

**§ 1645.3 Calculation of total net earnings for each investment fund.**

(a) Each business day, net earnings will be calculated separately for each investment fund.

(b) Net earnings for each investment fund will equal:

(1) The sum of the following items, if any, accrued since the last business day:

(i) Interest on money of that investment fund which is invested in the Government Securities Investment Fund;

(ii) Interest on other short-term investments of the investment fund;

(iii) Other income (such as dividends, interest, or securities lending income) on investments of the investment fund; and

(iv) Capital gains or losses on investments of the investment fund, net of transaction costs.

(2) Minus the accrued administrative expenses of the investment fund, determined in accordance with § 1645.4.

(c) The net earnings for each investment fund determined in accordance with paragraph (b) of this section will be added to the residual net earnings for that investment fund from the previous business day, as described in § 1645.5(b), to produce the total net earnings. The total net earnings will be used to calculate the share price for that business day.

**§ 1645.4 Administrative expenses attributable to each investment fund.**

A portion of the administrative expenses accrued during each business day will be charged to each investment fund. An investment fund's respective portion of administrative expenses will be determined as follows:

(a) Accrued administrative expenses (other than those described in paragraph (b) of this section) will be reduced by accrued forfeitures and accrued earnings on forfeitures, abandoned accounts, and unapplied deposits;

(b) Investment management fees and other accrued administrative expenses attributable only to the F Fund, C Fund, S Fund, or I Fund will be charged solely to the F Fund, C Fund, S Fund, or I Fund, respectively;

(c) The amount of accrued administrative expenses not covered by forfeitures under paragraph (a) of this section, and not described in paragraph (b) of this section, will be charged on a *pro rata* basis to all investment funds, based on the respective investment fund balances on the last business day of the prior month end.

**§ 1645.5 Calculation of share prices.**

(a) *Calculation of share price.* The shares of each investment fund will

have an initial value of \$10.00. The share price for each investment fund for each business day will apply to all sources of contributions for that investment fund. The total net earnings (as computed under § 1645.3) for each investment fund will be divided by the total fund basis (as computed under § 1645.6) for that investment fund. The resulting number, computed to ten decimal places, represents the incremental change for the current business day in the value of that investment fund from the last business day. The share price for that investment fund for the current business day is the sum of the incremental change in the share price for the current business day plus the share price for the prior business day, truncated to two decimal places.

(b) *Residual net earnings.* When the total net earnings for each business day for each investment fund are divided by the total fund basis in that investment fund, there will be residual net earnings attributable to the truncation described in paragraph (a) of this section that will not be included in the incremental change in the share price of the investment fund for that business day. The residual net earnings that are not included in the incremental share price for the investment fund may be added to the earnings for that investment fund on the next business day.

**§ 1645.6 Basis for calculation of share prices.**

The total fund basis for each investment fund will be the sum of the number of shares in all individual accounts from all sources of contributions in that investment fund as of the opening of business on each business day.

■ 38. Part 1650 is revised to read as follows:

**PART 1650—METHODS OF WITHDRAWING FUNDS FROM THE THRIFT SAVINGS PLAN****Subpart A—General**

Sec.

- 1650.1 Definitions.
- 1650.2 Eligibility for a TSP withdrawal.
- 1650.3 Frozen accounts.
- 1650.4 Certification of truthfulness.
- 1650.5 Returned funds

**Subpart B—Post-Employment Withdrawals**

- 1650.11 Withdrawal elections.
- 1650.12 Single payment.
- 1650.13 Monthly payments.
- 1650.14 Annuities.
- 1650.15 Abandonment of inactive accounts.
- 1650.16 Required withdrawal date.
- 1650.17 Changes and cancellation of a withdrawal request.

**Subpart C—Procedures for Post-Employment Withdrawals**

- 1650.21 Information provided by employing agency.
- 1650.22 Accounts of \$200 or more.
- 1650.23 Accounts of less than \$200.
- 1650.24 How to obtain a post-employment withdrawal.
- 1650.25 Taxes related to post-employment withdrawals.

**Subpart D—In-Service Withdrawals**

- 1650.31 Age-based withdrawals.
- 1650.32 Financial hardship withdrawals.
- 1650.33 Contributing to the TSP after an in-service withdrawal.
- 1650.34 Uniqueness of loans and withdrawals.

**Subpart E—Procedures for In-Service Withdrawals**

- 1650.41 How to obtain an age-based withdrawal.
- 1650.42 How to obtain a financial hardship withdrawal.
- 1650.43 Taxes related to in-service withdrawals.

**Subpart F—[Reserved]****Subpart G—Spousal Rights**

- 1650.61 Spousal rights applicable to post-employment withdrawals.
- 1650.62 Spousal rights applicable to in-service withdrawals.
- 1650.63 Executive Director's exception to the spousal notification requirement.
- 1650.64 Executive Director's exception to the spousal consent requirement.

**Authority:** 5 U.S.C. 8351, 8433, 8434, 8435, 8474(b)(5), and 8474(c)(1).

**Subpart A—General****§ 1650.1 Definitions.**

(a) Definitions generally applicable to the Thrift Savings Plan are set forth at 5 CFR 1690.1.

(b) As used in this part:

*Eligible employer plan* means a plan qualified under I.R.C. section 401(a) (26 U.S.C. 401(a)), including a section 401(k) plan, profit-sharing plan, defined benefit plan, stock bonus plan, and money purchase plan; an annuity plan described in I.R.C. section 403(a) (26 U.S.C. 403(a)); an annuity contract described in I.R.C. section 403(b) (26 U.S.C. 403(b)); and an eligible deferred compensation plan described in I.R.C. section 457(b) (26 U.S.C. 457(b)) which is maintained by an eligible employer described in I.R.C. section 457(e)(1)(A) (26 U.S.C. 457(e)(1)(A)).

*In-service withdrawal* means an age-based or financial hardship withdrawal from the TSP that may be available to a participant who has not yet separated from Government service.

*Post-employment withdrawal* means a withdrawal from the TSP that is available to a participant who is separated from Government service.