



Investment Options

AND SAVINGS PLANS OVERVIEW



401(K) AND 457 PLANS • ROTH AND TRADITIONAL IRAs

2014

Charting Your Own Course

Performance Update for Period Ending December 31, 2013



Utah Retirement Systems Savings Plans

401(k) and 457 Plans • Roth and Traditional IRAs

So where do I start?

1

Pick your plan.

URS offers 401(k), 457, Roth and traditional IRAs (subject to employer participation).

- You can have more than one, such as a 457 and a Roth IRA.
- See plan comparison on page 2.

2

Pick your funds by deciding how involved you'd like to be. Ask yourself the following questions:

- How comfortable am I with choosing my own investments?
- How much experience do I have investing?
- How much time do I want to spend picking my investments?
- How long do I have until retirement?

If you don't have experience or aren't comfortable designing your own portfolio of investment funds, the URS Horizon Funds may be a good choice. These funds are professionally designed and diversified portfolios based on the amount of time before money is withdrawn. Select: Short, Medium or Long Horizon Fund and you're on your way! Information about the Horizon Funds is on pages 5 and 6.

If you are comfortable designing your own diversified portfolio of funds, you can select from the eight individual core investment fund options found on pages 3 and 4.

If you're an experienced investor and looking for specific investments, the Personal Choice Retirement Account® (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. **See page 6 for PCRA information.**

3

Enroll. Everything you need to enroll is available online through URS Online Enrollment. **Instructions are to the right.**

4

Maintain your account. Periodically review your account to make sure it is still in line with your goals. Here are a few questions to ask yourself when reviewing your account:

- Has my timeline to retirement changed?
- Are my investments still appropriate for my age and risk tolerance?
- Have I had a major life event (marriage, divorce, career change, change in income)?
- Can I afford to contribute more to my retirement?

Make changes to your investments or deferrals at www.urs.org or by submitting an investment contract.



Enroll in URS Savings Plans in a few quick steps.

Step 1:

Go to www.urs.org

- Log in to "myURS." (Follow the prompts to set up an account if you don't already have one.)



Step 2:

Select the Savings Plan you want to enroll in

- 401(k), 457, Roth or traditional IRA
- May participate in multiple plans
- Select plan and click on "Enroll"
- After reading about the plan, click on "Enroll/Change."



URS Savings Plans Comparison

Plan Ahead to Get Ahead!

	Lower tax bill now!	Tax-deferred growth!	Tax-free growth!	
	401(k) Tax deferred Pay income tax when withdrawn	457 Tax deferred Pay income tax when withdrawn	Traditional IRA May be tax deductible Pay income tax when withdrawn	Roth IRA After-tax deposits Tax-free withdrawals
Deposits				
Payroll deduction (if allowed by employer)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rollovers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Transfers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Personal deposits			<input type="checkbox"/>	<input type="checkbox"/>
Withdrawals <i>(Vested balances only)</i>	<ul style="list-style-type: none"> <input type="checkbox"/> Retirement <input type="checkbox"/> Termination <input type="checkbox"/> Age 59½ if still employed <input type="checkbox"/> Hardship <i>(Elective deferrals only)</i> 	<ul style="list-style-type: none"> <input type="checkbox"/> Retirement <input type="checkbox"/> Termination <input type="checkbox"/> Age 70½ if still employed <input type="checkbox"/> Unforeseeable Emergency 	<input type="checkbox"/> Any time	<input type="checkbox"/> Any time
Early Withdrawal Penalty Tax	Yes — 10% early withdrawal penalty tax if withdrawn before age 59½. Exceptions: <ul style="list-style-type: none"> <input type="checkbox"/> you work into the calendar year you turn age 55 <input type="checkbox"/> payout based on life expectancy <input type="checkbox"/> disability 	No penalty tax	Yes – if withdrawn before age 59½. Exceptions: <ul style="list-style-type: none"> <input type="checkbox"/> first home <input type="checkbox"/> higher education <input type="checkbox"/> payout based on life expectancy <input type="checkbox"/> disability 	Contributions: No Earnings: Yes – if withdrawn before age 59½. Exceptions: <ul style="list-style-type: none"> <input type="checkbox"/> first home <input type="checkbox"/> higher education <input type="checkbox"/> payout based on life expectancy <input type="checkbox"/> disability <i>(For additional exceptions see IRS publication 590.)</i>
Loan Provision	Yes <i>(Limitations apply to Tier 2 employer contributions)</i>	Yes	No	No
Annual Contribution Limits	2014 \$17,500	\$17,500*	\$5,500	\$5,500
With Age 50+ Catch-Up Provision	2014 \$23,000	\$23,000	\$6,500	\$6,500
Special 457 Catch-Up Provision		*The three years prior to the year you qualify to retire, your limit on 457 contributions is double the standard limit (depending on past contributions). This is called the special catch-up. <i>Note: You cannot use the 457 age 50+ catch-up the same year as the special catch-up.</i>		

