FIRST AMENDMENT TO
THE ARIZONA UNIVERSITY SYSTEM
VOLUNTARY §403(b) PLAN

WHEREAS, the Arizona Board of Regents, Arizona State University, University of Arizona and Northern Arizona University (the "Employers"), adopted The Arizona University System Voluntary §403(b) Plan (the "Plan"), effective January 1, 2003, as amended and restated effective January 1, 2008, to provide retirement benefits to certain employees of the Employers; and

WHEREAS, the Employers are authorized, pursuant to Section 9.2 of the Plan, to adopt amendments to the Plan; and

WHEREAS, the Employers desire to adopt clarifying amendments to the Plan;

NOW, THEREFORE, pursuant to the authority granted in Section 9.2 of the Plan, the following amendments are adopted, effective as hereafter provided:

1. Section 5.1, Benefit Distributions at Severance from Employment or Other Distribution Event, of Article V, BENEFIT DISTRIBUTIONS, is amended to read as follows:

"5.1 Benefit Distributions At Severance from Employment or Other Distribution Event. Except as permitted under Section 3.6 (relating to excess Elective Deferrals), Section 5.4 (relating to hardship), or Section 9.3 (relating to termination of the Plan), distributions from a Participant's Account may not be made earlier than the earliest of the date on which the Participant has a Severance from Employment, dies, becomes disabled, or attains age 59 ½. For distribution purposes only, the term "disabled" shall be defined in the applicable Individual Agreement, or in absence of any such definition, shall mean a physical or mental condition resulting from bodily injury, disease or mental disorder which renders the Participant incapable of continuing any gainful occupation and which condition constitutes total disability under the federal Social Security Act. Distributions shall otherwise be made in accordance with the terms of the Individual Agreements."
"6.4 Contract and Custodial Account Exchanges. A Participant or Beneficiary is permitted to change the investment of his or her Account Balance among the approved Vendors under the Plan, subject to the terms of the Individual Agreements and to the following:

(a) The Participant or Beneficiary must have an Account Balance immediately after the exchange that is at least equal to the Account Balance of that Participant or Beneficiary immediately before the exchange (taking into account the Account Balance of that Participant or Beneficiary under both Code section 403(b) contracts or custodial accounts immediately before the exchange);

(b) The Individual Agreement with the receiving Vendor has distribution restrictions with respect to the Participant that are not less stringent than those imposed on the investment being exchanged; and

(c) If the approved Vendor thereafter ceases to be eligible to receive Elective Deferrals under the Plan, to the extent the Employer's contract with the Vendor does not provide for the exchange of information, the Employer will enter into an information sharing agreement, which contains at a minimum the following provisions:

(1) Information necessary for the resulting contract or custodial account, or any other contract or custodial accounts to which contributions have been made by the Employer, to satisfy section 403(b) of the Code, including the following: (i) the Employer providing information as to whether the Participant's employment with the Employer is continuing, and notifying the Vendor when the Participant has had a Severance from Employment (for purposes of the distribution restrictions in Section 5.1); (ii) the Vendor notifying the Employer of any hardship withdrawal under Section 5.4 which results in a 6-month suspension of the Participant's right to make Elective Deferrals under the Plan; and (iii) the Vendor providing information to the Employer or other Vendors concerning the Participant's or Beneficiary's Code section 403(b) contracts or custodial accounts or qualified employer plan benefits (to enable a Vendor to determine the amount of any plan loans that are available to the Participant under the Plan in order to satisfy the financial need under the hardship withdrawal rules of Section 5.4); and

(2) Information necessary in order for the resulting contract or custodial account and any other contract or custodial account to which contributions have been made for the Participant by the
Employer to satisfy other tax requirements, including the following: (i) the amount of any plan loan that is outstanding to the Participant in order for a Vendor to determine whether an additional plan loan satisfies the loan limitations of Section 4.3, so that any such additional loan is not a deemed distribution under Code section 72(p)(1); (ii) information concerning the Participant’s after-tax employee contributions in order for a Vendor to determine the extent to which a distribution is includible in gross income; and (iii) information concerning the Participant’s Roth Elective Deferrals in order for the Vendor to satisfy the reporting and recordkeeping requirements under Treasury Regulations section 1.402A-2."

3. Nothing in this First Amendment shall be construed to adversely affect the rights of any Participant to any benefit provided under the Plan or to decrease any accrued benefit under the Plan, except to the extent permitted under the Code or necessary to maintain the Plan as one qualified under Section 403(b) of the Code.

IN WITNESS WHEREOF, the Employers have caused this First Amendment to be executed by their duly authorized officers this _____ day of ________________, 2010.

ARIZONA BOARD OF REGENTS
By: Joel Sideman
    Executive Director

ARIZONA STATE UNIVERSITY
By: Mary L. Oden
    Title:

UNIVERSITY OF ARIZONA
By: Robert N. Shelton
    President

NORTHERN ARIZONA UNIVERSITY
By: Nancy S. Tollefson
    Title: VP Finance & Admin