2019

457 Savings Plans

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Planning and saving for retirement isn’t always easy, but it is important to do so you can achieve your financial goals. The 457 plan’s primary purpose is to help supplement retirement income you may receive from other sources, such as your URS pension, URS 401(k), and your Social Security benefits. This plan can also be a valuable tool for tax planning, as well as an additional source of income for your family if you were to die or become disabled before retirement.
Eligibility and Participation in the Plan

You may be eligible to participate in this plan if you are an employee of a participating Utah public employer, or an independent contractor who performs service for a participating employer. Examples of participating employers include: 1) the State of Utah, 2) most cities, 3) most counties, 4) school districts, and 5) many special service districts throughout Utah.

You may enroll at any time, as permitted by your employer. However, new deposits cannot begin until the month following the date the election is made. You may stop your personal contributions at any time.

Contributions and Future Investment Allocation

There are typically three types of contributions that may be made into your 457 account: 1) employer non-elective contributions, 2) employer matching contributions, and 3) employee personal contributions. Contributions and earnings are immediately and fully vested to you. This means all contributions and earnings in the account are yours, regardless of how long you work for your employer.

Deposits are invested according to the investment elections you have submitted to our office. If no investment instructions are provided to URS, contributions are placed into the Target Date Fund that corresponds to your birthdate (see page 8).
Summary Plan Description

Employer Non-Elective or Matching Contributions

Your employer determines the amount of any contribution made on its behalf into your account. At your employer's discretion, this can be a fixed dollar amount, a percentage of your wages, or it can be a matching contribution based on your personal contributions. Employer contributions are made as a benefit to you and do not reduce your wages, nor are these contributions subject to state or federal income taxes in the period contributed to your account. Unless you are otherwise exempt, employer contributions may be subject to FICA and Medicare taxation.

Employee Personal Contributions

You may choose to have a portion of your wages deducted from your paycheck and deposited into your 457 account. These deposits are known as personal contributions. Your personal contributions are deducted from your paycheck before state and federal income taxes are assessed, resulting in your ability to save more money and pay less income tax during the year. However, your personal contribution amounts are generally subject to FICA and Medicare taxation in the period earned (if these taxes would otherwise apply).

Contribution Limits

Because contributions to your account reduce the taxes you pay currently, the IRS has set limits on the amount you and your employer can contribute each year. The following shows the maximum contribution amount from your pay allowed for 2019.

<table>
<thead>
<tr>
<th>Tax Year</th>
<th>Contribution Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$19,000</td>
</tr>
</tbody>
</table>

This limit may increase in future years based on cost-of-living adjustments. Your employer's contributions, combined with your personal contributions, cannot exceed the annual contribution limit. Finally, total of all contributions to your account cannot exceed the equivalent of 100% of your gross wages for the year.
Any excess contributions, and earnings attributed to them, must be returned to you no later than the tax filing deadline after the close of the year to which they relate. You are responsible for any taxes owed on these excess contributions.

**Example #1:** Joe is 30 years old and has an annual salary of $40,000. His employer does not make any contribution to his 457 plan. In 2019, Joe’s personal contributions are limited to $19,000.

**Example #2:** Fred is 18 years old and works part time for a city. He has an annual salary of $10,000. He receives a 7.5% contribution ($750) from his employer into his 457. Fred’s personal contribution into his 457 account is limited to the lesser of either 100% of his salary, or $19,000 (which is the contribution limit in 2019). Because his employer is contributing to his account, his maximum contribution would be $9,250 ($10,000 - $750 = $9,250).

**Note:** Please keep in mind these examples are hypothetical. There are other factors that may limit contributions, such as mandatory deductions taken from pay for taxes, insurance, etc.

**Catch-Up Contributions**

If you are eligible to make personal contributions into the 457 plan and will attain or exceed age 50 before the close of the year, you may be eligible to make catch-up contributions in addition to the limits discussed. This catch-up provision allows you to go beyond the regular limit by $6,000, bringing the total contribution limit for 2019 to $25,000 ($19,000 regular + $6,000 catch-up).

