Subpart C—Redistributing Participants’ Existing Account Balances (Interfund Transfers)

SOURCE: 68 FR 35495, June 13, 2003, unless otherwise noted.

§ 1601.21 Applicability.
This subpart applies only to interfund transfers, which involve redistributing participants’ existing account balances among the TSP Funds; it does not apply to the investment of future deposits, which is covered in subpart B of this part.

[68 FR 35495, June 13, 2003, as amended at 70 FR 32208, June 1, 2005]

§ 1601.22 Methods of requesting an interfund transfer.
(a) Participants may make an interfund transfer using the TSP Web site or the ThriftLine, or by completing and filing the appropriate paper TSP form with the TSP record keeper in accordance with the form’s instructions. The following rules apply to an interfund transfer request:
   (1) Interfund transfer requests must be made in whole percentages (one percent increments). The sum of the percentages elected for all of the TSP Funds must equal 100 percent.
   (2) The percentages elected by the participant will be applied to the balances in each source of contributions and to both tax-deferred and tax-exempt balances on the effective date of the interfund transfer.
   (3) Any participant who elects to invest in a TSP Fund other than the G Fund for the first time must execute an acknowledgement of risk in accordance with § 1601.33.
(b) An interfund transfer request has no effect on deposits made after the effective date of the interfund transfer request; subsequent deposits will continue to be allocated among the investment funds in accordance with the participant’s contribution allocation made under subpart B of this part.
(c) If an interfund transfer is found to be invalid pursuant to § 1601.34, the purported transfer will not be made. The TSP will provide the participant with a written statement of the reason the transaction was rejected.

[70 FR 32208, June 1, 2005]

Subpart D—Contribution Allocations and Interfund Transfer Requests

§ 1601.31 Applicability.
This subpart applies both to contribution allocations made under subpart B of this part and interfund transfers made under subpart C of this part.

§ 1601.32 Timing and posting dates.
(a) Posting dates. The date on which the TSP processes or posts a contribution allocation or interfund transfer request (transaction request) is subject to a number of factors, including some that are outside of the control of the TSP, such as power outages, the failure of telephone service, unusually heavy transaction volume, and acts of God. These factors also could affect the availability of the TSP Web site and the ThriftLine. Therefore, the TSP cannot guarantee that a transaction request will be processed on a particular day. However, the TSP will process transaction requests under ordinary circumstances according to the following rules:
   (1) A transaction request entered into the TSP record keeping system by a participant who uses the TSP Web site or the ThriftLine, or by completing and filing the appropriate paper TSP form with the TSP record keeper in accordance with the form’s instructions. The following rules apply to an interfund transfer request:

   (2) The percentages elected by the participant will be applied to the balances in each source of contributions and to both tax-deferred and tax-exempt balances on the effective date of the interfund transfer.
   (3) Any participant who elects to invest in a TSP Fund other than the G Fund for the first time must execute an acknowledgement of risk in accordance with § 1601.33.
(b) An interfund transfer request has no effect on deposits made after the effective date of the interfund transfer request; subsequent deposits will continue to be allocated among the investment funds in accordance with the participant’s contribution allocation made under subpart B of this part.
(c) If an interfund transfer is found to be invalid pursuant to § 1601.34, the purported transfer will not be made. The TSP will provide the participant with a written statement of the reason the transaction was rejected.

[70 FR 32208, June 1, 2005]