

Federal Retirement Thrift Investment Board

§ 1653.2

order to be effective, the following criteria must be met:

(1) The disclaimer must be in writing. The writing must state specifically that the beneficiary is disclaiming his or her right to receive a death benefit payment from the TSP account of the participant.

(2) The disclaimer must be irrevocable.

(3) The disclaimer must be received by the TSP record keeper before payment is made.

(4) The disclaimant cannot direct to whom the disclaimant's portion of the participant's account should be paid.

(5) The disclaimant must disclaim the entire benefit, not a portion.

(b) *Treatment of disclaimed share.* The disclaimant will be treated as having predeceased the participant and his or her share will be paid in accordance with § 1651.10.

§ 1651.18 Payment to one bars payment to another.

Payment made to a beneficiary(ies) in accordance with this part, based upon information received before payment, bars any claim by any other person.

PART 1653—DOMESTIC RELATIONS ORDERS AFFECTING THRIFT SAVINGS PLAN ACCOUNTS

Subpart A—Retirement Benefits Court Orders

Sec.

1653.1 Purpose.

1653.2 Qualifying retirement benefits court orders.

1653.3 Processing retirement benefits court orders.

1653.4 Calculating entitlement under a retirement benefits court order.

1653.5 Procedures for payment pursuant to retirement benefits court orders.

Subpart B—Legal Process for the Enforcement of a Participant's Legal Obligations To Provide Child Support or Make Alimony Payments

1653.20 Purpose and scope.

1653.21 Definitions.

1653.22 Service of legal process.

1653.23 Requirements for "qualifying" legal process.

1653.24 Processing legal process.

1653.25 Payment pursuant to qualifying legal process.

AUTHORITY: 5 U.S.C. 8435, 8436(b), 8437(e)(3), 8467, 8474(b)(5) and 8474(c)(1).

SOURCE: 60 FR 13609, Mar. 13, 1995, unless otherwise noted.

Subpart A—Retirement Benefits Court Orders

§ 1653.1 Purpose.

This subpart contains regulations prescribing the Board's procedures for processing retirement benefits court orders.

§ 1653.2 Qualifying retirement benefits court orders.

(a) The TSP will only honor the terms of a retirement benefits court order that is qualifying under paragraph (b) of this section.

(b) A retirement benefits court order must meet each of the following requirements to be considered qualifying:

(1) The court order must be a court decree of divorce, of annulment, or of legal separation, or any court order or court-approved property settlement agreement incident to a decree of divorce, of annulment, or of legal separation. Orders may be issued at any stage of a divorce, annulment, or legal separation proceeding. Orders issued prior to a final decree, such as orders for the purpose of preserving the *status quo* pending the final resolution of the proceeding, are referred to as "preliminary" court orders, and will be considered "incident to" a final decree, notwithstanding that a final decree has not yet been, and may not be, issued. Orders issued subsequent to a final decree, such as orders for the purpose of amending such decree, are referred to as "subsequent" court orders, and will also be considered "incident to" such decree. However, any subsequent court order that requires the return of money properly paid pursuant to an earlier court order will not constitute a qualifying order.

(2) The court order must "expressly relate" to the Thrift Savings Plan account of a current TSP participant. This means that:

(i) The order must on its face specifically describe the TSP in such a way that it cannot be confused with other

§ 1653.3

5 CFR Ch. VI (1-1-03 Edition)

Federal Government retirement benefits or non-Federal retirement benefits; and

(ii) The order must be written in terms appropriate to a defined contribution plan rather than a defined benefit plan. For example, it should generally refer to the individual participant's "account" or "account balance" rather than a "benefit formula" or the participant's "eventual benefits."

(3) If the court order awards an amount to be paid from the participant's TSP account, the award must be for:

- (i) A specific dollar amount;
- (ii) A stated percentage or stated fraction of the account;
- (iii) A portion of the account to be calculated by applying a formula that yields a mathematically possible result. Any variables in the formula must have values that are readily ascertainable from the face of the order or from Government employment records; or
- (iv) A survivor annuity as provided in 5 U.S.C. 8435(e).