**Example:** Alice is 55 years old and has an annual salary of $55,000. Alice’s personal contribution into her 457 account in 2019 is limited to $19,000 plus the catch-up contribution of $6,000, for a total of $25,000.
Summary Plan Description

Special Catch-Up Provision

You may be eligible to contribute up to double the normal annual limits into the 457 plan if:

1. You are within three years prior to the attainment of normal retirement age (you are eligible for an unreduced retirement benefit),

   AND

2. the plan limits from prior years have not already been met.

If you are eligible for both the age 50 catch-up and the special catch-up during the same period, you may only utilize the greater of the two amounts.

The 457 special catch-up can only be used once under this plan, in accordance with the unused plan limits with each employer. In order to use the special catch-up limits, URS requires you to provide a signed agreement (this form is available from the URS Savings Plans Department).

Example: Paul is 62 years old in 2017. His normal retirement age is 65. He is eligible to utilize the special catch-up limits during the years he is age 62, 63, and 64. Paul has an annual salary of $50,000. His employer does not contribute into his 457 plan. Paul began working with his current employer in 2015.

The following table shows the maximum contribution amounts for the years worked and the amounts Paul actually contributed.

<table>
<thead>
<tr>
<th>Year</th>
<th>Maximum Contribution</th>
<th>Paul's Actual Contribution</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$18,000</td>
<td>$4,500</td>
<td>$13,500</td>
</tr>
<tr>
<td>2016</td>
<td>$18,000</td>
<td>$4,500</td>
<td>$13,500</td>
</tr>
</tbody>
</table>

The amount eligible for the special catch-up is the difference between what could have been contributed and the amount actually contributed. So, in the three catch-up years, Paul can contribute the $27,000 in addition to the normal contribution limits, as indicated in the following tables.
When considering the 457 special catch-up provision, please contact our office for assistance.

**Automatic Enrollment**

Employers participating in the automatic enrollment program can have employee personal contributions automatically withheld for newly hired employees. Employees can opt out of this automatic contribution if they choose. Automatic enrollment is an easy and convenient way to begin contributing to your savings plan.

**Rollovers and Transfers into the 457 Plan**

Another way funds can be added to your 457 account is through rollovers and transfers from other eligible governmental 457(b) plans. Only untaxed funds are eligible to roll into the plan. Transfers and rollovers from other plans are not subject to the maximum contribution limits. Therefore, there is no limit to the amount that can be rolled or transferred into the plan.

For funds to be eligible for rollover into your 457 plan, they must be:

1. Untaxed funds from IRC 457(b) plans; **AND**
2a. A direct rollover or plan-to-plan transfer.
   This means the check is made payable to Utah Retirement Systems; **OR**
2b. A distribution received by and made payable to you from another 457 plan, which you have deposited into your URS account within 60 days of the date you received the check.
Investment Options

To help build a diversified investment portfolio that’s right for you, the 457 plan provides 20 core funds (8 individual investment options and 12 Target Date Funds), and a self-directed brokerage account.

Individual Investment Options

Designing your own portfolio can be done by using the eight URS individual investment options. Each investment option represents different investment objectives, styles, or risk/return characteristics. The funds are managed by professional money managers and are invested according to their individual objectives and style groups. These funds are:

- Income Fund
- Bond Fund
- Balanced Fund
- Large Cap Stock Value Fund
- Large Cap Stock Index Fund
- Large Cap Stock Growth Fund
- International Fund
- Small Cap Stock Fund

Target Date Funds

URS Target Date Funds provide a diversified retirement portfolio through a single investment option. These funds gradually adjust throughout your career and into retirement. The investment mix — which includes stocks, bonds, and real assets — gradually and automatically shifts toward more conservative investments as you age and enter retirement.

