

AMENDMENT NO. 1
(to Plan as Restated July 1, 1999)

OPTIONAL RETIREMENT PROGRAM OF
THE UNIVERSITY OF NORTH CAROLINA

WHEREAS The University of North Carolina (hereinafter referred to as the "University") established the Optional Retirement Program of The University of North Carolina (hereinafter referred to as the "Plan") as amended and restated effective July 1, 1999; and

WHEREAS, the Board of Governors of the University reserved the right in Article VI of the Plan to amend the Plan; and

WHEREAS, the Board of Governors of the University is now desirous of amending the Plan in order to make certain technical changes therein,

NOW, THEREFORE, the Plan is amended, effective as indicated herein, in the following respects:


Section 4.09, Payment of Benefits, of Article IV is amended by the addition of the following paragraph at the end of such section:

With respect to distributions from the Plan made for calendar years beginning on or after January 1, 2001, the Plan may apply the minimum distribution requirements of section 401(a)(9) of the IRC in accordance with the regulations under IRC section 401(a)(9) that were proposed on January 17, 2001, provided the Insurance Companies or Mutual Funds with whom participants are invested shall have the ability to systematically recordkeep such distributions before the effective date of the final regulations. This amendment shall continue in effect until the end of the last calendar year beginning before the effective date of final regulations under IRC section 401(a)(9) or such other date as may be specified in guidance published by the Internal Revenue Service.

IN WITNESS WHEREOF, the Board has caused this Amendment No. 1 to the Plan to be executed by its Chairman and its corporate seal to be affixed by the Secretary, both duly authorized, effective as indicated herein, but executed this 21st day of

May, 2001.

Attest: (SEAL)


Secretary

THE BOARD OF GOVERNORS OF
THE UNIVERSITY OF NORTH CAROLINA

By: 

Chairman