§ 831.405 Interest on voluntary contributions.

(a) Interest on voluntary contributions is computed under §831.105.

(b) Voluntary contributions begin to earn interest on the date deposited by OPM.

(c) Except as provided in paragraph (d) of this section, voluntary contributions stop earning interest on the earlier of—

(1) The date when OPM authorizes payment to the individual of the balance as a withdrawal (831.406); or

(2) The date when the employee transfers to a retirement system other than CSRS or FERS.

(d) If an employee elects an annuity without survivor benefit, each $100 credited to his voluntary contributions account will purchase an annuity at the rate of $7 per year, plus 20 cents for each full year, if

§ 831.406 Withdrawal of voluntary contributions.

(a) Before receiving additional annuity payments based on the voluntary contributions, a person who has made voluntary contributions may withdraw the balance while still an employee or Member, or after separation.

(b) A person entitled to payment of lump-sum benefits under the CSRS order for precedence set forth in section 8342(c) of title 5, United States Code, is entitled to payment of the balance, if any, on the death of—

(1) An employee or Member;

(2) A separated employee or Member who has not retired;

(3) A retiree, unless a survivor benefit is payable based on an election under §831.407; or

(4) A person receiving a survivor annuity based on voluntary contributions.

§ 831.407 Purchase of additional annuity.

(a) At the time of retirement CSRS (or under FERS, if transferred from CSRS), a person may use the balance of a voluntary contribution account to purchase one of the following types of additional annuity:

(1) Annuity without survivor benefit; or

(2) Reduced annuity payable during the life of the employee or Member with one-half of the reduced annuity to be payable after his or her death to a person, named at time of retirement, during the life of the named person.

(b) Any natural person may be designated as survivor under paragraph (a)(2) of this section.

(c) If the applicant for retirement elects an annuity without survivor benefit, each $100 credited to his or her voluntary contributions account will purchase an additional annuity at the rate of $7 per year, plus 20 cents for each full year, if