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U.S. DEPARTMENT OF AGRICULTURE

Farm Service Agency

OPTION B AND C ELECTION NOTICE FOR RETIREMENT

PART A - TO BE COMPLETED BY EMPLOYING AGENCY

1. Employee's Name and Address and ZIP Code	2. Employee's Telephone Number ()	3. Employee's Social Security No.
4. Number of Multiples of Option B the Employee Is Eligible to Continue	5. Number of Multiples of Option C the Employee Is Eligible to Continue	6. Employee's Date of Birth

PART B - TO BE COMPLETED BY EMPLOYEE AND RETURNED TO EMPLOYING AGENCY

7. OPTION B ELECTION:

- A. **Number of Multiples of Option B I Want to Continue:** _____ (This number cannot be more than the number shown in Item 4 above. If you have assigned your insurance, this number must be the same as the number shown in Item 4 above.)
- B. **Full Reduction:** I understand that if I elect Full Reduction, my Option B coverage will begin to reduce the 2nd month after my 65th birthday (or the 2nd month after I retire, if I am already over 65.) The reduction will be 2% each month for 50 months, at which time the coverage will stop. I will not pay any premiums for this coverage after I turn 65. I understand that if I choose Full Reduction, I can change to No Reduction at any time until I reach age 65.
- C. **No Reduction:** I understand that if I elect No Reduction, my Option B coverage will not reduce when I reach 65. I will continue to pay premiums for this coverage. I understand that if I choose No Reduction, I can change to Full Reduction at any time (unless I have assigned my insurance). If I am over age 65 when I change my election, the amount of Option B remaining will be computed as if I had elected Full Reduction initially, and there will be no refund of my premiums.

8. CHECK ONLY ONE:

I want **Full Reduction** _____ I want **No Reduction** _____

9. Signature of Employee _____ ;DATE _____

10. OPTION C ELECTION:

11. A. **Number of Multiples of Option C I Want to Continue:** _____ (This number cannot be more than the number shown in Item 5 above.)
- B. **Full Reduction:** I understand that if I elect Full Reduction, my Option C coverage will begin to reduce the 2nd month after my 65th birthday (or the 2nd month after I retire, if I am already over 65.) The reduction will be 2% each month for 50 months, at which time the coverage will stop. I will not pay any premiums for this coverage after I turn 65. I understand that if I choose Full Reduction, I can change to No Reduction at any time until I reach age 65.
- C. **No Reduction:** I understand that if I elect No Reduction, my Option C coverage will not reduce when I reach 65. I will continue to pay premiums for this coverage. I understand that if I choose No Reduction, I can change to Full Reduction at any time. If I am over age 65 when I change my election, the amount of Option C remaining will be computed as if I had elected Full Reduction initially, and there will be no refund of my premiums.

12. CHECK ONLY ONE:

I want **Full Reduction** _____ I want **No Reduction** _____

13. Signature of Employee _____ ;DATE _____

PART C - ADDITIONAL INFORMATION

Before you turn 65, you will receive a letter reminding you of the election you made and letting you know what the premiums will be. At that time you will be allowed to change your election.

NOTE: If you have assigned your insurance and you elect No Reduction for Option B, you will not be allowed to change that election for any multiples of Option B. Instead, the reminder letter will be sent to your assignee(s).