

NEW FOR 2015



Utah Retirement Systems

401(k) • 457 • Roth IRA • Traditional IRA

Target Date Funds

Diversify and simplify your retirement savings! These 12 new funds will replace the URS Horizon Funds on January 1, 2015.

LOOK INSIDE FOR COMPLETE DETAILS!



Target Date Funds

Introduction

URS Target Date Funds: What they are, what it means to you, when and how to get them

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One Fund for Your Lifetime



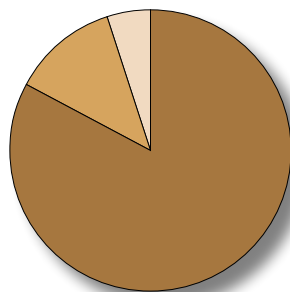
Target Date Funds give you a diversified portfolio through a single investment option. Select the fund appropriate to your age. The fund's investment allocations change automatically through your career.

EXAMPLE: TARGET DATE FUND 2060

Fund allocations adjust annually into retirement

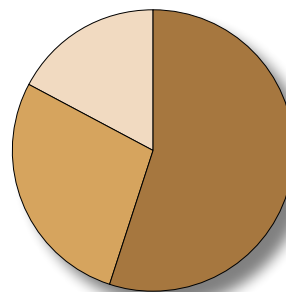
Start of Your Career Age 25

Your stock exposure is greatest early in your career.



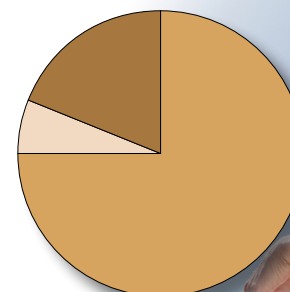
Mid-Career Age 55

Your funds' allocations automatically adjust.

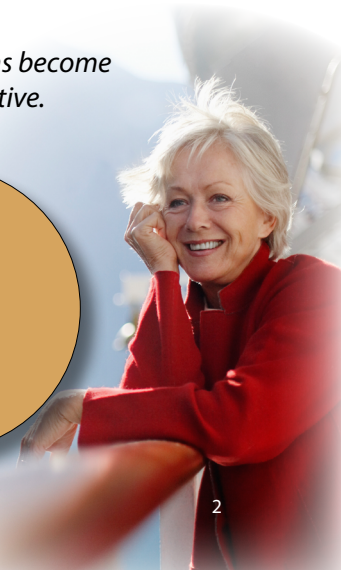


Retired Age 75

Your allocations become more conservative.



■ Equities/Stocks ■ Bonds/Fixed Income ■ Alternatives



Target Date Funds

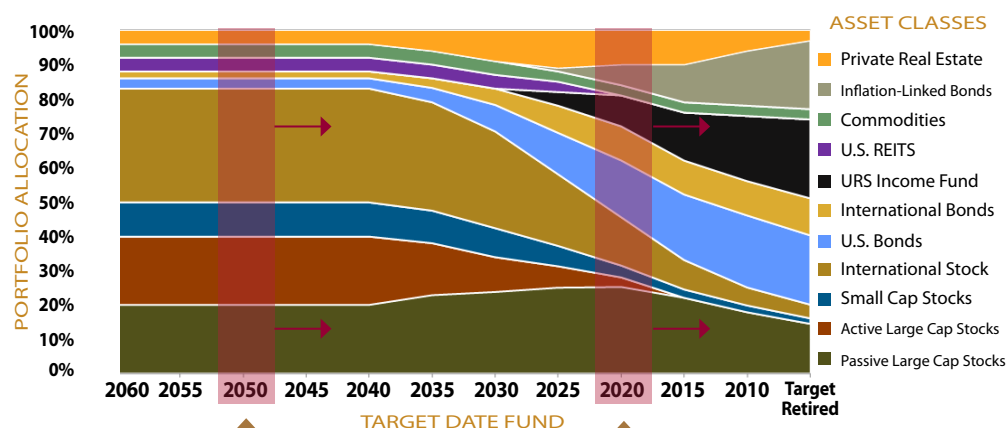
What They Are

In January 2015, URS will expand the Horizon Funds into 12 new Target Date Funds.

Target Date Funds give you a cost-effective way to invest in a broadly diversified portfolio that adjusts its asset allocation over time. This “glidepath” creates a gradual change in asset allocation over the life of the fund — more aggressive early in your career, becoming more conservative toward retirement.

