**Section 1540.405 Tier 2 Member Final Average Compensation**

a) For purposes of calculating a retirement annuity of a Tier 2 member, the average compensation for the last 12 months of the 48-month period shall not exceed the final average compensation by more than 25%. (See Section 14-103.12(a) of the Illinois Pension Code (Code) [40 ILCS 5].)

b) For purposes of this Section, "Tier 2 Member" means a member of the System who is subject to the provisions of Section 1-160 of the Code.

(Source: Added at 46 Ill. Reg. 6945, effective April 21, 2022)