Step 3: Select Deferral/Contribution Rate

Step 4: Select Investment Options

- Select one fund from the Horizon Funds OR
- Select funds in the Core Investment Options that total 100%.

Step 5: Designate Your Beneficiaries

- List your primary and contingent beneficiaries
- You may list a trust as beneficiary.

Step 6: Complete Your Enrollment

- Review your selections
- Type in your name as your electronic signature
- Confirm
- Print if you'd like a copy and/or
- Return to the online enrollment home page to enroll in another plan or edit information.

Core Investment Options

If you prefer to design your own portfolio, use the eight individual URS investment options.

Income Fund

is a stable value option and the most conservative of the investment choices. About 95% of its assets are invested in investment grade bonds that are "wrapped" with book value contracts. The contracts are financial agreements from creditworthy banks and insurance companies, protecting against changes in interest rates and smoothing returns over the duration of the portfolio.

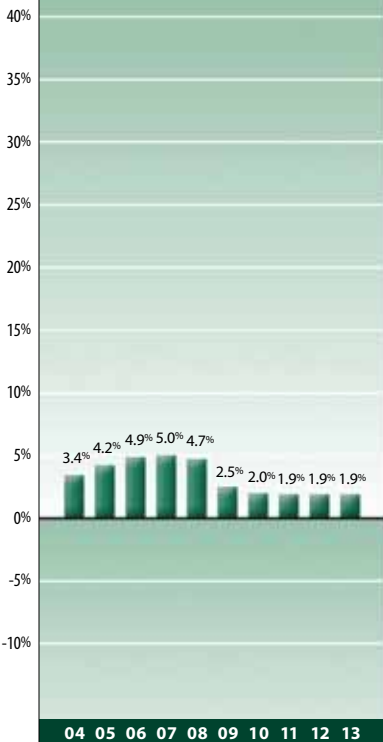
Sample of Portfolio

Book Value Contracts
Government Bonds
Short-Term Investments

Annualized Returns for Periods Ended Dec. 31, 2013

1 Year	3 Years	5 Years	10 Years
1.85%	1.88%	2.03%	3.23%

Annual Returns for Periods Ended December 31



Bond Fund

generally contains investment grade and government bonds issued in the United States and denominated in U.S. dollars.

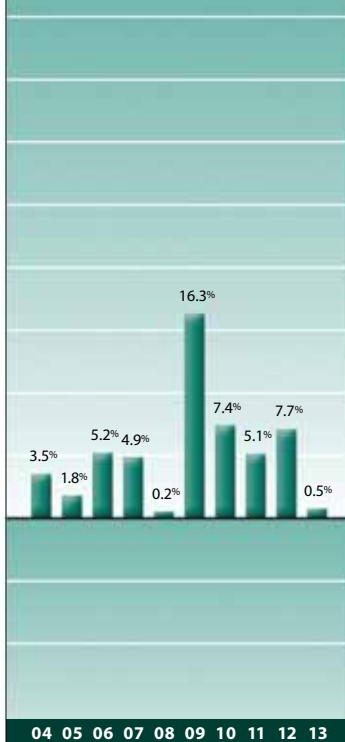
Sample of Portfolio

Asset-Backed Securities
Corporate Bonds
U.S. Treasury and Gov't. Related

Annualized Returns for Periods Ended Dec. 31, 2013

1 Year	3 Years	5 Years	10 Years
0.53%	4.40%	7.29%	5.16%

Annual Returns for Periods Ended December 31



Balanced Fund

invests in a portfolio consisting of about 60% stocks, and 40% bonds. This fund is considered less risky than most stock investments, but has higher risk than most fixed income investments.

