

## URS Roth and Traditional IRA Disclosure Statement

*This information is available in the URS 401(k)  
Plan Document. The complete plan document  
can be obtained from the URS office or by calling  
1-800-688-401k.*

**Section 13.01. Adoption and Effective Date of Article 13.** This Article 13 of the Plan is adopted to reflect Section 602 of the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA"), as amended by the Job Creation and Worker Assistance Act of 2002. This Article is effective for Plan Years beginning on or after January 1, 2005, is intended as good faith compliance with the requirements of EGTRRA and is to be construed in accordance with EGTRRA and guidance issued thereunder.

**Section 13.02. Supersession of Inconsistent Provisions.** This Article shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Article.

**Section 13.03. Deemed IRAs.** Each Participant who is an Eligible Person may make voluntary employee contributions to the Participant's Traditional IRA or Roth IRA under the Plan ("Deemed IRA"). The Plan shall establish a separate account for the designated IRA contributions of each Participant and any earnings properly allocable to the contributions, and maintain separate recordkeeping with respect to each such IRA.

**Section 13.04. Voluntary Employee Contributions.** For purposes of this Article, a voluntary employee contribution means any contribution that is made by the Participant and which the Participant has designated, at or prior to the time of making the contribution, as a contribution to which this Article applies. In addition, an individual who receives a qualified reservist distribution as defined in Code Section 72(t)(2)(G)(iii) may, at any time during the two-year period beginning on the day after the end of his active duty period, make one or more contributions to a Deemed IRA under this Article in an aggregate amount not to exceed the amount of his qualified reservist distribution, provided the contribution otherwise meets the requirements to be a voluntary employee contribution under this Section. The annual dollar limitations otherwise applicable to Traditional IRAs or Roth IRAs shall not apply to any contribution made pursuant to the preceding sentence.

**Section 13.05. Deemed IRA Requirements.** This Article, along with the Master Custody Agreement entered into between Northern Trust Company and Utah Retirement Systems on November 18, 2004, as amended (the "Agreement"), shall satisfy the separate trust requirement under Code Section 408(q) and the regulations thereto. Deemed IRAs established pursuant to this Article shall be held under the Agreement in a separate custodial account (the "Deemed IRA Trust"). The Deemed IRA Trust shall satisfy the applicable requirements of Code Sections 408 and 408A, which requirements are set forth in Section 13.07 and 13.08, respectively, and is hereby established with Northern Trust Company, or its successor, as the custodian who meets the requirements of Code Section 408(a)(2) ("Deemed IRA Trustee"). The Deemed IRA Trust, and any amendments thereto, is hereby adopted as a trust maintained under this Plan with respect to the assets held therein, and the provisions of such Deemed IRA Trust shall control so long as any assets of any Deemed IRA are held thereunder.

**Section 13.06. Reporting Duties.** The Deemed IRA Trustee, or its delegate, shall be subject to the reporting requirements of Code Section 408(i) with respect to all Deemed IRAs that are established and maintained under the Plan.

**Section 13.07. Traditional IRA Requirements.** The Deemed IRA Trust shall satisfy the following requirements for traditional Deemed IRAs:

(a) **Exclusive Benefit.** The traditional Deemed IRA accounts are established for the exclusive benefit of the Participant or his or her Beneficiaries.

(b) **Maximum Annual Contributions.**

(1) Except in the case of a rollover contribution (as permitted by Code Sections 402(c), 402(e)(6), 403(a)(4), 403(b)(8), 403(b)(10), 408(d)(3) and 457(e)(16)), no contributions will be accepted unless they are in cash, and the total of such contributions shall not exceed:

\$4,000 for 2007; and

\$5,000 for any taxable year beginning in 2008 and years thereafter.

After 2008, the limit will be adjusted by the Secretary of the Treasury for cost-of-living increases under Code Section 219(b)(5)(C). Such adjustments will be in multiples of \$500.

(2) In the case of a Participant who is 50 or older, the annual cash contribution limit is increased by \$1,000 for any taxable year beginning in 2006 and years thereafter.

