

**§ 19.9-4**

principal for the benefit of the former spouse.

**§ 19.9-4 Effect on annuitant.**

Any pension payable to a former spouse under this section or pursuant to any spousal agreement or court order shall be deducted from the annuity of the principal. (See §19.6-4 concerning retroactive adjustments.) If the annuity of such a principal in any month is discontinued or reduced so that the net amount payable is less than the pension to the former spouse or spouses of the principal because of recall, reappointment or reinstatement in the Foreign Service or reemployment in the Government service, the principal's salary, rather than annuity, shall be reduced by the amount of the pension payment(s). Such salary reductions shall be deposited in the Treasury to the credit of the Fund. If a pension to a former spouse is discontinued for any reason except a suspension pending a determination of entitlement, the annuity of the principal shall be recomputed effective as of the date of discontinuance of the pension, and paid as if the pension to the former spouse had never been deducted.

**§ 19.10 Types of annuities to members.**

**§ 19.10-1 Full annuity.**

If a participant retires and does not provide a survivor annuity to a spouse, former spouse or designated beneficiary, the participant receives a "full" annuity. A full annuity means an annuity computed without any survivorship reduction. Example: Average salary \$20,000 and maximum of 35 years of service.

|   |          |
|---|----------|
| Average basic annual salary for high 3 consecutive years of service ..... | \$20,000 |
| Multiplied by 2 pct .....   | .02      |
|   | \$400.00 |
| Multiplied by 35 years of creditable service .....                        | .35      |
| Full annuity .....  | \$14,000 |

**§ 19.10-2 Reduced annuity with regular survivor annuity to spouse or former spouse.**

(a) At commencement of annuity, a participant or former participant may provide a regular survivor annuity for any eligible former spouse and, within the limits of paragraph (b) of this sec-

tion, a regular survivor annuity to any spouse to whom he/she is then married as described in §§19.11-2 and 19.11-3, respectively. A regular survivor annuity for a spouse or former spouse equals 55 percent of the portion of the retiree's annuity (up to the full amount) designated as the base for the survivor annuity. To provide the survivor annuity, the participant must accept a reduction in his/her full annuity equal to 2½ percent of the first \$3,600 of the designated base, plus 10 percent of the balance of the base. If a regular survivor annuity is being provided for both a spouse and a former spouse, the bases for each are added and the calculation made as in the following example:

Participant's full annuity as computed in §19.10-1: \$14,000.

Maximum regular survivor annuity is 55 percent of full annuity: \$7,700.

*Case I* (Participant has a spouse and former spouse at retirement) If the pro rata share for a former spouse is 75 percent, the base for this benefit will be 75 percent of \$14,000: \$10,500.

The base for the maximum regular survivor annuity for a spouse would then be 25 percent of \$14,000, or \$3,500.

Combined base: \$14,000.

Participant's full annuity reduced as follows:

2½ percent of first \$3,600 of the base: \$90.

Plus 10 percent of the amount over \$3,600 (\$14,000-3,600) \$10,400: \$1,040.

Total reduction in participant's full annuity: \$1,130.

Participant's reduced annuity: \$12,870.

Survivor annuity for former spouse: 55 percent of \$10,500 or \$5,775.

Survivor annuity for spouse: 55 percent of \$3,500 or \$1,925.

*Case II* (Participant married at retirement with no former spouse. All calculations made without reference to cost-of-living increases described in §19.11-5d.)

Joint election of base for regular survivor annuity of 90 percent of the maximum, or 90 percent of \$14,000: \$12,600.

Participant's full annuity reduced as follows:

2½ percent of first \$3,600 of the base: \$90.

Plus 10 percent of the amount over \$3,600 (\$12,600-3,600) \$9,000: \$900.

Total reduction in participant's full annuity: \$990.

Participant's reduced annuity: \$13,010.

In this example, if divorce occurs subsequent to retirement and a court orders a 75 percent share for the former spouse, the base for the survivor annuity for the former spouse would be 75 percent of \$14,000: \$10,500.