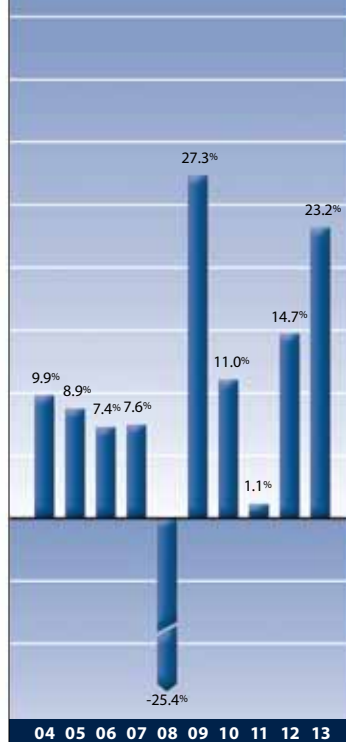
Portfolio Structure

40% Bond Fund
30% Large Cap Growth Fund
30% Large Cap Value Fund

Annualized Returns for Periods Ended Dec. 31, 2013

1 Year	3 Years	5 Years	10 Years
23.16%	12.62%	15.08%	7.60%

Annual Returns for Periods Ended December 31



Large Cap Stock Value Fund

invests in a diversified portfolio of common stocks that appear undervalued by the stock market, but have a favorable outlook for long-term growth.

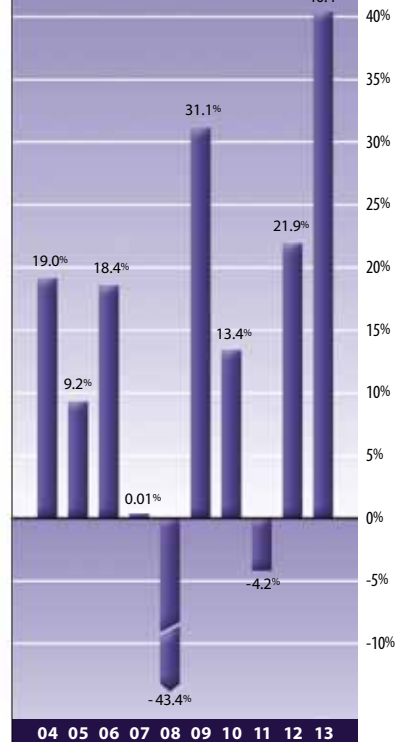
Sample of Portfolio Securities

Capital One Financial Corp.
Comcast Corp.
Microsoft Corp.
Time Warner Inc.
Wells Fargo & Co.

Annualized Returns for Periods Ended Dec. 31, 2013

1 Year	3 Years	5 Years	10 Years
40.41%	17.90%	19.49%	7.81%

Annual Returns for Periods Ended December 31



Large Cap Stock Index Fund

invests in stocks included in the Russell 1000 Index. The Russell 1000 Index is constructed as a broad and impartial measure of the large cap stock sector. The index includes about 1000 of the largest stocks based on a combination of their current market cap and current index membership.

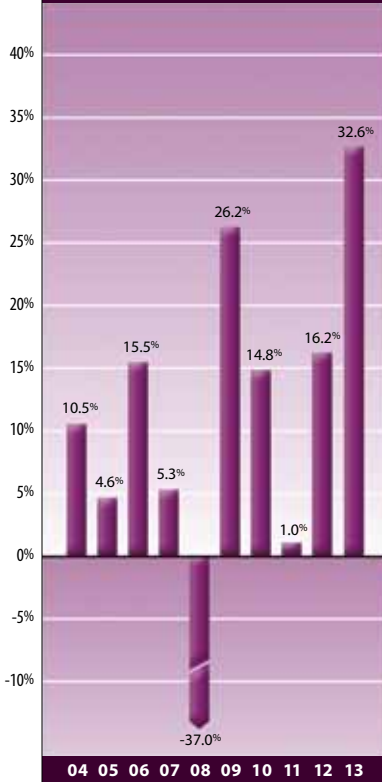
Sample of Portfolio Securities

Apple Inc.
Chevron Corp.
Exxon Mobil Corp.
General Electric
Johnson & Johnson

Annualized Returns for Periods Ended Dec. 31, 2013

1 Year	3 Years	5 Years	10 Years
32.64%	15.89%	17.66%	7.16%

Annual Returns for Periods Ended December 31



Large Cap Stock Growth Fund

emphasizes capital appreciation and seeks to identify companies with future relative earnings strength at a reasonable valuation. The portfolio is actively managed to react quickly to changing company fundamentals and prevailing market forces.