(4) Court orders that make awards from the TSP may only provide for payments:

- (i) To spouses or former spouses of the participant;
- (ii) As fees for attorneys for spouses or former spouses of the participant;
- (iii) To dependent children or other dependents of the participant;
- (iv) As fees for attorneys for dependent children or other dependents of the participant;

(c) The following retirement benefits court orders will be considered non-qualifying:

(1) Orders relating to a TSP account that contains only nonvested money, unless the money will become vested within 90 days of the date of receipt of the order if the participant remains in Federal service;

(2)(i) Orders that award an amount to be paid at a future specified date or upon the occurrence of a future specified event, unless:

- (A) The amount of the entitlement can be currently calculated; and
- (B) The award provides for the payment of interest or earnings from the

date of calculation to the specified date or event for payment.

(ii) If an order meets the requirements of paragraphs (c)(2)(i) (A) and (B), a current payment will be made in accordance with the procedures set forth in §1653.5, rather than a payment at the future date stated in the order.

(d) For purposes of paragraph (c)(2) of this section, orders that require only that the amount of the award be calculated on the date of payment, without stating a future date or event for payment, will not be considered as awarding an amount to be paid at a future date or upon the occurrence of a future event. In such cases, the date of payment will be determined in accordance with the procedures set forth in §1653.5, and the amount of the entitlement will be determined in accordance with §1653.4 using that date of payment.

(e) *Definition.* For purposes of this Part, the term "former spouse" shall have the same meaning as set forth in 5 U.S.C. 8401(12).

§ 1653.3 Processing retirement benefits court orders.

(a) Board's review of retirement benefits court orders is governed solely by the Federal Employees' Retirement System Act (FERSA), 5 U.S.C. Chapter 84, and by the terms of this part. The Board will honor retirement benefits court orders properly issued by a court of any state, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Northern Mariana Islands, or the Virgin Islands, and any Indian court as defined by 25 U.S.C. 1301(3). However, those courts have no jurisdiction over the Board and the Board cannot be made a party to the underlying domestic relations proceedings.

(b) Retirement benefits court orders should be submitted to the Board's recordkeeper at the following address: Thrift Savings Plan Service Office, National Finance Center, P.O. Box 61500, New Orleans, Louisiana 70161-1500. Receipt by the recordkeeper will be considered receipt by the Board.

(c) Upon receipt of a document that purports to be a qualifying retirement benefits court order, including preliminary and subsequent court orders, the participant's account will be frozen.

Federal Retirement Thrift Investment Board

§ 1653.3

After the account is frozen, no withdrawals or loans will be allowed until the account is unfrozen. All other account activity, including contributions, adjustments, and interfund transfers, will be permitted.

(d) The following documents will not be treated as purporting to be qualifying retirement benefits court orders. Therefore accounts of participants to whom such orders relate will not be frozen and these documents will not be reviewed by the Board:

(1) A document that does not indicate on its face (or accompany a document that establishes) that it has been issued or approved by a court;

(2) A court order relating to a TSP account that has been closed;

(3) A court order dated prior to June 6, 1986;

(4) A court order that fails to award all or any part of the TSP account to anyone other than the participant;

(5) A court order that does not mention retirement benefits.

(e) After the participant's account is frozen, the document will be reviewed initially to determine if it is a complete original or copy of a retirement benefits court order.

(f) If it is determined that the document is not complete, a complete document will be requested. If it is not received within 30 days of the date of such request, the account will be unfrozen and no further action will be taken with respect to the document.

(g) Upon receipt of a complete order that is either an original or a copy of a retirement benefits court order, the Board will review the order and will determine whether it is a qualifying order as described in §1653.2 and, if it awards an amount to be paid from a participant's TSP account, the amount of the entitlement. The Board will advise all parties in writing of its decision.

(h) The Board's decision will contain the following information:

(1) The Board's determination regarding whether the court order is qualifying;

(2) A statement of the applicable statute or regulations;

(3) If the order is determined to be qualifying, a statement regarding the effect that compliance with the court

order will have on the participant's TSP account; and

(4) If the order requires payment, a description of the method by which the entitlement under the court order was calculated and the circumstances under which payment will be made.

