options
- » Savings Plans Statements



## How Do I Save More?

**Don't rely on your employer's contribution alone for a comfortable retirement. Save on your own through payroll deduction.**

- » URS Savings Plans offer an outstanding way to supplement your retirement and secure your financial future
- » Contribute to and manage URS Savings Plans through myURS (see above)
- » Start saving as soon as possible
- » Save consistently
- » Increase the amount you save over time



▲ Go to [www.urs.org](http://www.urs.org) to learn more about URS Savings Plans. Download this brochure for savings plan comparisons and investment options.