§ 1650.3

(electronic funds transfer (EFT)), into a savings or checking account at a financial institution in the United States.

(g) If a participant has a civilian TSP account and a uniformed services TSP account, the rules in this part apply to each account separately. For example, the participant is eligible to make one age-based in-service withdrawal from each account. A separate withdrawal request must be made for each account.

(h) All withdrawals will be distributed pro rata from the participant’s traditional and Roth balances. The distribution from the traditional balance will be further pro rated between the tax-deferred balance and tax-exempt balance. The distribution from the Roth balance will be further pro rated between contributions in the Roth balance and earnings in the Roth balance. In addition, all withdrawals will be distributed pro rata from all TSP Funds in which the participant’s account is invested. All pro rated amounts will be based on the balances in each TSP Fund or source of contributions on the day the withdrawal is processed.

§ 1650.5 Returned funds.

If a withdrawal is returned as undeliverable, the TSP record keeper will attempt to locate the participant. If the participant does not respond within 60 days, the TSP will forfeit the returned funds to the Plan. The participant can claim the forfeited funds, although they will not be credited with TSP investment fund returns.

§ 1650.6 Deceased participant.

(a) The TSP will cancel a pending withdrawal request if it processes a written notice that a participant is deceased. The TSP will also cancel an annuity purchase made on or after the participant’s date of death but before annuity payments have begun, and the annuity vendor will return the funds to the TSP.

(b) If the TSP processes a withdrawal request before being notified that a participant is deceased, the funds cannot be returned to the TSP.

§ 1650.11 Withdrawal elections.

(a) Subject to the restrictions in this subpart, participants may elect to withdraw all or a portion of their TSP accounts in a single payment, a series of monthly payments, a life annuity, or any combination of these options.

(b) If a participant’s account balance is less than $5.00 when he or she separates from Government service, the balance will automatically be forfeited to the TSP. The participant can reclaim the money by writing to the TSP record keeper and requesting the amount that was forfeited; however, TSP investment earnings will not be credited to the account after the date of the forfeiture.

(c) If a participant’s vested account balance is less than $200 when he or she separates from Government service, the TSP will automatically pay the balance to the participant at his or her TSP address of record. The participant...