URS Horizon Funds	URS Target Date Funds
No longer available after December 2014.	Available beginning January 1, 2015.
Composed of diverse asset classes (stocks, bonds, real estate, commodities, etc.).	Composed of diverse asset classes (stocks, bonds, real estate, commodities, etc.).
Three funds — Short Horizon, Medium Horizon, Long Horizon.	12 funds based on your date of birth (see Page 8).
Static diversification — funds don't change over time. You have to change funds to change allocations.	You choose the appropriate fund, and its allocations change over time to fit your retirement time horizon.

“Gliding” to the Right Allocations » The chart below illustrates how the funds’ allocations change over time.



This shaded red area demonstrates the Target Date 2050 Fund's current allocations. As years pass, its allocations change as it moves right across the glidepath. In 30 years, the 2050 Fund will have the allocations of today's 2020 Fund.



Target Date Funds

What It Means

Diversity. Simplicity. Precision. With Target Date Funds, simply choose the fund appropriate to your age. No need to adjust your investments as your time horizon changes. Your Target Date Fund does the work for you, moving your investments to the appropriate allocations through the course of your career.

Diverse Asset Classes » This chart shows the investment breakdown of each of the Target Date Funds.



Fund	2060	2055	2050	2045
Passive Large Cap Stock	20%	20%	20%	20%
Active Large Cap Stock	20%	20%	20%	20%
Small Cap Stock	10%	10%	10%	10%
International Stock	33%	33%	33%	33%
U.S. Bonds	3%	3%	3%	3%
International Bonds	2%	2%	2%	2%
Stable Value — URS Income Fund	0	0	0	0
U.S. Real Estate Investment Trusts	4%	4%	4%	4%
Commodities	4%	4%	4%	4%
Inflation-Linked Bonds	0	0	0	0
Private Real Estate	4%	4%	4%	4%

2040	2035	2030	2025	2020	2015	2010	Ret. *
20%	22%	23%	25%	23%	21%	18%	14%
20%	15%	10%	6%	3%	0	0	0
10%	9%	8%	5%	3%	2%	1%	1%
33%	32%	27%	19%	13%	8%	5%	4%
3%	4%	9%	13%	18%	19%	21%	20%
2%	3%	5%	8%	10%	10%	10%	10%
0	0	0	5%	10%	15%	20%	25%
4%	4%	4%	3%	0	0	0	0
4%	4%	4%	4%	3%	3%	3%	3%
0	0	0	2%	7%	12%	17%	20%
4%	7%	10%	10%	10%	10%	5%	3%

* Retired Fund

See Pages 9-10 for a description of each asset class.

Target Date Funds

When and How?

URS Target Date Funds debut Jan. 1, 2015. Any account balance you have in a Horizon Fund will be transferred to the Target Date Fund that corresponds to your birthdate (see chart at right). Horizon Funds will no longer exist as an option. The transition from Horizon to Target Date Funds will take place automatically. No action is required on your part.

If you prefer not to use the Target Date Funds, change your allocations from any Horizon Fund to any URS core fund before December 29, 2014. This transition will only affect Horizon Fund balances; any and all assets in URS core funds (e.g., Large Cap Growth, Income, Bond, etc.) will not be transferred. Balances in a PCRA brokerage account will also be unaffected.

Example 1 » Betty, 63, has \$27,500 in her 401(k), invested in the Short Horizon Fund. On Jan. 1, 2015, her funds will be transferred to the Target Date 2015 Fund. She also has a Roth IRA with \$19,000 divided among the Short, Medium and Long Horizon Funds. All of these funds would also move to the Target Date 2015 Fund.



	Date of Birth From	Date of Birth To
Target Date 2060	July 1, 1993	
Target Date 2055	July 1, 1988	June 30, 1993
Target Date 2050	July 1, 1983	June 30, 1988
Target Date 2045	July 1, 1978	June 30, 1983
Target Date 2040	July 1, 1973	June 30, 1978
Target Date 2035	July 1, 1968	June 30, 1973
Target Date 2030	July 1, 1963	June 30, 1968
Target Date 2025	July 1, 1958	June 30, 1963
Target Date 2020	July 1, 1953	June 30, 1958
Target Date 2015	July 1, 1948	June 30, 1953
Target Date 2010	July 1, 1943	June 30, 1948
Target Retired		June 30, 1943

The Target Date Fund appropriate for your age is your default investment if you don't specify any other allocation.

Example 2 » Sandra is 25 years old and recently joined the Tier 2 Retirement System. She has \$1,500 of her own contributions split between the Long Horizon Fund and the Bond Fund (core funds). On Jan. 1, 2015, her account will show \$750 in the Target Date 2060 Fund and \$750 in the Bond Fund. Remember, if you're Tier 2, any non-vested employer contributions will remain in the Tier 2 Nonvested Fund until you have four years of service.