(3) No contributions will be accepted under a SIMPLE IRA plan established by any employer pursuant to Code Section 408(p). Also, no transfer or rollover of funds attributable to contributions made by a particular employer under its SIMPLE IRA plan will be accepted from SIMPLE IRA, that is, an IRA used in conjunction with a SIMPLE IRA plan, prior to the expiration of the 2-year period beginning on the date the individual first participated in that employer's SIMPLE IRA plan.

(c) **Collectibles.** If the Deemed IRA Trust acquires collectibles within the meaning of Code Section 408(m) after December 31, 1981, Deemed IRA Trust assets will be treated as a distribution in an amount equal to the cost of such collectibles.

(d) **Life Insurance Contracts.** No part of the Deemed IRA Trust funds will be invested in life insurance contracts.

(e) **Minimum Required Distributions.**

(1) Notwithstanding any provision of this Deemed IRA to the contrary, the distribution of the individual's interest in the account shall be made in accordance with the requirements of Code Section 408(a)(6) and the regulations thereunder, the provisions of which are herein incorporated by reference. If distributions are made from an annuity contract purchased from an insurance company, distributions thereunder must satisfy the requirements of Q&A-4 of Treas. Reg. Section 1.401(a)(9)-6, rather than paragraphs (2), (3) and (4) below and Section 14.07(f). The required minimum distributions calculated for this Deemed IRA may be withdrawn from another IRA of the individual in accordance with Q&A-9 of Treas. Reg. Section 1.408-8.

(2) The entire value of the Deemed IRA account of the Participant for whose benefit the account is maintained will commence to be distributed no later than the first day of April following the calendar year in which such Participant attains age 70½ (the "required beginning date") over (a) the life of such Participant or the lives of such Participant and his or her Designated Beneficiary, or (b) a period certain not extending

beyond the life expectancy of such Participant, or the joint and last survivor expectancy of such Participant and his Designated Beneficiary.

(3) The amount to be distributed each year, beginning with the calendar year in which the Participant attains age 70½ and continuing through the year of death, shall not be less than the quotient obtained by dividing the value of the Deemed IRA (as determined under Section 13.07(f)(3)) as of the end of the preceding year by the distribution period in the Uniform Lifetime Table in Q&A-2 of Treas. Reg. Section 1.401(a)(9)-9, using the Participant's age as of his or her birthday in the year. However, if the Participant's sole Designated Beneficiary is his or her surviving spouse and such spouse is more than 10 years younger than the Participant, then the distribution period is determined under the Joint and Last Survivor Table in Q&A-3 of Treas. Reg. Section 1.401(a)(9)-9, using the ages as of the Participant's and spouse's birthdays in the year.

(4) The required minimum distribution for the year the Participant attains age 70½ can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.

(f) Distribution Upon Death.

(1) Death On or After Required Beginning Date. If the Participant dies on or after the required beginning date, the remaining portion of his or her interest will be distributed at least as rapidly as follows:

(A) If the Designated Beneficiary is someone other than the Participant's surviving spouse, the remaining interest will be distributed over the remaining life expectancy of the Designated Beneficiary, with such life expectancy determined using the Beneficiary's age as of his or her birthday in the year following the year of the Participant's death, or over the period described in paragraph (1)(C) below if longer.

(B) If the Participant's sole Designated Beneficiary is the Participant's surviving spouse, the remaining interest will be distributed over such spouse's life or over the period described in paragraph (1)(C) below if longer. Any interest remaining after such spouse's death will be distributed over such spouse's remaining life expectancy determined using the spouse's age as of his or her birthday in the year of the spouse's death, or, if the distributions are being made over the period described in paragraph (1)(C) below, over such period.

(C) If there is no Designated Beneficiary, or if applicable by operation of paragraph (1)(A) or (1)(B) above, the remaining interest will be distributed over the Participant's remaining life expectancy determined in the year of the Participant's death.

(D) The amount to be distributed each year under paragraph (1)(A), (B) or (C), beginning with the calendar year following the calendar year of the individual's death, is the quotient obtained by dividing the value of the Deemed IRA as of the end of the preceding year by the remaining life expectancy specified in such paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Treas. Reg. Section 1.401(a)(9)-9.

If distributions are being made to a surviving spouse as the sole Designated Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's or Participant's age in the year specified in paragraph (1)(A), (B) or (C) and reduced by 1 for each subsequent year.

