



Thrift Savings Plan BULLETIN for Agency TSP Representatives

Subject: Revision of Instructions for Form TSP-3, Designation of Beneficiary

Date: February 9, 2009

The Federal Retirement Thrift Investment Board (Board) has revised the instructions on Form TSP-3, Designation of Beneficiary. The significant changes to this form are updated information in the instructions and updates in the examples used to assist participants in correctly completing the beneficiary form prior to sending it to the TSP record keeper. In addition, the instructions provided at the top of Form TSP-3 were revised to explicitly inform participants not to submit this form to their agencies.

This bulletin supersedes TSP Bulletin 95-38, New Requirement for Submission of Forms TSP-3, Designation of Beneficiary, and Revision of Form TSP-43, Transmittal of Forms TSP-3. The prior bulletin was a reminder to Agency personnel offices to transmit all Forms TSP-3 which had previously been maintained in the Official Personnel Folder (OPF) prior to September 30, 1995.

I. Purpose of Form TSP-3

- A. Form TSP-3 provides active and separated participants the ability to designate a beneficiary or beneficiaries to receive their TSP accounts after their deaths. If the TSP record keeper has a valid Form TSP-3 on file on or before the date of the participant's death the TSP will use the form to identify the participant's beneficiaries and disburse the death benefit payments from his or her TSP account. Participants are not required to complete Form TSP-3. If a **valid** form (signed, witnessed, and received by the TSP) is not on file on or before the

(continued on next page)

Inquiries: Questions concerning this bulletin should be directed to the Federal Retirement Thrift Investment Board at **202-942-1460**.

Chapter: This bulletin may be filed in Chapter 10, Death Benefits.

Supersedes: This bulletin supersedes TSP Bulletin 02-24, Revision of Thrift Savings Plan Designation of Beneficiary (Form TSP-3), dated July 30, 2002, TSP Bulletin 95-38, New Requirement for Submission of Forms TSP-3, Designation of Beneficiary, and Revision of Form TSP-43, Transmittal of Forms TSP-3, dated November 16, 1995, and TSP Bulletin 94-29, Elimination of Form TSP-18, Validation of Retirement Information, and New Procedures for Submitting Form TSP-3, Designation of Beneficiary, dated November 22, 1994.

date of death of the participant, the TSP will disburse the account according to the statutory order of precedence found at 5 USC § 8424(d):

- (1) To the participant's widow or widower;
 - (2) If none, to the participant's child or children equally, and descendants of deceased children by representation;
 - (3) If none, to the participant's parents equally or to the surviving parent;
 - (4). If none, to the appointed executor or administrator of the participant's estate;
 - (5) If none, to the participant's next of kin entitled to his or her estate under the laws of the state in which the participant resided at the time of his or her death.
- B. Since September 1995, the TSP has required that, in order to be considered, all completed Forms TSP-3 must be received by the TSP record keeper on or before the date of the participant's death. This includes those Forms TSP-3 which agencies were instructed to purge and mail to the TSP record keeper for processing. **The TSP reminds agency representatives that it will NOT honor a Form TSP-3 received after the participant's date of death, even if it was transmitted from the agency.** The participant must submit Form TSP-3 directly to the TSP record keeper, **and** agencies must ensure that all Forms TSP-3, including those that were previously filed in the OPF, are purged and forwarded to the TSP record keeper.

II. Agency Responsibilities

- A. Agencies must provide Form TSP-3 upon a participant's request. Agencies that enclose Form TSP-3 in the in-processing packets of new employees who do not have a TSP account established are advised to inform the employee who wishes to complete a designation of beneficiary form that he or she should mail or fax Form TSP-3 to the TSP record keeper after the first TSP contribution is deducted from his or her pay. If the TSP record keeper receives a beneficiary form from an employee who does not yet have a TSP account, the form will be returned to the employee.

Although agencies are required to provide Form TSP-3 upon request, the agency must **not** accept the completed form from the participant. Instead, it must direct the participant to mail, or preferably fax, the completed form to the TSP record keeper for processing.