Consider the Target Date Fund with the date closest to when you will start withdrawing funds for retirement. For example: if you’re a younger employee and you plan to leave the workforce and begin withdrawals around the year 2055, consider the Target Date 2055 Fund. If you’re further along in your career and will begin utilizing your account close to the year 2020, consider the Target Date 2020 Fund.

Fact sheets and current information regarding rates of return, fees, and asset allocations can be found at www.urs.org.
**Default Investment Option**

If you do not select an investment option your funds will be placed in the Target Date Fund that corresponds to your date of birth, as shown in the chart below.

<table>
<thead>
<tr>
<th>Target Date Funds Asset Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Asset Classes</strong></td>
</tr>
<tr>
<td>URS Large Cap Stock Value</td>
</tr>
<tr>
<td>URS Large Cap Stock Index</td>
</tr>
<tr>
<td>URS Large Cap Stock Growth</td>
</tr>
<tr>
<td>URS International</td>
</tr>
<tr>
<td>URS Small Cap Stock</td>
</tr>
<tr>
<td>U.S. Real Estate Investment Trusts</td>
</tr>
<tr>
<td>Commodities</td>
</tr>
<tr>
<td>Private Real Estate</td>
</tr>
<tr>
<td>URS Income</td>
</tr>
<tr>
<td>URS Bond</td>
</tr>
<tr>
<td>International Bonds</td>
</tr>
<tr>
<td>Global Inflation-Linked Bonds</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Default Investment Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you do not select an investment option your funds will be placed in the Target Date Fund that corresponds to your date of birth, as shown in the chart below.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target Date Funds</th>
<th>Date of Birthday From</th>
<th>Date of Birthday To</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target Date 2060</td>
<td>July 1, 1993</td>
<td></td>
</tr>
<tr>
<td>Target Date 2055</td>
<td>July 1, 1988</td>
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</tr>
<tr>
<td>Target Date 2050</td>
<td>July 1, 1983</td>
<td>June 30, 1988</td>
</tr>
<tr>
<td>Target Date 2045</td>
<td>July 1, 1978</td>
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<tr>
<td>Target Date 2040</td>
<td>July 1, 1973</td>
<td>June 30, 1978</td>
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<td>Target Date 2035</td>
<td>July 1, 1968</td>
<td>June 30, 1973</td>
</tr>
<tr>
<td>Target Date 2030</td>
<td>July 1, 1963</td>
<td>June 30, 1968</td>
</tr>
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<td>Target Date 2025</td>
<td>July 1, 1958</td>
<td>June 30, 1963</td>
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<td>Target Date 2020</td>
<td>July 1, 1953</td>
<td>June 30, 1958</td>
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<td>Target Date 2015</td>
<td>July 1, 1948</td>
<td>June 30, 1953</td>
</tr>
<tr>
<td>Target Date 2010</td>
<td>July 1, 1943</td>
<td>June 30, 1948</td>
</tr>
<tr>
<td>Target Retired</td>
<td>June 30, 1943</td>
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</tbody>
</table>
Self-Directed Brokerage Account

**URS offers the Schwab Personal Choice Retirement Account** (PCRA) — a self-directed brokerage account available through URS Savings Plans

If you’re an experienced investor and looking for specific investments, the PCRA is a brokerage account with Charles Schwab & Co. that offers access to thousands of different types of investments. This option is generally not advised for new accounts as it has minimum account balance requirements and additional risks.

You can invest in:
- More than 8,500 mutual funds from over 630 well-known fund families.
- Any stock listed on the major U.S. exchanges, including over-the-counter stocks, and foreign securities.
- Bonds and other fixed income investments.
- Money market and brokered CDs.
- Exchange traded funds (ETFs).