(2) Death Before Required Beginning Date. If the Participant dies before the required beginning date, his or her entire interest will be distributed at least as rapidly as follows:

(A) If the Designated Beneficiary is someone other than the Participant's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Participant's death, over the remaining life expectancy of the Designated Beneficiary, with such life expectancy determined using the age of the Beneficiary as of his or her birthday in the year following the year of the Participant's death, or, if elected, in accordance with paragraph (2)(C) below.

(B) If the Participant's sole Designated Beneficiary is the Participant's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Participant's death (or by the end of the calendar year in which the Participant would have attained age 70½, if later), over such spouse's life, or, if elected, in accordance with paragraph (2)(C) below. If the surviving spouse dies before distributions are required to begin, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the spouse's death, over the spouse's Designated Beneficiary's remaining life expectancy determined using such Beneficiary's age as of his or her birthday in the year following the death of the spouse, or, if elected, will be distributed in accordance with paragraph (2)(C) below. If the surviving spouse dies after distributions are required to begin, any remaining interest will be distributed over the spouse's remaining life expectancy determined using the spouse's age as of his or her birthday in the year of the spouse's death.

(C) If there is no Designated Beneficiary, or if applicable by operation of paragraph (2)(A) or (2)(B) above, the entire interest will be distributed by the end of the calendar year containing the fifth anniversary of the Participant's death (or of the spouse's death in the case of the surviving spouse's death before distributions are required to begin under paragraph (2)(B) above).

(D) The amount to be distributed each year under paragraph (2)(A) or (B) is the quotient obtained by dividing the value of the Deemed IRA as of the end of the preceding year by the remaining life expectancy specified in such paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Treas. Reg. Section 1.401(a)(9)-9. If distributions are being made to a surviving spouse as the sole Designated Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's age in the year

specified in paragraph (2)(A) or (B) and reduced by 1 for each subsequent year.

(3) The "value" of the Deemed IRA includes the amount of any outstanding rollover, transfer and recharacterization under Q&As 7 and 8 of Treas. Reg. Section 1.408-8.

(g) **Nonforfeitable.** The interest of a Participant in the balance in his or her Deemed IRA account is nonforfeitable at all times.

**Reporting.** The Deemed IRA Trustee, or its delegate, shall furnish annual calendar year reports concerning the status of the Deemed IRA account and such information concerning required minimum distributions as is prescribed by the Commissioner of Internal Revenue.

**Section 13.08. Roth IRA Requirements.** The Deemed IRA Trust shall satisfy the following requirements for Roth Deemed IRAs:

(a) **Exclusive Benefit.** The Roth Deemed IRA accounts are established for the exclusive benefit of the Participant or his or her Beneficiaries.

(b) **Maximum Annual Contributions.**

(1) **Maximum Permissible Amount.** Except in the case of a qualified rollover contribution or a recharacterization (as defined in (6) below), no contribution will be accepted unless it is in cash and the total of such contributions to all the Participant's Roth IRAs for a taxable year does not exceed the applicable amount (as defined in (2) below), or the Participant's compensation (as defined in (8) below), if less, for that taxable year. The contribution described in the previous sentence that may not exceed the lesser of the applicable amount or the Participant's compensation is referred to as a "regular contribution." A "qualified rollover contribution" is a rollover contribution that meets the requirements of Code Section 408(d)(3), except the one rollover per year rule of Code Section 408(d)(3)(B) does not apply if the rollover contribution is from an IRA other than a Roth IRA (a "nonRoth IRA"). Beginning in 2006, a qualified rollover contribution also includes a rollover from a designated Roth account described in Code Section 402A. Contributions may be limited under (3) through (5) below.

(2) **Applicable Amount.** The applicable amount is determined under (A) or (B) below:

(A) If the Participant is under age 50, the applicable amount is -

\$4,000 for 2007 and \$5,000 for any taxable year beginning in 2008 and years thereafter.

(B) If the Participant is 50 or older, the applicable amount is -

\$5,000 for 2007 and \$6,000 for any taxable year beginning in 2008 and years thereafter.

