

**RULE 12-1**  
**PROTECTION OF “QUALIFIED TRUST” STATUS**  
**OF ATRS UNDER**  
**INTERNAL REVENUE CODE § 401(a)**

A.C.A. § 24-7-202(16)  
Act 71 of 2005

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**DEFINITION**

**Internal Revenue Code** or **Code**, as used in these policies, rules, and regulations, means the federal Internal Revenue Code of 1986, as amended, as it existed on January 1, 2013.

**RULES** (A.C.A. § 24-7-210)

1. The Executive Director of the Arkansas Teacher Retirement System is authorized and directed to operate ATRS and interpret any provisions of A.C.A. §§ 24-7-101 *et seq.* and these policies, rules, and regulations consistent with the requirements under the federal Internal Revenue Code and applicable United States Treasury regulations necessary to permit ATRS to be operated as a “qualified trust” under section 401(a) of the Code.
2. Policies, rules, and regulations promulgated by the Board shall be consistent with these directions.
3. Any policies, rules, or regulations found to be in conflict with an applicable provision of the Code are void.
4. The Board may modify or eliminate an ATRS Rule by resolution at any Board meeting if a Code requirement becomes unnecessary, immaterial, or obsolete to the maintenance of ATRS qualified trust status, for the purposes under Act 109 of 2013.

**Adopted:** July 18, 2005

**Approved by Board:** July 26, 2013

**Amended:** October 9, 2013

**Effective:** November 8, 2013