(i) The Board's decision will be final. There is no administrative appeal from the decision.

(j) An account frozen under this section will be unfrozen as follows:

(1) If a complete document has not been received within 30 days from the date of a request described in paragraph (f) of this section, upon expiration of the 30-day period;

(2) If the order is a preliminary order or other order precluding payment from the account, as soon as practicable after receipt of a certified copy or original court order vacating or superseding such order (unless the order vacating or superseding the preliminary order itself warrants placing a freeze on the account);

(3) If the order is valid to award a payment from the TSP account of a participant under this part, upon payment; and

(4) If the Board determines that the order is not a qualifying order under this part, 45 days after issuance of the Board's decision. The 45-day period will be terminated if both parties submit a written request for such a termination to the Board.

(k)(1) the Board will hold in abeyance the processing of a court order payment pursuant to a previously approved qualifying court order if the Board is advised by one of the parties that the underlying court order is on appeal in the state court system and that the effect of the filing of such an appeal under state law or procedures is to stay the effect of the order.

(i) Proper documentation of the appeal and citations to legal authority which address the effect of the filing of such an appeal must be provided.

(ii) The parties will be notified that the processing of the court order is being held in abeyance and the account will remain frozen for loans and withdrawal.

(iii) In the absence of proper documentation and appropriate legal authority, the Board will presume that

§ 1653.4

5 CFR Ch. VI (1-1-03 Edition)

the provisions relating to the TSP in the court order remain valid and will proceed with the payment process.

(2) The Board must be notified in writing by one of the parties of the disposition of the appeal in order for the freeze to be removed from the account or for a payment to be made. The notification must include a statement regarding the effect of the disposition on the provisions of the original order relating to the TSP and a copy of the resulting document from the court must be provided.

(1) Multiple court orders pending before the Board will be processed in accordance with the procedures set forth in this part in the following order:

(1) As between conflicting qualifying court orders relating to the same spouse or former spouse, the Board will process only the court order bearing the latest date entered by the clerk of the court. If any order does not have a date entered, then the date the order was filed by the clerk shall be used; if there is no date entered or date filed, then the date the order was signed by the judge shall be used.

(2) As between conflicting qualifying court orders relating to two or more former spouses, the Board will process the orders in the order of the dates entered by the clerk of the court, starting with the order bearing the earliest date, and continuing until the account is exhausted. If any order does not have a date entered, then the date the order was filed by the clerk shall be used; if there is no date entered or date filed, then the date the order was signed by the judge shall be used.

§ 1653.4 Calculating entitlement under a retirement benefits court order.

(a) If the court order awards a percentage or fraction of the account as of a specific date or event, the amount of the entitlement will be calculated based upon the balance of the account as of the end of the month on or immediately preceding the date or event, plus any transactions posted after the date or event, but before payment, that are effective on or before the month-end date used for calculating the entitlement. For purposes of computing the amount of an entitlement, any loan amount outstanding as of the month-

end date used for calculating the entitlement shall be treated as included in the account balance, unless the court order provides otherwise.

(b) If the court order awards a percentage or fraction of an account but does not contain a specific date as of which to apply the percentage or fraction to the account, the amount of the entitlement will be calculated as described in paragraph (a) of this section, using the account balance as of the end of the month on or immediately prior to the date the order was entered by the clerk of the court or, if the order does not show a date entered, the date the order was filed by the clerk of the court or, if the order does not contain a date entered or a date filed, the date signed by the judge.

(c) If the court order awards a specific dollar amount, the amount of the entitlement will be the lesser of:

(1) The amount the order awards; or

(2) The amount in the account as of the end of the month on or before the date specified in the order (or, if no date is specified, the date the order was entered by the clerk of the court or, if the order does not show a date entered, the date the order was filed by the clerk of the court, or, if the order does not contain a date entered or a date filed, the date signed by the judge) plus any transactions posted after the date or event, but before payment, that are effective on or before the month-end date used for calculating the entitlement. For purposes of computing the amount of entitlement, any loan amount outstanding as of the month-end date used for calculating the entitlement shall be treated as included in the account balance, unless the court order provides otherwise.