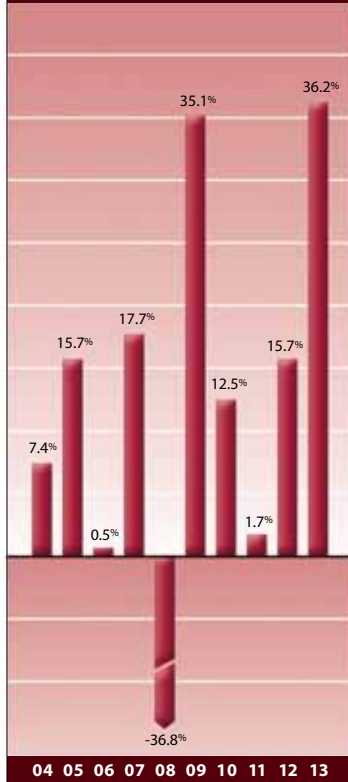
Sample of Portfolio Securities

Amazon.com Inc.
Gilead Sciences Inc.
Google Inc.
MasterCard Inc.
Monsanto Co.

Annualized Returns for Periods Ended Dec. 31, 2013

1 Year	3 Years	5 Years	10 Years
36.18%	17.01%	19.48%	8.50%

Annual Returns for Periods Ended December 31



International Fund

tracks the performance of the MSCI All Country World Index – ex. U.S. – Investable Market Index (ACWI ex. U.S. IMI) as closely as possible. The index is designed as a measure of the global stock market performance of developed and emerging markets that excludes the United States.

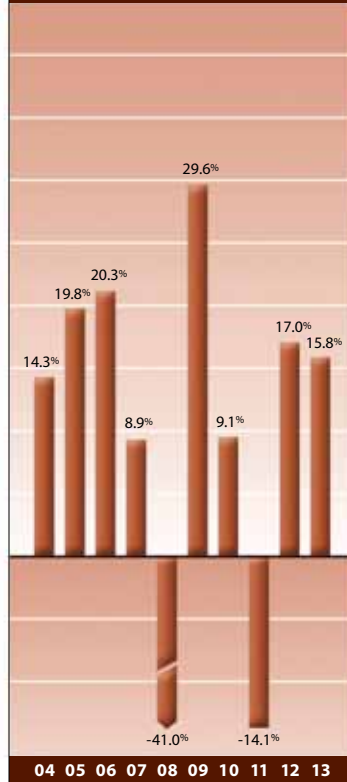
Sample of Portfolio Securities

Nestle SA (Switzerland)
Roche Holdings AG (Switzerland)
Royal Dutch Shell (Netherlands)
Samsung Electronics (South Korea)
Toyota Motor Corp. (Japan)

Annualized Returns for Periods Ended Dec. 31, 2013

1 Year	3 Years	5 Years	10 Years
15.81%	5.19%	10.48%	5.71%

Annual Returns for Periods Ended December 31



Small Cap Stock Fund

invests in a broad cross-section of U.S. small companies whose size (market capitalization) falls within the smallest 10% of companies listed on the New York Stock Exchange, American Stock Exchange, and NASDAQ National Market System.

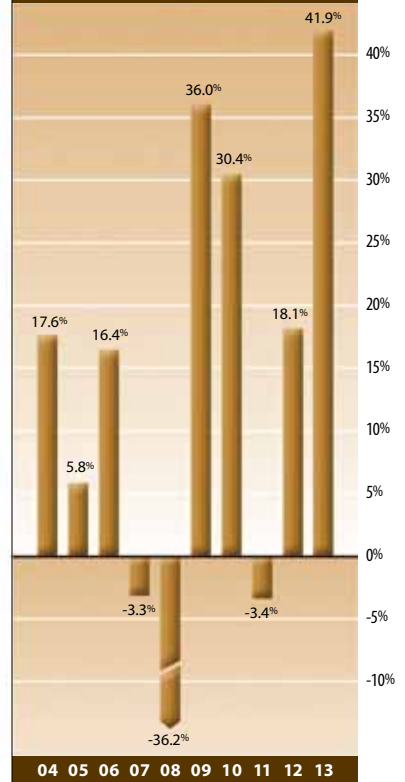
Sample of Portfolio Securities

Alliant Techsystems
Cabela's Inc.
Centene Corp.
Domino's Pizza Inc.
EnerSys Inc.