For additional information regarding PCRA enrollment, requirements, and costs, please see the Personal Choice Retirement Account (PCRA)

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**Target Date Funds**

<table>
<thead>
<tr>
<th>Year</th>
<th>2045</th>
<th>2040</th>
<th>2035</th>
<th>2030</th>
<th>2025</th>
<th>2020</th>
<th>2015</th>
<th>2010</th>
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<td>6%</td>
<td>4%</td>
<td>2%</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
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<tr>
<td>20%</td>
<td>21%</td>
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<td>24%</td>
<td>24%</td>
<td>23%</td>
<td>18%</td>
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<tr>
<td>10%</td>
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<td>4%</td>
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<td>—</td>
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<td>—</td>
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<tr>
<td>33%</td>
<td>32%</td>
<td>29%</td>
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<td>6%</td>
<td>4%</td>
<td>4%</td>
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<tr>
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<td>6%</td>
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<td>3%</td>
<td>2%</td>
<td>1%</td>
<td>1%</td>
<td>—</td>
</tr>
<tr>
<td>4%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
<td>3%</td>
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<td>—</td>
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<tr>
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<td>10%</td>
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<td>10%</td>
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<td>3%</td>
<td>3%</td>
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<td></td>
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<td>—</td>
<td>—</td>
<td>3%</td>
<td>8%</td>
<td>13%</td>
<td>18%</td>
<td>23%</td>
<td>25%</td>
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<tr>
<td>3%</td>
<td>4%</td>
<td>7%</td>
<td>11%</td>
<td>16%</td>
<td>18%</td>
<td>21%</td>
<td>20%</td>
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<td>2%</td>
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<td>7%</td>
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<td>—</td>
<td>1%</td>
<td>5%</td>
<td>10%</td>
<td>15%</td>
<td>20%</td>
<td>20%</td>
</tr>
</tbody>
</table>
brochure and the Charles Schwab Pricing Guide for Retirement Plan and Health Savings Accounts at www.urs.org located in the Publications section or contact the Savings Plans Department for a copy.

Transfer Policies

You may instruct our office how to invest your future deposits, and you may also direct us to change where your current balances are invested.

Core Fund Transfer Policy:

You are allowed to submit one transfer request (whether electronically, by fax, mail, or hand delivered) for your account balances every seven (7) days. This applies separately to each plan in which you participate — the 401(k), 457, Roth IRA, and traditional IRA each constitutes a separate plan. In addition, if you transfer any or all of your current account between core investment options more often than once every 30 days, you will be charged a 2% fee on amounts transferred. Each transfer, after being processed, starts a new 30-day period. The fees generated by this policy are used to reduce the administrative expenses for all plan participants.

Changes to the investment allocation of future deposits and changes to future contribution amounts are allowed as often as daily.

PCRA Transfer Policy:

Transfers to or from a PCRA are allowed once every seven (7) calendar days.

Additional Information Regarding Transfers:

Investment change requests received by our office before the close of the New York Stock Exchange (NYSE), generally 2:00 p.m. Mountain Time, are transferred using that evening's closing market values. Requests received after the close of the NYSE are transferred using the next business day's closing market values. On days of unusually heavy transfer activity, computer system failure or other unforeseen circumstances, URS reserves the right to process transfers using the next available business day’s closing market values.
Core Fund Dividends and Interest

When a URS core fund receives a dividend or interest income, the additional amount received is automatically reinvested. The reinvestment results in a higher price per share on the applicable fund. Dividend or interest income paid within a URS Target Date Fund will result in a price per share increase for the applicable Target Date Fund.

Managing Your Account

You can manage your account and obtain other general information 24 hours a day at www.urs.org. Click “LOGIN” at the top-right to access your myURS account. To create an account, you’ll need your URS account number — a “W” followed by eight digits. If you have questions, call us at 801-366-7700 or 800-365-8772.

myURS allows you to:

• Enroll in a plan or plans
• Access your current account balance
• Change your beneficiary(ies)
• Change your personal contribution amount
• Alter how your future contributions will be invested
• Transfer your current balances between investment options
• View a detailed history of your transactions (limited to the last 7 years)
• Obtain general information and forms
• View rates of return and other investment information
• Change your method of receiving confirmations
• Update your address
• Obtain savings plans quarterly statements, pension annual statements, and tax forms.
• Submit forms, documents, and questions through the secure Message Center.
Fund Information and Calculators
Each quarter a statement of your account, together with the funds’ rates of return and other general information, is provided for you via mail and/or online. Additional detailed fund information and daily unit values are available at www.urs.org, at our offices, or by calling the Savings Plans Department. An interactive calculator (Savings Plans Future Values Calculator) is also available at www.urs.org to help you determine the amount of savings necessary for you to achieve your long-term financial goals.