(d) Unless the court order specifically provides otherwise, the entitlement calculated under this section will not be credited with interest or earnings. If interest or earnings are awarded, the Board will use the monthly rates of return credited to the account unless the court order specifies a different rate. The TSP monthly rates of return may be either positive or negative. Interest or earnings will be calculated beginning with the month following the month-end valuation date used for calculating the entitlement and ending

Federal Retirement Thrift Investment Board

§ 1653.5

with the month prior to the month of payment.

(e) All entitlement will be calculated initially under this section including both vested and nonvested amounts in the participant's account. If at the time of payment the non-vested portion of the account has not become vested or has been forfeited, the entitlement will be recalculated using only the participant's vested account balance.

§ 1653.5 Procedures for payment pursuant to retirement benefits court orders.

(a) If a qualifying court order creates an entitlement to a portion of a TSP account under this part, payment will be made after the Board's decision has been issued and the 30-day tax withholding notification period has ended. The taxpayer may receive the payment sooner by waiving the tax notification period.

(b) A payment made pursuant to a qualifying court order will be made only to the person(s) specified in the court order. If payment is to be made to the spouse or former spouse of the participant, he or she may request that the TSP transfer all or a portion of his or her payment to an Individual Retirement Arrangement (IRA) or other eligible retirement plan. Such a request must be made by filing the TSP form "Spouse Election to Transfer to IRA or Other Eligible Retirement Plan", which must be received before payment.

(c) In no case may a payment made pursuant to a qualifying court order exceed the participant's vested account balance, excluding any outstanding loan amount as of the end of the month preceding the date of payment. If the entitlement calculated pursuant to this subpart exceeds the participant's vested account balance (excluding any outstanding loan amount), then only the vested amount in the account (excluding the outstanding loan balance) will be paid.

(d) The entire amount of an entitlement created by a qualifying court order must be disbursed at one time. A series of payments will not be made even if the court order provides for such a method of payment. A payment

pursuant to a court order extinguishes all further rights to any payment under that order even if the entire amount of the entitlement could not be paid. Any further award must be contained in a separate court order.

(e) Payment cannot be made jointly to more than one person. If payment is to be made to more than one person, the order must separately indicate the amount to be paid to each.

(f) In order to make a payment pursuant to a retirement benefits court order, the Board's recordkeeper must be provided with the full name, mailing address, and Social Security number of the payee, even if the payment is being mailed to another address.

(g) If the payee dies before a payment is made pursuant to a qualifying retirement benefits court order, payment will be made to the estate of the payee, unless otherwise specified by the court order. If the participant dies before payment is made pursuant to a qualifying retirement benefits order entered before the participant's death, the order will be honored as long as it is submitted to the Board before payment of the account, regardless of whether the order was received by the Board before the participant's death.

(h) If the parties to a divorce or annulment are remarried, or a legal separation is terminated, a new court order will be required to prevent payment pursuant to a previously submitted qualifying retirement benefits court order.

(i) Payment to a person (including the estate of the payee) pursuant to a qualifying retirement benefits court order made in accordance with this subpart bars recovery by any other person pursuant to that order.

(j) Payments pursuant to qualifying court orders will be paid *pro rata* from the TSP investment funds, based on the balance in each fund on the date as of which the payment is made. The Board will not honor provisions of court orders that require payment to be made from specific investment funds.

[60 FR 13609, Mar. 13, 1995, as amended at 61 FR 18912, Apr. 29, 1996]

Subpart B—Legal Process for the Enforcement of a Participant’s Legal Obligations To Provide Child Support or Make Alimony Payments

SOURCE: 60 FR 45624, Aug. 31, 1995, unless otherwise noted.

§ 1653.20 Purpose and scope.

This subpart contains regulations prescribing the Board’s procedures for responding to legal process for the enforcement of a participant’s legal obligations to make alimony or child support payments, as required by 5 U.S.C. 8437(e)(3).

§ 1653.21 Definitions.