After 2008, the limits in paragraph (2)(A) and (B) above will be adjusted by the Secretary of the Treasury for cost-of-living increases under Code Section 219(b)(5)(C). Such adjustments will be in multiples of \$500.

(3) **Regular Contribution Limit.** If (A) and/or (B) below apply, the maximum regular contribution that can be

made to all the Participant's Roth IRAs for a taxable year is the smaller amount determined under (A) or (B).

(A) The maximum regular contribution is phased out ratably between certain levels of modified adjusted gross income ("modified AGI," defined in (7) below) in accordance with the following table:

Filing Status	Full Contribution	Phase-out Range	No Contribution
Single or Head of Household	\$99,000 or less	Between \$99,000 and \$114,000	\$114,000 or more
Joint Return or Qualifying Widower	\$156,000 or less	Between \$156,000 and \$166,000	\$166,000 or more
Married-Separate Return	\$0	Between \$0 and \$10,000	\$10,000 or more

If the Participant's modified AGI for a taxable year is in the phase-out range, the maximum regular contribution determined under this table for that taxable year is rounded up to the next multiple of \$10 and is not reduced below \$200. Effective for Plan Years beginning on or after January 1, 2007, the dollar amounts listed above shall be adjusted by the Secretary of the Treasury for cost-of-living increases under Code Section 408(c)(3)(C). Such adjustments will be in multiples of \$1,000.

(B) If the Participant makes regular contributions to both Roth and nonRoth IRAs for a taxable year, the maximum regular contribution that can be made to all the Participant's Roth IRAs for that taxable year is reduced by the regular contributions made to the Participant's nonRoth IRAs for the taxable year.

(4) **Qualified Rollover Contribution Limit.** A rollover from a nonRoth IRA cannot be made to this Deemed Roth IRA if, for the year the amount is distributed from the nonRoth IRA, (i) the Participant is married and files a separate return, (ii) the Participant is not married and has modified AGI in excess of \$100,000 or (iii) the Participant is married and together the Participant and the Participant's spouse have modified AGI in excess of \$100,000. For purposes of the preceding sentence, a husband and wife are not treated as married for a taxable year if they have lived apart at all times during that taxable year and file separate returns for the taxable year. Effective for Plan Years beginning on or after January 1, 2008, qualified rollover contributions from an Eligible Retirement Plan can be made to this Deemed Roth IRA and such amounts may be held in a separate Roth IRA rollover account. Effective January 1, 2010, all AGI based restrictions on rollovers to this Deemed Roth IRA are eliminated.

(5) **SIMPLE IRA Limits.** No contributions will be accepted under a SIMPLE IRA plan established by any employer pursuant to Code Section 408(p). Also, no transfer or rollover of funds attributable to contributions made by a particular employer under its SIMPLE IRA plan will be accepted from a SIMPLE IRA; that is, an IRA used in conjunction with a SIMPLE IRA plan, prior to the expiration of the 2-year period beginning on the date individual first participated in that employer's SIMPLE IRA plan.

(6) **Recharacterization.** A regular contribution to a nonRoth IRA may be recharacterized pursuant to the rules in

Treas. Reg. Section 1.408A-5 as a regular contribution to this Deemed Roth IRA, subject to the limits in (3) above.

(7) Modified AGI. For purposes of (3) and (4) above, a Participant's modified AGI for a taxable year is defined in Code Section 408A(c)(3)(C)(i) and does not include any amount included in adjusted gross income as a result of a rollover from a nonRoth IRA (a "conversion").

(8) Compensation. For purposes of (1) above, compensation is defined as wages, salaries, professional fees, or other amounts derived from or received for personal services actually rendered (including, but not limited to commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, and bonuses) and includes earned income, as defined in Code Section 401(c)(2) (reduced by the deduction the self-employed individual takes for contributions made to a self-employed retirement plan). For purposes of this definition, Code Section 401(c)(2) shall be applied as if the term trade or business for purposes of Code Section 1402 included service described in Code Subsection 401(c)(6). Compensation does not include amounts derived from or received as earnings or profits from property (including but not limited to interest and dividends) or amounts not includible in gross income. Compensation also does not include any amount received as a pension or annuity or as deferred compensation. The term "compensation" shall include any amount includible in the individual's gross income under Code Section 71 with respect to a divorce or separation instrument described in subparagraph (A) of Code Section 71(b)(2). In the case of a married individual filing a joint return, the greater compensation of his or her spouse is treated as his or her own compensation, but only to the extent that such spouse's compensation is not being used for purposes of the spouse making a contribution to a Roth IRA or a deductible contribution to a nonRoth IRA.