Annualized Returns for Periods Ended Dec. 31, 2013

1 Year	3 Years	5 Years	10 Years
41.94%	17.44%	23.51%	9.88%

Annual Returns for Periods Ended December 31



Asset Allocation Funds

Horizon Funds

These funds are asset allocations designed to help those who want to diversify their portfolios. If you select one of the three Horizon Funds, your balance or contributions are allocated to the indicated investment options. The Horizon Funds are automatically rebalanced quarterly when target ranges are exceeded.



Horizon Funds Asset Classes

As you can see from the pie charts, each Horizon Fund is comprised of a different allocation of asset classes. Some of the asset classes are exclusive to the Horizon Funds (Commodities, Inflation-Protected Securities, International Bonds, and Real Estate Investment Trusts), while others are made up of the individual URS core funds (Income Fund, Bond Fund, Large Cap Stock Value Fund, Large Cap Stock Index Fund, Large Cap Stock Growth Fund, International Fund, and Small Cap Stock Fund). Each of the asset classes is described on page 6.

Short Horizon Fund

is designed for investors with an investment time frame of 5 years. This fund provides a relatively conservative investment with a more stable rate of return. However, with reduced market risk there is often a lower rate of return over longer periods of time.

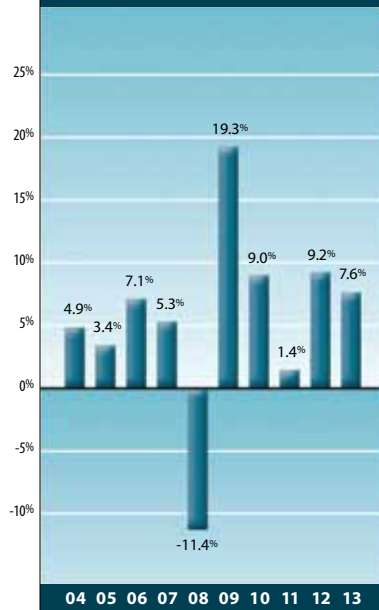


- 1 URS Income Fund (15%)
- 2 URS Bond Fund (35%)
- 3 Inflation-Protected Securities (10%)
- 4 International Bonds (10%)
- 5 URS Large Cap Value Fund (4%)
- 6 URS Large Cap Index Fund (5%)
- 7 URS Large Cap Growth Fund (4%)
- 8 URS International Fund (10%)
- 9 URS Small Cap Stock Fund (4%)
- 10 Commodities (3%)

Annualized Returns for Periods Ended Dec. 31, 2013

1 Year	3 Years	5 Years	10 Years
7.60%	6.02%	9.14%	5.31%

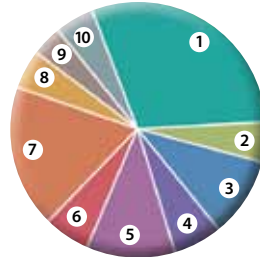
Annual Returns for Periods Ended December 31



Medium Horizon Fund*

is designed for investors planning to withdraw their funds in 5 to 10 years. This fund emphasizes moderate risk and moderate earnings potential.

*The Medium Horizon Fund is the default when you don't select any other option. The same investment allocation is used for Tier 2 unvested funds.

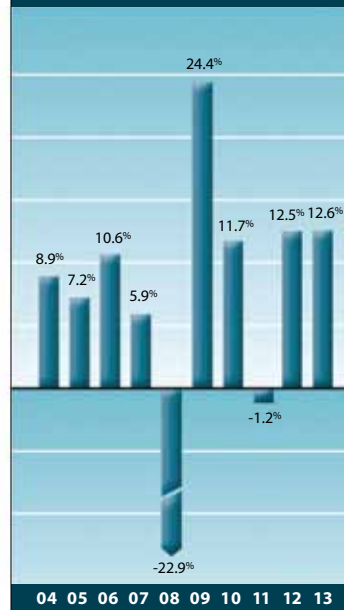


- 1 URS Bond Fund (30%)
- 2 Inflation-Protected Securities (5%)
- 3 International Bonds (10%)
- 4 URS Large Cap Value Fund (6%)
- 5 URS Large Cap Index Fund (11%)
- 6 URS Large Cap Growth Fund (6%)
- 7 URS International Fund (18%)
- 8 URS Small Cap Stock Fund (5%)
- 9 Real Estate Investment Trusts (4%)
- 10 Commodities (5%)

Annualized Returns for Periods Ended Dec. 31, 2013

1 Year	3 Years	5 Years	10 Years
12.55%	7.75%	11.70%	6.25%

Annual Returns for Periods Ended December 31



Long Horizon Fund

is designed for investors with 10 or more years to invest before withdrawing their funds. This fund offers the potential for higher returns over a long period of time. There is higher market risk with the Long Horizon Fund, along with higher potential returns.