As used in this subpart:

Alimony means the payment of funds for the support and maintenance of a spouse or former spouse. Alimony includes separate maintenance, alimony *pendente lite*, maintenance, and spousal support. Alimony also can include attorney’s fees, interest, and court costs, but only if these items are expressly made recoverable by qualifying legal process as described in § 1653.23.

Child support means payment of funds for the support and maintenance of a child or children. Child support includes payments to provide for health care, education, recreation, clothing, or to meet other specific needs of such a child or children. Child support also can include attorney’s fees, interest, and court costs, but only if these items are expressly made recoverable by qualifying legal process as described in § 1653.23.

Legal obligation means an obligation to pay alimony or child support, or both, that is currently enforceable under appropriate State or local law. A “legal obligation” may include currently payable, as well as past due, alimony or child support. However, “legal obligation” does not mean any future obligation to make alimony or child support payments.

§ 1653.22 Service of legal process.

The Thrift Savings Plan will only review legal process for the enforcement of a participant’s legal obligations to provide child support or make alimony

payments upon receipt of that process. Receipt by an employing agency or any other office of the government shall not constitute receipt by the Thrift Savings Plan. Legal process should be submitted to the Thrift Savings Plan Recordkeeper at the following address: TSP Service Office, National Finance Center, P.O. Box 61500, New Orleans, LA 70161-1500. Receipt by the recordkeeper will be considered receipt by the Thrift Savings Plan.

§ 1653.23 Requirements for “qualifying” legal process.

(a) The TSP will only honor legal process if it meets each requirement of paragraph (b) of this section and one of the requirements of paragraph (c) of this section.

(b) Legal process must meet each of the following requirements in order to be qualifying:

(1) The legal process must be a writ, order, summons, or other similar process in the nature of a garnishment that is issued by:

(i) a court or competent jurisdiction within any State, the District of Columbia, territory, or possession of the United States, or an Indian court; or

(ii) a court of competent jurisdiction in any foreign country with which the United States has entered into an agreement which requires the United States to honor such process; or

(iii) an authorized official pursuant to an order of such a court of competent jurisdiction or pursuant to State or local law; or

(iv) A State agency authorized to issue income withholding notices pursuant to State or local law or pursuant to the requirements of 42 U.S.C. 666(b).

(2) The legal process must “expressly relate” to the Thrift Savings Plan account of a current participant. This means that it must express a clear intent to deal with the TSP as distinct from other Federal Government retirement benefits or non-Federal retirement benefits.

(3) The legal process must demonstrate that its purpose is to enforce a current legal obligation of the participant to provide child support or make alimony payments.

(c) In addition to the requirements of paragraph (b) of this section, legal

Federal Retirement Thrift Investment Board

§ 1653.24

process also must meet one of the following requirements:

(1) The legal process must require the Board to pay a stated dollar amount from a participant's TSP account; or

(2) The legal process must require the Board to freeze the participant's account in anticipation of an order to pay over the account.

(d) The TSP will presume the competence or authority of any of the entities described in paragraph (b)(1) of this section if presented with a document from that entity that appears regular on its face.

(e) Notwithstanding paragraphs (a), (b), (c) and (d) of this section, the following legal process will be considered nonqualifying:

(1) Legal process relating to a TSP account that contains only non-vested money, unless the money will become vested within 90 days of the date of receipt of the order if the participant were to remain in Federal service;

(2) Legal process that requires an amount to be paid at the future date; or

(3) Legal process that requires a series of payments.

§ 1653.24 Processing legal process.

(a) Upon receipt of a document which purports to be qualifying legal process, the participant's account will be frozen. After an account is frozen, no withdrawal or loans will be allowed until the account is unfrozen. All other account activity, including contributions, adjustments, and interfund transfers, will be permitted.

(b) The following documents will not be treated as purporting to be qualifying legal process. Therefore, accounts of participants to whom such orders relate will not be frozen and these documents will not be reviewed by the Board:

(1) A document that pertains to a TSP account that has been closed.

(2) A document that does not indicate that it relates either to the TSP or to the participant's retirement benefits.

(3) A document that does not appear to have been issued by a proper authority as described in §1653.23(b)(1).