(c) Collectibles. If the Deemed IRA Trust acquires collectibles within the meaning of Code Section 408(m) after December 31, 1981, Deemed IRA Trust assets will be treated as a distribution in an amount equal to the cost of such collectibles.

(d) Life Insurance Contracts. No part of the Deemed IRA Trust funds will be invested in life insurance contracts.

(e) Distributions Before Death. No amount is required to be distributed prior to the death of the Participant for whose benefit the Deemed Roth IRA account was originally established.

(f) Minimum Required Distributions.

(A) Notwithstanding any provision of this Deemed Roth IRA to the contrary, the distribution of the Participant's interest in the account shall be made in accordance with the requirements of Code Section 408(a)(6), as modified by Code Section 408A(c)(5), and the regulations thereunder, the provisions of which are herein incorporated by reference. If distributions are made from an annuity contract purchased from an insurance company, distributions thereunder must satisfy the requirements of Treas. Reg. Section 1.401(a)(9)-6 (taking into account Code Section 408A(c)(5)), rather than the distribution rules in paragraphs (2), (3) and (4) below.

(2) Upon the death of the Participant, his or her entire interest will be distributed at least as rapidly as follows:

(A) If the Designated Beneficiary is someone other than the Participant's surviving spouse, the entire interest will be distributed, starting by the end

of the calendar year following the calendar year of the Participant's death, over the remaining life expectancy of the Designated Beneficiary, with such life expectancy determined using the age of the Beneficiary as of his or her birthday in the year following the year of the Participant's death, or, if elected, in accordance with paragraph (2)(C) below.

(B) If the Participant's sole Designated Beneficiary is the Participant's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Participant's death (or by the end of the calendar year in which the Participant would have attained age 70½, if later), over such spouse's life, or, if elected, in accordance with paragraph (2)(C) below. If the surviving spouse dies before distributions are required to begin, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the spouse's death, over the spouse's Designated Beneficiary's remaining life expectancy determined using such Beneficiary's age as of his or her birthday in the year following the death of the spouse, or, if elected, will be distributed in accordance with paragraph (2)(C) below. If the surviving spouse dies after distributions are required to begin, any remaining interest will be distributed over the spouse's remaining life expectancy determined using the spouse's age as of his or her birthday in the year of the spouse's death.

(C) If there is no Designated Beneficiary, or if applicable by operation of paragraph (2)(A) or (2)(B) above, the entire interest will be distributed by the end of the calendar year containing the fifth anniversary of the Participant's death (or of the spouse's death in the case of the surviving spouse's death before distributions are required to begin under paragraph (2)(B) above).

(D) The amount to be distributed each year under paragraph (2)(A) or (B) is the quotient obtained by dividing the value of the Deemed Roth IRA as of the end of the preceding year by the remaining life expectancy specified in such paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Treas. Reg. Section 1.401(a)(9)-9. If distributions are being made to a surviving spouse as the sole Designated Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's age in the year specified in paragraph (2)(A) or (B) and reduced by 1 for each subsequent year.

(3) The "value" of the Deemed Roth IRA includes the amount of any outstanding rollover, transfer and recharacterization under Q&As 7 and 8 of Section 1.408-8 of the Income Tax Regulations.

(g) Nonforfeitable. The interest of a Participant in the balance in his or her Deemed Roth IRA account is nonforfeitable at all times.

(h) Reporting. The Deemed IRA Trustee, or its delegate, shall furnish annual calendar year reports concerning the status Deemed Roth IRA of the account and such information concerning required minimum distributions as is prescribed by the Commissioner of Internal Revenue.

*As amended by the Utah State Retirement Board 12/6/1989, 6/13/1990, 6/10/1993, 4/14/1994, 12/13/2001, 11/14/2002, 06/12/2003, 10/09/2003, 11/11/2004 and 4/12/2007.*