Withdrawing Funds from Your Account
In exchange for the tax advantages of the 457 plan, and because it is meant as a savings vehicle for retirement, the IRS allows withdrawals from your account only under certain circumstances, such as:

1– Separation from service
2– Unforeseeable emergency (as defined by the IRS)
3– Attainment of age 70½
4– Death
5– Domestic relations orders.

Retirement or Separation from Service
You are considered separated from service at the time you retire or are no longer employed by an employer participating in URS. If you terminate and are rehired by the same or a different participating employer, you are not eligible to withdraw the funds. An individual on leave of absence or a school employee at the end of a contract year is not considered separated from service.

Unforeseeable Emergency
An emergency withdrawal is allowed only if you, your spouse, dependent, or primary beneficiary have an unforeseeable emergency and all other reasonably available resources and remedies have been exhausted. The distribution cannot exceed the amount necessary to satisfy the
financial need plus applicable taxes. Emergency withdrawals are available only from amounts you have in the URS core funds (PCRA funds must be transferred to the URS core funds to be eligible for emergency withdrawal).

**Attainment of Age 70½**
You are eligible for withdrawal of your funds once you have reached age 70 ½, regardless of your employment status.

**Death**
In the event of your death, any remaining funds are payable to the beneficiaries you have designated in the 457 plan. These funds are payable first to your primary beneficiary(ies) or, if they are deceased, to your contingent beneficiary(ies).

If you have not named beneficiaries or if your beneficiaries do not survive you, the funds are paid to your spouse. If your spouse does not survive you, the funds are paid in accordance with Utah Code Section 49-11-609 and the Plan Document, URS follows the order of precedence established under the Utah Probate Code for determining allocation of funds to heirs. For questions, please contact the URS Savings Plans Department.

**Spouse as Beneficiary**
URS Savings Plans accepts information regarding your spouse (the person you are legally married to) as correct, and will not do an independent verification of your marital status. Providing incorrect information regarding your marital status may lead to tax consequences that are solely your responsibility. For additional information regarding the definition of marriage for federal tax purposes see U.S. Department of the Treasury Revenue Ruling 2013-17.

A divorce or annulment revokes the designation of a former spouse as a beneficiary. In order to redesignate a former spouse, the designation must be submitted after the date of divorce.
Domestic Relations Order (DRO)

URS may divide an account with a former spouse or other family members if instructed by a valid domestic relations order, signed by a judge, and court certified.

Required Minimum Distribution (RMD)

Once you reach age 70½, and are no longer employed with an employer participating with URS, the IRS requires you to begin taking at least the required minimum distribution (RMD) from your account each year. This minimum amount is determined by taking your account balance on the last day of the previous year and dividing it by the uniform lifetime factor or joint life expectancy factor provided by the U.S. Treasury.

Example: Suppose you turn age 70½ on July 1, 2019. We would determine your account balance on December 31, 2018 ($15,000 in this example), and divide that by the figure shown in the U.S. Treasury tables. In this case, the figure is 27.4, calculating an RMD of $547.45 ($15,000 / 27.4 = $547.45).

Your first RMD (the year you turn 70½) may be deferred until as late as April 1 of the next year. If you choose to defer the first payment, you will have to take two payments during the next calendar year in order to satisfy the RMD for the next year as well.

Example: Using the information in the previous example, you choose to defer your payment until April 1, 2020. You must take at least $547.45, to satisfy the 2019 RMD, but you will also need to take an additional payment to satisfy the 2020 RMD.