(c) The Board will review a document that purports to be qualifying legal

process to determine whether it is complete.

(d) If the Board determines that the document is incomplete, it will request a complete copy of the document from the party that submitted the document. If a complete copy is not received by the Board within 30 days of the Board's request, the participant's account will be unfrozen and no further action will be taken by the Board with respect to the document.

(e) Upon receipt of a complete document, the Board will review it to determine whether it is qualifying legal process.

(f) The Board will advise the submitting party and the TSP participant of the determination. The Board's decision letter will contain the following information:

(1) A statement of the applicable statute and regulations.

(2) A decision regarding whether the document is qualifying legal process, as defined in §1653.23 (b) and (c).

(3) If the document is determined to be qualifying legal process, the effect that compliance with the terms of the document will have on the participant's account.

(4) If the order requires payment, the amount that will be paid pursuant to the qualifying legal process; and to whom the payment will be made.

(5) If the order requires payment, tax reporting and withholding information will be sent to the party as to whom the payment will be reported to the Internal Revenue Service as income.

(g) The Board's decision constitutes the final administrative action by the Board. There is no appeal right within the Board.

(h) An account frozen under this section will be unfrozen:

(1) If a complete document has not been received within 30 days from the date of a request described in paragraph (d) of this section, upon the expiration of the 30-day period;

(2) If the account was frozen pursuant to legal process requiring the Board to Freeze the participant's account in anticipation of an order to pay over the account, the account will be unfrozen upon the occurrence of any one of the following events:

§ 1653.25

5 CFR Ch. VI (1-1-03 Edition)

(i) As soon as practicable after receipt of a complete copy of an order vacating or superseding such order (unless the order vacating or superseding the preliminary order itself warrants placing a freeze on the account); or

(ii) Upon payment pursuant to the order to pay over the account, if the Board determines that the order is qualifying; or

(iii) As soon as practicable after the Board issues a decision letter informing the parties that the order to pay over the account is not qualifying legal process requiring payment from the participant's account; or

(3) If the account was frozen upon receipt of a document that purports to be legal process requiring payment from the participant's account, the account will be unfrozen upon the occurrence of any one of the following events:

(i) Upon payment pursuant to the document, if the Board determines that the document is qualifying legal process requiring payment from the participant's account; or

(ii) As soon as practicable after the Board issues its decision letter informing the parties that the document is not qualifying legal process requiring payment from the participant's account.

§ 1653.25 Payment pursuant to qualifying legal process.

(a) Payment will be made pursuant to qualifying legal process after the Board's decision has been issued and the 30-day tax withholding notification period has ended. The taxpayer may receive the payment sooner by waiving the tax notification period.

(b) A payment made pursuant to qualifying legal process will be made only to the persons or entities specified in the process. If payment is to be made to the spouse or former spouse of the participant, he or she may request that the TSP transfer all or a portion of his or her payment to an Individual Retirement Arrangement (IRA) or other eligible retirement plan. Such a request must be made by filing Form TSP-13-S, "Spouse Election to Transfer to IRA or Other Eligible Retirement Plan", which must be received before payment.

(c) In no case may a payment made pursuant to qualifying legal process exceed the participant's vested account balance, excluding any outstanding loan amount as of the end of the month preceding the date of payment. If the amount to be paid exceeds the participant's vested account balance (excluding any outstanding loan amount), then only the vested amount in the account (excluding the outstanding loan balance) will be paid.

(d) The entire amount to be paid pursuant to qualifying legal process must be disbursed at one time. A series of payments will not be made even if the process provides for such a method of payment. A payment made pursuant to qualifying legal process extinguishes all further rights to any payment under that legal process even if the entire amount specified could not be paid. Any further payment must be made pursuant to separate legal process.

(e) Multiple legal processes pending before the Board will be honored as follows:

(1) As between conflicting legal processes relating to the same spouse, same former spouse, or same children of the participant, the Board will pay only the legal process bearing the latest date of issuance.

(2) As between conflicting legal processes relating to two or more former spouses or to different children of the participant, the Board will pay the legal processes in the order of their dates of issuance starting with the legal process bearing the earliest date and continuing until the account is exhausted.