- B. The Federal Retirement Thrift Investment Board again reminds agencies that, to comply with 5 CFR §1651.3 (c) (1), they must purge Forms TSP-3 that remain in the OPF or within the personnel or payroll office files and transmit them to the TSP as soon as possible. Agencies need not mail these forms; they can transmit them via fax to the TSP record keeper. The fax number agencies

and participants may use is provided below. **If Form TSP-3 is faxed, the agency does not have to mail the original beneficiary form to the TSP record keeper. If an agency is mailing to the TSP record keeper Forms TSP-3 which it has discovered or purged from the OPF, it should mail them to the address** shown below and not the address shown on the form:

**Thrift Savings Plan
P.O. Box 385021
Birmingham, AL 35238**

Fax: 1-866-817-5023

- C. Agency representatives should refer questions from potential beneficiaries or family members of a deceased participant to the address above or to the TSP assistance lines:

1-TSP-YOU-FRST (1-877-968-3778)

1-TSP-THRIFT5 (1-877-847-4385)
(for hearing-impaired participants)

III. Participant Responsibilities

- A. The participant is responsible for ensuring that his or her Form TSP-3 is completed correctly and that it accurately reflects the beneficiaries he or she wishes to designate. The participant is also responsible for transmitting Form TSP-3 to the TSP record keeper for processing. The participant has the option of mailing Form TSP-3 to the address above, or faxing it to the fax number above. This information is also provided in the instructions on Form TSP-3.

In addition to telling participants that the TSP will not accept Form TSP-3 received after their dates of death, the TSP has expanded the instructions for participants, encouraging them to make the appropriate beneficiary changes or to cancel a prior designation if their life situations change. If these forms are not kept up-to-date, the death benefit payments may not be made according to the participant's current wishes. For example, if the participant is married at the time of his or her death but has a valid Form TSP-3 on file designating someone other than his or her spouse, the TSP will pay the death benefit based on the Form TSP-3 on file. This means that if the beneficiary designated on the Form TSP-3 is a former spouse, the TSP will pay the former spouse — even if the former spouse relinquished rights to the participant's retirement or TSP account in a settlement or divorce decree.

- B. If the participant also has a uniformed services TSP account, he or she must file Form TSP-U-3 to designate a beneficiary to receive death benefits from that account upon his or her death. The TSP will not use Form TSP-3 for a uniformed services account. If there is no Form TSP-U-3 on file for the participant's

uniformed services account, the death benefit payment will be made according to the statutory order of precedence.

- C. If an employee does not yet have a TSP account when a Form TSP-3 is received for processing, the TSP record keeper will return the form to the employee with instructions to submit it once the TSP account has been established.

IV. TSP Responsibilities

- A. The TSP record keeper is the sole receipt and processing point for all Forms TSP-3. When Form TSP-3 is processed, the TSP record keeper will mail a letter to the participant confirming that it has been received and processed. Although the participant is responsible for the accuracy of the information provided on the beneficiary form, the TSP record keeper will review the form to identify any errors which could invalidate or complicate the execution of the form (e.g., scratched out names of beneficiaries or percentages for primary (or contingent) beneficiaries that do not add up to 100%). The TSP record keeper will contact the participant either by phone or by mail to notify him or her of the errors and to request the submission of a correctly completed Form TSP-3.
- B. In addition to sending a confirmation letter listing the designated beneficiaries, the TSP shows on the quarterly TSP participant statement whether a Form TSP-3 is on file and, if so, when it was signed. The Annual TSP participant statement mailed in February of each year also provides this information and includes the names of all primary beneficiaries and the percentages of the death benefit to which each is entitled.
- C. Upon notification of the death of a participant (generally through the receipt of a Form TSP-17, Information Regarding Deceased Participant, and the participant's death certificate), the TSP will examine the copies of all Forms TSP-3 on file to determine which of the Forms TSP-3 received is the most recent correctly completed form on file. This is the form that will be used to identify the beneficiaries to be notified regarding the death benefit payment. If the TSP does not have a valid Form TSP-3 on file, the TSP will disburse the participant's TSP account according to the statutory order of precedence. If the participant has a uniformed services TSP account, the TSP will also process a death benefit payment from that account according to a valid Form TSP-U-3 on file or the statutory order of precedence.

V. Obtaining Forms TSP-3

Agencies may obtain the most recent version of Form TSP-3 by downloading it from the TSP Web site at www.tsp.gov, or by requesting printed copies from agency central distribution points using its own agency procedures for requesting TSP forms and publications. A copy of the recently revised Form TSP-3 is attached to this bulletin.