The distribution to satisfy the RMD can be taken any time during the calendar year it is due and can be taken in any form (monthly, annually, as a single amount, etc.). URS offers a withdrawal option wherein your RMD is automatically calculated and distributed to you each year.
Involuntary Distributions of Inactive Accounts

Inactive accounts of participants with combined savings plans balances below $1,000 are automatically closed and the funds are distributed to the account owners. Inactive accounts are defined as accounts that have had no contribution or withdrawal activity for a period of at least 12 months and the participant is no longer employed with a URS participating employer.

Plan-to-Plan Transfers (while still employed)

Account balances may be transferred on a trustee-to-trustee basis to another governmental 457 plan, provided you can demonstrate to the URS Plan Administrator you are no longer eligible to participate in a URS pension plan or your employer does not participate in the URS 457 Plan on behalf of any of its employees. Under certain circumstances, you may also be eligible to transfer your 457 funds to a governmental defined benefit (pension) plan in order to purchase service credit.

Taxes

Distributions made from the 457 plan are generally taxable. When you receive a partial balance or total balance withdrawal of $200 or more, the IRS requires 20% of the amount withdrawn be withheld for federal income taxes. The 20% withholding requirement does not apply if you choose to receive periodic payments over a span of 10 years or more, or if the periodic payments are calculated based on your life expectancy. The 10-year or life expectancy calculations are based on a 6.95% rate of return and the U.S. Treasury’s life expectancy tables. For these periodic distributions, a Substitute W-4P form may be submitted to our office indicating your tax withholding request. If no Substitute W-4P is received, federal withholding is based on an assumption of “married with three exemptions.” Utah state taxes are withheld based on information provided on the Substitute W-4P form, regardless of the type of payment.
Distributions from the 457 plan are generally not subject to the early withdrawal penalty tax. There may be other exceptions to the taxes or penalties previously mentioned. For more information regarding taxation, please review the Special Tax Notice available at www.urs.org and in our office, or IRS Publication 575 Pension and Annuity Income. URS does not provide legal or tax advice. (Consult a tax advisor.)

457 Loans to Participants

Eligibility
In order to be eligible to take a loan from your 457 plan, your employer must participate in the URS 457 loan program and allow payroll deduction for the payments. Also, you may only have one outstanding loan at any time from your 457 plan. You may only borrow money you have in the URS core funds (PCRA funds must be transferred to the core funds to be available for loan).

Minimum Loan
The minimum loan available is $1,000. This requires a balance in your account of at least $2,000.

Maximum Loan
The maximum loan that may be taken is the lesser of 50% of your account balance or $50,000. The $50,000 maximum amount is reduced by the highest loan balance during the past 12 months in any or all retirement savings plans associated with a participating URS employer (including 401(k) and 403(b) plans).

Loan Repayment
Loan payments may be amortized over five years or less. However, if the loan is used for the purchase of your primary residence, payments may be amortized for up to 10 years. (Mortgage payments and refinancing are not considered as
a purchase.)

An outstanding 457 loan balance becomes due upon separation from employment (see next paragraph for an option for loan repayment). If the loan balance is not paid within the cure period, the loan is considered in default and treated as a withdrawal. The cure period cannot continue beyond the last day of the calendar quarter following the calendar quarter in which the required installment payment was due.

**Automated Clearing House (ACH)**

The Automated Clearing House (ACH) loan repayment program is offered to URS members and retirees who have outstanding 401(k) or 457 plan loans and are no longer able to make payroll deductions through a participating URS employer. Participating in the ACH program does not supersede the terms of the original signed promissory note except the repayment amount may be recalculated to a monthly amount necessary to repay the loan in the length of time specified in the promissory note. The member agrees to allow monthly loan payments to be automatically debited by URS on the 15th of the month (or next closest bank business day) from the financial institution he/she has chosen.