(f) Payment cannot be made jointly to more than one person. If payment is to be made to more than one person, the legal process must separately indicate the amount to be paid to each.

(g) In order to make payment pursuant to a qualifying legal process, the TSP recordkeeper must be provided with the full name and mailing address of the payee, even if the payment is being mailed to another address. In addition, if the payee is a spouse or former spouse of the participant, the payee must provide his or her Social Security number.

(h) If the payee dies before a payment is made pursuant to a qualifying legal

process, payment will be made to the estate of the payee, unless otherwise specified by the legal process. If the participant dies before payment is made pursuant to qualifying legal process, the process will be honored as long as it is received by the TSP before payment of the account, regardless of whether the order was received before the participant's death.

(i) A payment made pursuant to qualifying legal process in accordance with this subpart bars recovery by any other person or entity pursuant to that qualifying legal process.

(j) Payments made pursuant to qualifying legal process will be paid *pro rata* from the TSP investment funds in which the participant is invested, on the date as of which the payment is made. The TSP will not honor provisions of legal process that require payment to be made from specific investment funds.

(k) Unless the qualifying legal process specifically provides, interest or earnings will not be paid on the amount paid to a party or parties pursuant to the qualifying legal process.

[60 FR 45624, Aug. 31, 1995, as amended at 61 FR 18912, Apr. 29, 1996]

PART 1655—LOAN PROGRAM

- Sec.
- 1655.1 Definitions.
 - 1655.2 Eligibility for loans.
 - 1655.3 Information concerning the cost of the loan.
 - 1655.4 Number of loans.
 - 1655.5 Loan repayment period.
 - 1655.6 Amount of loan.
 - 1655.7 Interest rate.
 - 1655.8 Quarterly loan statements.
 - 1655.9 Effect of loans on individual account.
 - 1655.10 Loan application.
 - 1655.11 Loan Agreement/Promissory Note.
 - 1655.12 Loan approval.
 - 1655.13 Distributions.
 - 1655.14 Loan payments.
 - 1655.15 Incorrect payments.
 - 1655.16 Reamortization.
 - 1655.17 Prepayment.
 - 1655.18 Spousal rights.
 - 1655.19 Court orders.
 - 1655.20 Loans for the purchase of a primary residence.

AUTHORITY: 5 U.S.C. 8433(g) and 8474; 50 U.S.C. App. 526.

SOURCE: 55 FR 979, Jan. 10, 1990, unless otherwise noted.

§ 1655.1 Definitions.

Account or *Individual Account* means the account established for a participant in the Thrift Savings Plan under 5 U.S.C. 8439(a).

Agency means the entity employing a participant with an account in the Thrift Savings Plan.

Amortization means the reduction in a loan by periodic payments of principal and interest according to a schedule of payments.

Board means the Federal Retirement Thrift Investment Board.

C Fund means the Common Stock Index Investment Fund established under 5 U.S.C. 8438(b)(1)(C).

CSRS means the Civil Service Retirement System established by subchapter III of chapter 83 of title 5, United States Code or any equivalent retirement system.

Date of Application means the date on which the recordkeeper receives the loan application.

Days means calendar days except when otherwise stated.

Employee Contributions means any contributions made under 5 U.S.C. 8432(a), 5 U.S.C. 8351(a), 5 U.S.C. 8440a or the second 5 U.S.C. 8440a.

FERS means the Federal Employees' Retirement System established by chapter 84 of Title 5, United States Code or any equivalent retirement system.

F Fund means the Fixed Income Investment Fund established under 5 U.S.C. 8438(b)(1)(B).

G Fund means the Government Securities Investment Fund established under 5 U.S.C. 8438(b)(1)(A).

G Fund Rate means the interest rate computed under 5 U.S.C. 8438(f)(2).

Interim Account Balance means the unvalued account balance of a participant's account on the last business day of the month.

Loan Issue Date means the date on which the recordkeeper authorizes a check for the loan principal amount to be issued.

Loan Process Date means the date the loan application is processed by the recordkeeper. This is the date that is printed on the Loan Agreement/Promissory Note.