**Section 1650.3320 Accelerated Pension Benefit Buyout Program**

a) Each year of the APB program, the System will notify all known eligible terminated members about the buyout and instructions for electing the APB buyout and the dates of the applicable election window, unless the member was notified in a prior year. The System will notify that member if the termination refund payable under Section 16-151 of the Code exceeds the amount of the APB buyout payment calculated by the System in accordance with this Section. It is the member's responsibility to comply with all TRS instructions and requirements to achieve a valid election. A member may not revoke the election after the close of the applicable election window.

1) During each year of the program, eligible members receiving an offer will be notified of the window to elect the buyout. An otherwise eligible member who fails to elect the APB during that year's election window must contact the System to be included in any subsequent year's election window.

2) If the actual amount of APB buyout payment is less than the amount of the offer by a factor of 10% or more, the member may withdraw the election before the applicable election window closes and revert to the provisions of Article 16 that would apply in the absence of the APB buyout election.

b) The APB buyout payment will be calculated as follows:

1) Calculate the member's monthly retirement benefit under the applicable provisions of Article 16 at the member's retirement age as determined by the System, based on the member's service credit, age at separation, and current age as of June 30 of the same calendar year as the start date of the applicable election window. If the member is eligible for an actuarial benefit under Section 16-133(a)(A), the retirement benefit will be calculated as of the member's retirement age as determined by the System, or as of June 30 of the same calendar year as the start date of the applicable election window, whichever is later.

2) Multiply the result by the applicable 60% of Monthly Benefit Factor.

c) A member's APB election will be canceled prior to issuance of the buyout payment and any benefits or refunds due the member or the member's designated beneficiaries will be calculated according to the provisions of Article 16 that would apply in the absence of the buyout election, when any of the following events occur:

1) The member has not complied with all requirements to constitute a valid election by the expiration of the APB program.

2) The member dies after electing the APB but prior to the issue date of the buyout payment.

3) A Required Minimum Distribution (RMD) is payable to the member in accordance with federal law.

4) The System determines the member is ineligible to participate in the buyout program.

5) The member withdrew the election as provided in this Section.

d) The calculation of the APB buyout payment becomes final as of the payment issue date and will not be adjusted for any reason.

(Source: Amended at 44 Ill. Reg. 7905, effective April 24, 2020)