**URS Check Policy**

URS accepts personal checks and certified funds (i.e., cashier’s checks or money orders) for additional loan prepayments. We are unable to accept cash. Full or partial loan prepayments of $500 or more are accepted. Certified funds will post to your account within 3 – 5 business days. If you submit a personal check, payment is not posted to your account for a minimum of five (5) business days. Returned checks, due to insufficient funds, are not posted to an account and URS charges a $20 returned check fee.
Interest Rate on Loans

The interest rate is a fixed rate for the duration of the loan. The loan interest rate for new loans is determined at the beginning of each calendar quarter, based on the prime rate (as published in The Wall Street Journal) plus 1%. The interest on a 457 loan is generally not deductible for income tax purposes. (Consult a tax advisor.)

Loan Fee

There is a $60.00 nonrefundable fee deducted from your account when the loan is processed.

Taxes and Penalties

There are no taxes or penalties on a loan, unless the loan is in default and/or offset against the account.

Application of Funds

When the loan is created, the principal is transferred from the core investment funds beginning with employer contributions in the most conservative fund, progressing to employee personal contributions in the most aggressive fund. Your loan payments to the plan reduce the outstanding loan principal owed, and the principal and interest paid is applied to the 457 investment options based on your specified allocation for future deposits. All interest you pay is deposited into your account.
Summary Plan Description

For more loan information, please read the URS 401(k)/457 Loan Program brochure. Also, take advantage of the URS Loan Payment Calculator at www.urs.org. The brochure is available online and at our offices.

Plan Fees and Expenses

There are several different types of expenses that may be deducted from an account to cover the costs of administering your plan: 1) investment, 2) administrative, 3) loan, 4) inactive account maintenance, and 5) short-term trading.

Investment and Administrative Fees

<table>
<thead>
<tr>
<th>Fund</th>
<th>Investment</th>
<th>Administrative</th>
<th>Total Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Fund</td>
<td>0.26%</td>
<td>0.16%</td>
<td>0.42%</td>
</tr>
<tr>
<td>Bond Fund</td>
<td>0.10%</td>
<td>0.16%</td>
<td>0.26%</td>
</tr>
<tr>
<td>Balanced Fund</td>
<td>0.24%</td>
<td>0.16%</td>
<td>0.40%</td>
</tr>
<tr>
<td>Large Cap Value Fund</td>
<td>0.42%</td>
<td>0.16%</td>
<td>0.58%</td>
</tr>
<tr>
<td>Large Cap Index Fund</td>
<td>0.03%</td>
<td>0.16%</td>
<td>0.19%</td>
</tr>
<tr>
<td>Large Cap Growth Fund</td>
<td>0.26%</td>
<td>0.16%</td>
<td>0.42%</td>
</tr>
<tr>
<td>International Fund</td>
<td>0.06%</td>
<td>0.16%</td>
<td>0.22%</td>
</tr>
<tr>
<td>Small Cap Stock Fund</td>
<td>0.37%</td>
<td>0.16%</td>
<td>0.53%</td>
</tr>
<tr>
<td>Target Date 2060</td>
<td>0.21%</td>
<td>0.16%</td>
<td>0.37%</td>
</tr>
<tr>
<td>Target Date 2055</td>
<td>0.21%</td>
<td>0.16%</td>
<td>0.37%</td>
</tr>
<tr>
<td>Target Date 2050</td>
<td>0.21%</td>
<td>0.16%</td>
<td>0.37%</td>
</tr>
<tr>
<td>Target Date 2045</td>
<td>0.21%</td>
<td>0.16%</td>
<td>0.37%</td>
</tr>
<tr>
<td>Target Date 2040</td>
<td>0.21%</td>
<td>0.16%</td>
<td>0.37%</td>
</tr>
<tr>
<td>Target Date 2035</td>
<td>0.22%</td>
<td>0.16%</td>
<td>0.38%</td>
</tr>
<tr>
<td>Target Date 2030</td>
<td>0.22%</td>
<td>0.16%</td>
<td>0.38%</td>
</tr>
<tr>
<td>Target Date 2025</td>
<td>0.21%</td>
<td>0.16%</td>
<td>0.37%</td>
</tr>
<tr>
<td>Target Date 2020</td>
<td>0.21%</td>
<td>0.16%</td>
<td>0.37%</td>
</tr>
<tr>
<td>Target Date 2015</td>
<td>0.20%</td>
<td>0.16%</td>
<td>0.36%</td>
</tr>
<tr>
<td>Target Date 2010</td>
<td>0.18%</td>
<td>0.16%</td>
<td>0.34%</td>
</tr>
<tr>
<td>Target Date Retired</td>
<td>0.19%</td>
<td>0.16%</td>
<td>0.35%</td>
</tr>
<tr>
<td>Tier 2 Nonvested</td>
<td>0.18%</td>
<td>0.16%</td>
<td>0.34%</td>
</tr>
</tbody>
</table>
Investment fees are charged by the fund managers to cover the costs of investing money. Administrative fees cover the costs of maintaining a retirement plan, such as customer service, statements, and record keeping. Both fees are charged as a fraction of a percent of assets under management and are calculated in each fund’s daily unit value. Therefore, balances in your account and all rates of return are shown after these fees have been deducted.

