**Section 1540.195 Mandatory Distributions Pursuant to Section 401(a)(9) of the Internal Revenue Code**

The System shall pay all benefits in accordance with a reasonable good faith interpretation of the requirements of section 401(a)(9) of the Internal Revenue Code. When the System is required to make a mandatory distribution pursuant to that section and the member is eligible to receive either a retirement annuity or a refund, but fails to make the required election within 60 days after the System sends out the election form, the member shall be deemed to have elected a refund.

(Source: Added at 41 Ill. Reg. 4217, effective March 22, 2017)