What's in Them?

Broad asset classes help give you diversification and provide the appropriate balance of risk and return.

Passive Large Cap Stock 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. This asset class is comprised of the URS Large Cap Index Fund.

Benchmark: Russell 1000 Index

Sample of Portfolio:

Apple Inc.; Exxon Mobil Corp.
Microsoft Corp.

Active Large Cap Stock invests in a diversified portfolio of Large Cap common stocks. The portfolio is actively managed to react quickly to changing company fundamentals and prevailing market forces. This asset class is comprised of 50% URS Large Cap Value and 50% Large Cap Growth.

Value Benchmark: Russell 1000 Value Index

Growth Benchmark: Russell 1000 Growth Index

Sample of Portfolio:

Google Inc., Time Warner Inc.,
Capital One Financial Corp.

Small Cap Stock 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, and NASDAQ National Market System. This asset class is comprised of the URS Small Cap Fund.

Benchmark: Russell 2000 Index

Sample of Portfolio:

Spirit Airlines Inc.
Avis Budget Group Inc.
RF Micro Devices

International Stock tracks the performance of the MSCI All Country World Index-ex. U.S.-Investible 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. This asset class is comprised of the URS International Fund.

Benchmark: MSCI ACWI ex. U.S.

Sample of Portfolio:

Royal Dutch Shell (Netherlands)
Nestle SA (Switzerland)
Samsung Electronics Co. (South Korea)

U.S. Bonds generally contain investment grade and government bonds issued in the United States and denominated in U.S. dollars. This asset class is comprised of the URS Bond Fund.

Benchmark: Barclays Capital U.S. Aggregate Bond Index

Sample of Portfolio:

Asset-Backed Securities
Corporate U.S. Bonds
U.S. Treasury and Government Related Bonds

International Bonds are used to diversify the bond investments within the Target Date 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.

Benchmark: Barclays Global Aggregate ex U.S. Bond Index (Hedged)

Sample of Portfolio:

International Asset-Backed Securities
International Corporate Bonds
International Government Bonds

Stable Value/URS Income Fund

invests about 95% of its assets 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. The remaining 5% is invested in cash and short-term instruments for liquidity. This asset class is comprised of the URS Income Fund.

Benchmark: 90-Day T-Bills

Sample of Portfolio:

Book Value Contracts
Government Bonds
Short-Term Investments

U.S. REITs, or real estate investment trusts, are an actively managed portfolio of real estate properties and mortgage related investments within the U.S. market. REITs increase diversification within the Target Date Funds and also add long-term inflation protection.

Benchmark: Russell Fundamental U.S. Select Real Estate Index

Sample of Portfolio:

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

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 used as a long-term hedge against inflation.

Benchmark: Dow Jones UBS Commodity Index

Sample of Portfolio:

Crude Oil, Gold, Soybeans

Global Inflation-Linked Bonds are debt instruments created to protect investors from the effects of inflation through inflation-linked bonds issued primarily by developed countries. An example of inflation-linked bonds are TIPS (Treasury Inflation-Protected Securities), which are issued by the U.S. Government and are designed to reduce the risk of inflation by indexing the principal of the bond to an inflation rate.

Benchmark: Barclays Capital Global Inflation-Linked Bond Index 1-10 Year (U.S. Dollar Hedged)

Sample of Portfolio:

TIPS (Treasury Inflation-Protected Securities)
Index Linked Government Bonds – U.K.
Index Linked Government Bonds – Germany

Private Real Estate is a fund of funds that allows investors to gain exposure to portfolios of direct real estate investments. The fund will invest primarily in existing private real estate funds, publicly traded real estate securities, and other real estate related investments. These portfolios are comprised of institutional quality commercial real estate across a broad range of real estate asset types.

Benchmark: NFI-ODCE (Value Weighted)

Important: Investing has many risks. See Pages 15-16 to better understand these risks.

Keep More Money

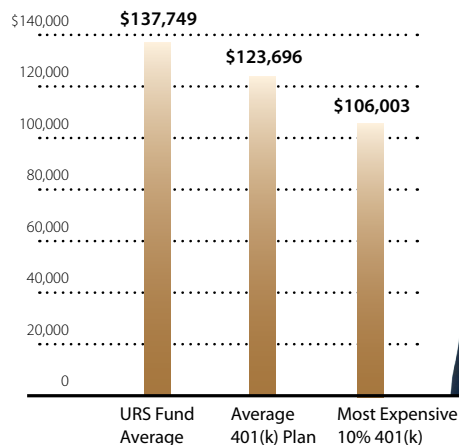
URS provides products and services at very low costs compared to similar savings plans.

