



***Retirement and Insurance Service
Benefits Administration Letter***

Number: 99- 106

Date: July 9, 1999

Subject: EFT Letters

Background

Benefits Administration Letters (BAL's) 96-104 and 97-102 provided EFT Letters and Election/Certification forms to be distributed to annuity applicants not already signed up for EFT with permanent payment addresses in the United States and Canada. Those letters were based upon interim regulations which anticipated requiring all Federal payments after January 1, 1999, to be made by Electronic Funds Transfer (EFT). Those same interim regulations required annuitants to certify they did not have an account at a financial institution in order to be paid by check if first eligible for payment on or after July 26, 1996.

Final Regulations

Treasury's final regulations significantly modified EFT requirements as they had been established under the interim regulations. As of September 25, 1998, the requirement to certify to not having an account with a financial institution was eliminated. Also, annuitants now have sole discretion to decide whether they qualify for a hardship waiver to the requirement they be paid by EFT.

Purpose

This is to remind agencies that EFT information should still be distributed to each new retirement or survivor annuity applicant, whose permanent payment address is in the United States or Canada, who is not already signed up to receive his or her annuity payment by EFT.

New Letters

The original EFT letter (distributed in BAL 96-104) has been turned into a form, RI 38-128 (Attachment 1). The latest version of RI 38-128 (January 1999) should now be distributed to annuity applicants not already signed up for EFT whose permanent addresses for receiving payments are in the United States, in place of the original EFT letter. Attachment 2 provides updated language for the letter (distributed in BAL 97-102) to individuals who receive their annuity payments in Canada. RI 16-26, Direct Deposit Sign-Up (Canada), and the supplemental forms RI 26A and RI 16-26B, are unchanged from the versions enclosed with BAL 97-102, and should continue to be included as Attachments to the letter in Attachment 2 of this BAL.

Other Countries

Annuity applicants whose permanent payment addresses are outside the United States and Canada still should not receive either letter. At this time, residents of other countries may only be paid by EFT if they establish a permanent payment address in the United States or Canada.



Sidney M. Conley
Assistant Director
for Retirement Programs

Attachments

U.S. Office of Personnel Management
Retirement Operations Center
Post Office Box 440
Boyers, PA 16017-0440

Date:

It's Time to Sign Up for Direct Deposit

Public Law 104-134 requires that most Federal payments be paid by Direct Deposit. More than 85% of Federal retirees and survivors receive their payments by Direct Deposit. We recommend that you participate too.

We can make payment by Direct Deposit into your account in a bank, credit union, savings bank, or thrift institution. Many financial institutions offer basic, low-cost accounts, as well as full-service accounts. Direct Deposit is safe, reliable, and convenient for you. You do not have to take care of a paper check (which could be delayed in the mail, lost, or stolen).

However, if receiving your payment electronically would cause you a hardship because you have a disability or because of a geographic, language or literacy barrier, you may receive your payment by check. In addition, if enrolling in Direct Deposit would cause you a financial hardship because it would cost you more than receiving your payment by check, you may receive your payment by check.

For more information about Direct Deposit, call us on 1-888-767-6738. If you are calling from a local Washington, DC, area telephone, dial 202-606-0500. It is easy to sign up. You can call us toll-free using the numbers shown above.

If you do not want to call us to enroll, you can fill this form out and FAX it to 724-794-6633. Or, you can mail this form to our Boyers, Pennsylvania, address at the top of this page.

Office of Retirement Programs

Enclosure: Return Envelope

Public Burden Statement

We think this form takes an average of 30 minutes to complete, including the time for reviewing instructions, getting the needed data, and reviewing the completed form. Send comments regarding our estimate or any other aspect of this form, including suggestions for reducing completion time, to the Office of Personnel Management, OPM Reports and Forms Manager, Washington, DC 20415-0001. The OMB Number 3206-0226 is valid. OPM may not collect this information, and you are not required to respond, unless this number is displayed.

Prior versions of this form are not usable.

RI 38-128
Revised January 1999

Applicant's name
Claim number

Direct Deposit Information

To have your annuity payments made by Direct Deposit, please complete Section A. You may also receive Direct Deposit by calling us or completing a Standard Form 1199A (available at most financial institutions). If you want payments by check, please complete Section B.

Section A – Payment by Direct Deposit

I want to receive my annuity payments by Direct Deposit into the account indicated below.