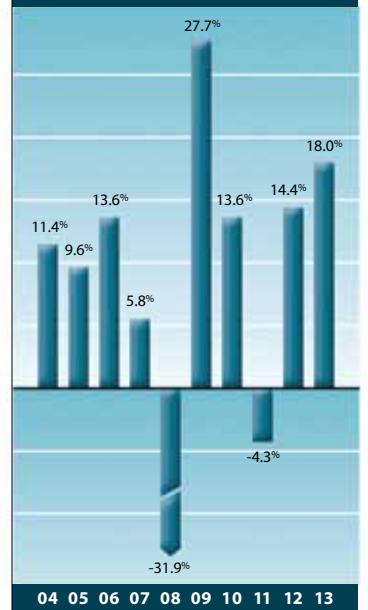


- 1 URS Bond Fund (15%)
- 2 International Bonds (5%)
- 3 URS Large Cap Value Fund (6%)
- 4 URS Large Cap Index Fund (16%)
- 5 URS Large Cap Growth Fund (6%)
- 6 URS International Fund (28%)
- 7 URS Small Cap Stock Fund (9%)
- 8 Real Estate Investment Trusts (8%)
- 9 Commodities (7%)

Annualized Returns for Periods Ended Dec. 31, 2013

1 Year	3 Years	5 Years	10 Years
17.95%	8.89%	13.36%	6.46%

Annual Returns for Periods Ended December 31



● **Commodities** are bulk goods and raw materials, such as grains, metals, livestock, oil, cotton, coffee, sugar, and cocoa; goods used to produce consumer products. Commodities are bought and sold on the cash market, and they are also traded on the futures exchanges in the form of futures contracts. In addition to their diversification benefits, commodities are also used as a long-term hedge against inflation.

Sample of Portfolio

Crude Oil
Gold
Soybeans

● **Inflation-Protected Securities** are issued primarily by developed countries to protect against the effects of inflation. An example of inflation-protected securities is TIPS (treasury inflation-protected securities), which are issued by the U.S. Government and reduce the risk of inflation by indexing the principal of the bond to an inflation rate.

Sample of Portfolio

TIPS (Treasury Inflation-Protected Securities)
Index Linked Government Bonds — UK
Index Linked Government Bonds — Germany

● **International Bonds** are used to diversify the type of bond investments within the Horizon Funds. An international bond is a bond issued outside of the United States by a government or non-U.S. corporation, and typically issued in a foreign currency.

Sample of Portfolio

International Asset-Backed Securities
International Corporate Bonds
International Government Bonds

● **Real Estate Investment Trusts**, or REITs, are used to increase diversification within the Horizon Funds. A REIT is an actively managed portfolio of real estate and mortgage-related investments. Another benefit REITs add is long-term inflation protection.

Sample of Portfolio

Aeon Mall Co.
China Overseas Land & Investment
City Developments LTD

- **URS Income Fund:** See page 3.
- **URS Bond Fund:** See page 3.
- **URS Large Cap Stock Value Fund:** See page 3.
- **URS Large Cap Stock Index Fund:** See page 4.
- **URS Large Cap Stock Growth Fund:** See page 4.
- **URS International Fund:** See page 4.
- **URS Small Cap Stock Fund:** See page 4.



charlesSCHWAB
PCRA



Self-Directed Brokerage Account

URS offers the Schwab Personal Choice Retirement Account® (PCRA) — a self-directed brokerage account available through Utah Retirement Systems Savings Plans. A PCRA offers a wide variety of investment options and gives you more flexibility in managing your retirement savings.

Invest in:

- Over 3,000 funds, including over 2,000 funds available with no loads or transaction fees, through Schwab Mutual Fund OneSource® (excluding core funds currently offered in the URS Savings Plans).
- 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).

Requirements

Before enrolling in a self-directed brokerage account, be sure to review these minimum eligibility requirements:

- You must have a \$5,000 minimum vested account balance for each plan utilizing the PCRA (401(k), 457, and IRAs constitute separate plans).
- You must maintain a minimum vested account balance of \$1,000 in the URS core investment options for each of the plans (401(k), 457, traditional and/or Roth IRA) in which you have a Schwab PCRA.