Lower Than Most » Our fees are considerably lower than the national average. This chart shows how you keep more money in your pocket per \$1,000 invested.

	Annual Fee	Balance	Annual Cost
URS Fund Average	0.39%	\$1,000	\$3.90
Average 401(k) Plan*	0.93%	\$1,000	\$9.30
Most Expensive 10% of 401(k) Plans*	1.72%	\$1,000	\$17.20

*Deloitte, Defined Contribution / 401(k) Fee Study 2009

Fees Matter » Fees have a direct impact on the value of your retirement accounts, as shown in the chart below. Compare the growth of \$100 per month over 30 years.



Hypothetical comparison assumes a gross return of 8%



Fund Name	Annual Inv. Fee ¹	Annual Adm. Fee ²	Annual Fees Total
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	0.06	0.16	0.22
Small Cap Stock	0.37	0.16	0.53
Target Date 2060	0.23	0.16	0.39
Target Date 2055	0.23	0.16	0.39
Target Date 2050	0.23	0.16	0.39
Target Date 2045	0.23	0.16	0.39
Target Date 2040	0.23	0.16	0.39
Target Date 2035	0.24	0.16	0.40
Target Date 2030	0.25	0.16	0.41
Target Date 2025	0.24	0.16	0.40
Target Date 2020	0.22	0.16	0.38
Target Date 2015	0.23	0.16	0.39
Target Date 2010	0.20	0.16	0.36
Target Retired	0.20	0.16	0.36
Tier 2 Nonvested	0.20	0.16	0.36

Asset-based fees »

These fees are reflected in the return of each fund. The two types of fees in this category are **investment management fees¹**, which the fund manager (e.g., Dodge and Cox, DFA) charges to invest the money, and **administrative fees²**, which cover operating expenses (e.g., record keeping, customer service, etc.)

EXAMPLES OF OTHER FEES

Special Service Fee » Charges for unique services or transactions, e.g., a \$60 fee to set up a 401(k) loan.

Short-term trading fee » 2% fee when you transfer money among funds more often than once every 30 days.

\$15 annual inactive fees » If you're not an active employee and have a combined balance of less than \$5,000.

FEES WE NEVER CHARGE

Other investment managers and plans charge a multitude of different fees, including: sales commissions, front-end loads, back-end loads, surrender charges, and redemption fees. URS does not charge any of these additional fees.

For more information about fees, go to www.urs.org.

Plan Comparisons

	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 your employer allows)	✓	✓	✓	✓
Rollovers	✓	✓	✓	✓
Transfers	✓	✓	✓	✓
Personal deposits			✓	✓
Withdrawals (Vested funds only)				
	» Retirement » Termination » Age 59½ if still employed » Hardship	» Retirement » Termination » Age 70½ if still employed » Unforeseeable Emergency	» Any time	» Any time
Early Withdrawal Penalty Tax	Yes — 10% early withdrawal penalty tax if withdrawn before age 59½. Exceptions: » You work into the calendar year you turn age 55 » Payout based on life expectancy » Disability	No penalty tax	Yes — if withdrawn before age 59½. Exceptions: » First home » Higher education » Payout based on life expectancy » Disability	Contributions: No Earnings: Yes — if withdrawn before age 59½. Exceptions: » First home » Higher education » Payout based on life expectancy » Disability (For additional exceptions see IRS publication 590.)
Loan Provision	Yes (Limitations apply to Tier 2 employer contributions)	Yes	No	No
Annual Contribution Limits ²⁰¹⁵	\$18,000	\$18,000*	\$5,500	\$5,500
With Age 50+ Catch-Up Provision ²⁰¹⁵	\$24,000	\$24,000	\$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.			

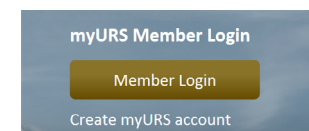
Note: You cannot use the 457 Age 50+ Catch-Up the same year as the Special Catch-Up.

Your Online Account

Manage Target Date Funds at myURS, your personal account from which you access your URS Savings Plans.

How to Create an Account »

Go to www.urs.org and click, "Create myURS Account." You'll need your Social Security number and your URS account number. Find your URS account number on your URS statements or call us at 801-366-7720 or 800-688-4015.