**Example:** Let’s assume you invested $1,000 in the Large Cap Stock Index Fund on January 1, 2018, and left it until January 1, 2019. Let’s also assume there was no change in the stock market during that same period. The fee for investing and administering this option for you would be $1.90 (.19% x $1,000).

**Loan Fee**

If you take advantage of the plan’s loan program, you are assessed a $60 processing fee for each loan you receive from the plan. This fee appears as a withdrawal on your quarterly statement.

**Inactive Account Maintenance Fee**

Because the fees generated from small inactive accounts generally do not cover the costs of maintaining them, an annual fee of $15 is assessed to each plan. Small inactive accounts are those where the account owner is no longer employed by a participating organization, there have been no deposits or withdrawals during the prior 12 months, and assets in all URS Savings Plans are less than $5,000. This fee appears as a withdrawal on the quarterly statement.

**Short-Term Trading Fee**

Because of the costs generated by frequent trading and the potential impact on other participants’ accounts, it is necessary to impose a short-term trading fee. Individuals who transfer any or all of their account balance among core...

457 Savings Plan

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investment options more often than once every 30 days are charged a 2% fee on the amount transferred. Each transfer starts a new 30 day period. Also, each savings plan is treated individually. For example, fund transfers in your IRA do not affect your ability to transfer funds in your 401(k) or 457 plan.

**Self-Directed Brokerage Account Fee**

Participants in the Schwab Personal Choice Retirement Account® (PCRA) are assessed a $12 quarterly fee for each plan utilizing a PCRA. The administrative fee (.16%) is not applied to funds within a PCRA.

**Appeals**

If you disagree with a calculation, policy, procedure, or some other action taken by a department of URS, you may appeal such decisions. You will need to write a letter to the executive director stating the facts of the situation, the remedy you are requesting, and the legal or equitable basis for the reversal. The executive director will review the case and either grant or deny your request. If your request is denied you may, within 30 days of the denial, file a written petition with the hearing officer. Steps for filing the petition are sent to you at that time.

**A Final Word**

This brochure is general in nature. For more information regarding the 457 plan, contact the URS Savings Plans Department at 801-366-7720 or 800-688-401k, or visit www.urs.org.
Your Right to Privacy is Protected

Information will be given over the telephone to members only if they can demonstrate their identity through knowledge of personal information. If such knowledge cannot be demonstrated, account information will not be discussed over the telephone. Because your file is confidential, we cannot release information to your spouse, relatives, or group representative. Information provided through www.urs.org is permitted only with a valid username and password.

Savings Plans Department
P.O. Box 1590, Salt Lake City, UT 84110-1590

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Salt Lake City, UT 84102-2021

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Fax: 801-366-7445
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Daniel D. Andersen, Executive Director