- If you have established automatic withdrawals from the plan, you must maintain the minimum \$1,000 in the core funds plus the next six months of projected distributions.
- If your core funds balance falls below \$750 at the end of a quarter, you will be notified you need to move money back to the core funds. If your core fund balance is not restored to \$1,000 by the end of the following quarter, URS may request money from the Schwab PCRA.
- Beneficiary accounts and alternate payee accounts are not eligible to participate in a PCRA.
- You must be willing to sign a limited power of attorney (LPOA) with Charles Schwab.
- To enroll and transfer money to the PCRA you must have access to the Internet.
- You must be willing to pay the \$25 quarterly administrative fee for each plan utilizing a PCRA.

Also:

- Trades in the PCRA may be subject to initial and subsequent investment minimums. For example, many mutual funds have initial investment minimums of \$1,000.
- Other applicable fees may apply, depending upon the investments you choose.

Financial Markets

(as of December 31, 2013)

Use these indices for comparative purposes:

They are not indicative of the rates of return you should expect from the funds in your savings plans.

General Market Rates of Return	Annualized			
	One Year	Three Years	Five Years	Ten Years
Treasury Bills Index	0.07%	0.10%	0.12%	1.68%
Barclays Aggregate Bond Index	-2.02%	3.26%	4.44%	4.55%
Russell 1000 Value Index	32.53%	16.06%	16.67%	7.58%
Russell 1000 Index	33.11%	16.30%	18.59%	7.78%
S&P 500 Index	32.39%	16.18%	17.94%	7.41%
Russell 1000 Growth Index	33.48%	16.45%	20.39%	7.83%
Russell 2000 Index (Small Cap)	38.82%	15.67%	20.08%	9.07%
MSCI ACWI ex US IMI Index (International)	15.82%	5.12%	13.46%	7.91%
MSCI EAFE Index (International)	22.78%	8.17%	12.44%	6.91%

For additional information see individual fund Fact Sheets.

Trading Policy

You are allowed to submit one transfer request (whether electronically, by fax, mail or hand delivered) for your vested core fund 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 accounts 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, will start 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 future deferral amounts are allowed as often as daily.

PCRA Transfer Policy

Transfers to or from a PCRA are allowed once every seven (7) calendar days. PCRA transfers must be requested at www.urs.org.

Additional Information Regarding Transfers

Investment changes received at URS 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. Elections for the investment allocation of future deposits and the elections of future deferral amounts are allowed as often as daily.



Low Annual Fees

These fees are deducted from earnings prior to posting and do not appear as separate items on your statement. Thoroughly investigate all fees before you invest in any program.

Fund	Annual Investment Fees	Annual Administrative Fees	Total Annual Fees
Income	0.30%	0.16%	0.46%
Bond	0.12%	0.16%	0.28%
Balanced	0.26%	0.16%	0.42%
Large Cap Stock Value	0.42%	0.16%	0.58%
Large Cap Stock Index	0.03%	0.16%	0.19%
Large Cap Stock Growth	0.29%	0.16%	0.45%
International	0.07%	0.16%	0.23%
Small Cap Stock	0.37%	0.16%	0.53%
Short Horizon	0.19%	0.16%	0.35%
Medium Horizon	0.20%	0.16%	0.36%
Long Horizon	0.23%	0.16%	0.39%

Note: Information regarding these and other special service fees can be found on the Fact Sheets and in the Summary Plan Descriptions.

Points to Remember

The investments described in this publication are not FDIC insured; not deposits or obligations of, or guaranteed by, any financial institution; and not guaranteed by the Utah Retirement Systems or any government agency.

The past performance of any of these funds does not guarantee future results.

URS employees are not registered securities advisors. They cannot offer investment advice or make recommendations. Because you make the investment decisions about your

vested account, the plan's sponsor, trustees, and others associated with the investments may be relieved of liability for investment performance.

Additionally, URS reserves the right to change investment managers or Horizon Fund allocations as needed.

Further information for each fund is available at www.urs.org, or by calling 801-366-7720 or 800-688-401k.



Utah Retirement Systems

Defined Contribution Department

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

Or visit us at: 560 East 200 South, Suite 200, Salt Lake City, UT 84102-2021 • 801-366-7720 • 800-688-401k

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