Account Information – Please contact your financial institution to obtain accurate and complete account and routing numbers. If you prefer, you may attach a voided check instead of entering the account and routing numbers. However, we cannot accept a deposit slip for this purpose.		
Account type	Account Number	
Checking <input type="checkbox"/>		
Savings <input type="checkbox"/>		
Financial institution routing number		
Name address and telephone number of your financial institution		
()		
Your signature*	Your daytime telephone number ()	Date

Section B – Payment by Check

Please pay me by check. Direct Deposit would cause me a hardship as described on the other side of this notice. I understand that I may sign up for Direct Deposit at anytime.

Your signature*	Your daytime telephone number ()	Date
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***You must sign.** We cannot accept the signature of a person holding your power of attorney. We can accept the signature of an OPM-approved representative payee or a court-appointed fiduciary, if we have a copy of the court appointment.

EFT LETTER (CANADA)

***Office of Personnel Management
Retirement and Insurance Group***

Dear Applicant:

Your annuity can be paid by Direct Deposit to a financial institution in Canada.

With Direct Deposit, payments are sent electronically directly into Canadian dollar checking or savings accounts at banks, trust companies, credit unions, and caisses populaires. More than 90% of Federal retirees and survivors have Direct Deposit. They gave it a 97% approval rating in a recent survey. That's because Direct Deposit is a win-win situation all around. You avoid the bother of traveling to a bank or other financial institution to cash or deposit your check. You save travel costs and time. Both you and OPM are saved the worry that the check will be lost in the mail or stolen.

Compared with Treasury checks mailed from the United States, Direct Deposit to Canada offers greater security, timeliness and convenience. Gone are check cashing fees and delays to clear checks. Payments will be made to your account in Canadian dollars on the first business day of the month at the most favorable commercial exchange rate available about two days prior to that date.

U.S. Public Law 104-134 requires that most Federal payments be paid by Electronic Funds Transfer (EFT) into a savings or checking account at a financial institution. However, if receiving your payment electronically would cause you a financial hardship, or a hardship because you have a disability, or because of a geographic, language or literacy barrier, you may invoke your legal right to a waiver of the EFT requirement, and receive your annuity payments by check.

Whether you sign up for EFT or not, please complete the EFT Information/Certification form on the reverse of this letter and submit it with your application package. To sign up for EFT, complete the EFT Information/Certification form and the RI 16-26, Direct Deposit Sign-Up Form (Canada) (Attachment 1). Attachment 2 provides information about Direct Deposit and instructions for completing RI 16-26. If receiving your payment by EFT would cause you a hardship, please complete Part B of the EFT Information/Certification form.

If you have questions about Direct Deposit in Canada you may call (202) 606-0540. Please direct other questions to (202) 606-0500. Only English is spoken at these telephone numbers.

Thank you.

Office of Retirement Programs

{REPRODUCE LOCALLY}

Attachments

Applicant's Name _____
Social Security # _____
Date of Birth _____

EFT INFORMATION/CERTIFICATION

To have your annuity payment(s) made by Direct Deposit, complete the Direct Deposit Sign-Up Form (Canada) (RI 16-26) and Section A (below). Indicate whether you are enclosing RI 16-26, or your financial institution will send it. If receiving your payment by Direct Deposit would cause you a hardship, please complete the certification in Section B. In either case, please complete this form and include it with your application.

NOTE: None of the Direct Deposit sign-up forms used by U.S. residents; i.e., SF 1199A, Section I of SF 3107 (November 1995), Section H of SF 3104 (December 1995), etc., can be used to establish Direct Deposit in Canadian banks. RI 16-26 is specifically designed for this function.

Section A

I hereby certify the information I entered on the RI 16-26, Direct Deposit Sign-Up form is correct.

- I am enclosing the completed RI 16-26.
- My financial institution will send the completed RI 16-26. (Enter identifying information.)

Name, Address and Telephone Number
of your financial institution.

Account Type

- Checking Savings

() _____

Checking or Savings Account Number

Signature

Date

Section B

I hereby certify that receiving my payment electronically would cause me a financial hardship, or a hardship because I have a disability or because of a geographic, language or literacy barrier, and therefore I invoke my legal right to a waiver of the Direct Deposit requirement. Please send me my payment(s) by check.

Signature

Date