Also at www.urs.org »

Get complete details about URS Savings Plans. Check daily unit values, compare rates of return, use the Savings Plan Future Values Calculator, and more.

Risks of Investing

Investing involves risks. Here are the principal risks of investing inherent with URS Target Date Funds.

Call Risk » During periods of falling interest rates, issuers of callable bonds may repay securities that have higher interest rates before maturity. This could cause a fund to lose potential price appreciation if it reinvests the proceeds during periods of lower interest rates.

Commodity Risk » Commodities may subject an investor to greater volatility than traditional securities, such as stocks and bonds. The value of commodity related investments may decline due to factors affecting a specific industry or commodity, such as: floods, drought, livestock disease, weather conditions, political events, embargoes, tariffs, and regulatory developments.

Counterparty Risk » The risk an organization will not fulfill its portion of a contract. The book value contracts within the Stable Value/Income Fund are subject to counterparty risk.

Country/Regional Risk » The risk a certain geographical region or country will face events that may negatively impact the value of securities purchased in that region. Examples of such events are: political turmoil, financial downturns, natural disasters, privatization of industry, etc.

Credit Risk » A bond's price may decline due to deterioration in the issuer's financial condition, or the issuer may fail to repay interest and/or principal in a timely manner.

Currency Risk » Foreign securities priced in U.S. dollars may decrease in value due to unfavorable changes in currency exchange rates.

Derivatives Risk » Derivatives are typically more sensitive to changes in economic or market conditions, which may lead to greater volatility and more risk within the fund. Fluctuations in the value of derivatives may not correlate perfectly with the overall securities or commodities markets.

Equity Risk » Equity securities (stocks) are subject to broad changes in value and are generally more volatile than other asset classes.

Foreign Government Debt Risk » The risk a foreign government issuing bonds will not be able or willing to repay the principal and/or interest when it comes due. Factors may include political, regulatory, currency, market, or economic developments.

Industry Concentration Risk » The risk that the fund will decline due to adverse developments affecting the real estate industry and real property values.

Inflation-Linked Bond Risk » The risk market values or interest payments may fall due to declining interest rates. Also, inflation indices may not reflect the actual rate of inflation.

Interest Rate Risk » Bond prices may decline due to rising interest rates. Bonds with longer maturities tend to have higher yields and are generally subject to potentially greater volatility than those with shorter maturities and lower yields.

Liquidity Risk » The risk a particular security will be difficult to purchase or sell at the desired time and price.

Management Risk » The investment strategy used by the fund manager may fail to produce the intended results. There is no guarantee of the managers' performance or that the fund will meet its objective.

Mortgage and Asset-backed Securities Risk » Early repayment of principal (e.g., prepayment of principal due to sale of the underlying property, refinancing, or foreclosure) of mortgage-related securities (or other callable securities) exposes this fund to a potential loss on any premium to face value paid and to a lower rate of return upon reinvestment of principal. In addition, changes in the rate of prepayment also affect the price and price volatility of a mortgage-related security.

Passive Investment Risk » Funds are tied to an index and not actively managed. Therefore, they will not take defensive positions during declining markets.

Stock Market Risk » The value of the fund could decrease over short or long periods of time due to downturns in stock market conditions.

Tracking Error Risk: The performance and underlying securities may deviate from the index the fund is tracking.

Other Options

The Target Date Funds give you an excellent single option. But we still offer you other ways to invest.

1) Target Date Funds

Professionally invested and rebalanced.

2) Core Investment Funds

You choose your own mix and rebalance as you wish. We offer eight funds.

- » 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

To learn more about each fund, download its Fact Sheet at www.urs.org. Target Date Fund Fact Sheets will be available in 2015.



3) Charles Schwab Personal Choice Retirement Account PCRA

A self-directed brokerage account that allows you to invest in any stock listed on the major U.S. exchanges, more than 3,000 mutual funds, bonds, money market and brokered CDs, exchange-traded funds (ETFs), and more. You must pay a \$25 quarterly administrative fee for each plan utilizing a PCRA.

Learn more at www.urs.org.

Trading Policy » You're allowed to submit one transfer request (whether electronically, by fax, mail, or hand delivered) for your core fund balances every seven 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 among 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 Trading Policy » Transfers to or from a PCRA are allowed once every seven calendar days. Request a PCRA transfer at [myURS](http://myURS.org) at www.urs.org.

More Details » Investment changes received at URS before the close of the New York Stock Exchange (NYSE), generally 2 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.

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.

Because you make the investment decisions about your 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 allocations as needed.

Find more information at www.urs.org or by calling 801-366-7720 or 800-688-401k.