VI. Final Reminder

The Federal Retirement Thrift Investment Board reminds agencies that if they discover a Form TSP-3 they have had in their possession after a participant's date of death, or if they mishandle the transmission of the beneficiary form to the TSP record keeper, neither the TSP record keeper nor the Board will honor the form to pay the deceased participant's TSP account. Since, by law, Form TSP-3 must be received on or before the participant's date of death, there is no appeal process to the Board if either of these scenarios occurs.



PAMELA-JEANNE MORAN
Director
Office of Participant Services

Attachment: [Form TSP-3, Designation of Beneficiary](#)



THRIFT SAVINGS PLAN DESIGNATION OF BENEFICIARY

TSP-3

Use this form to designate a beneficiary or beneficiaries to receive your civilian Thrift Savings Plan (TSP) account after your death. **Do not give your completed Form TSP-3 to your employing agency. In order for your form to be valid, this form must be received by the TSP record keeper. If your agency mishandles the transmittal of this form, and this form is not received by the TSP record keeper on or before your date of death, it is invalid.** Type or print the information requested. Do not alter this form or the information you enter. Use form TSP-U-3 to designate a beneficiary for a uniformed services account.

I. INFORMATION ABOUT YOU

1. Name _____
Last First Middle

2. _____ 3. _____ / _____ / _____ 4. (____) _____ - _____
TSP Account Number Date of Birth (mm/dd/yyyy) Daytime Phone (Area Code and Number)

5. Address _____
Street address or box number

6. _____ 7. _____ 8. _____
City State/Country Zip Code

II. DESIGNATING YOUR BENEFICIARIES

Indicate in whole percentages the share of your TSP account to be paid to each beneficiary.

1. _____ **Share: _____ %**
Beneficiary Name (Last) (First) (Middle)

Street address or box number

City State/Country Zip Code

Social Security Number/EIN Date of Birth (mm/dd/yyyy) Relationship

2. _____ **Share: _____ %**
Beneficiary Name (Last) (First) (Middle)

Street address or box number

City State/Country Zip Code

Social Security Number/EIN Date of Birth (mm/dd/yyyy) Relationship

3. _____ **Share: _____ %**
Beneficiary Name (Last) (First) (Middle)

Street address or box number

City State/Country Zip Code

Social Security Number/EIN Date of Birth (mm/dd/yyyy) Relationship

Check here if additional pages are used. Number of additional pages _____ (See back of form.)

III. YOUR SIGNATURE

Sign and date this section. Your signature must be witnessed in Section IV.

Participant's Signature Date Signed

IV. WITNESSES TO SIGNATURE

This form is valid only if it is witnessed by two persons. The witnesses must be age 21 or older. (A witness cannot be a beneficiary of any portion of your TSP account.) By signing below, the witnesses affirm that the participant: (a) signed Section III in their presence, or (b) informed them that the signature in Section III is the participant's own signature.

Witness 1 _____
Typed or Printed Name of First Witness Signature of First Witness

Witness 2 _____
Typed or Printed Name of Second Witness Signature of Second Witness



INFORMATION AND INSTRUCTIONS

Make a copy of this form for your records. You **must mail** the original to:

**Thrift Savings Plan
P.O. Box 385021
Birmingham, AL 35238**

Or fax it to our toll-free fax number: **1-866-817-5023**.

If you have questions, call the (toll-free) ThriftLine at 1-TSP-YOU-FRST (1-877-968-3778) or the TDD at 1-TSP-THRIFT5 (1-877-847-4385). Outside the U.S. and Canada, please call 404-233-4400 (not toll free).

Your participant statements show the date of your most recent designation; your annual statement shows your primary beneficiaries.

Designating a beneficiary. This Designation of Beneficiary form applies **only** to the disposition of your civilian Thrift Savings Plan (TSP) account after your death. It does not affect the disposition of your FERS Basic Annuity, your CSRS annuity, your uniformed services TSP account (if you have one), or any other benefits.

It is necessary to designate a beneficiary only if you want payment to be made in a way other than the following order of precedence:

1. To your widow or widower.
2. If none, to your child or children equally, and descendants of deceased children by representation.
3. If none, to your parents equally or to the surviving parent.
4. If none, to the appointed executor or administrator of your estate.
5. If none, to your next of kin who is entitled to your estate under the laws of the state in which you resided at the time of your death.

In this order of precedence, a child includes a natural child (even if the child was born out of wedlock) and a child adopted by the participant; it does not include a stepchild who was not adopted.

Note: If the participant's natural child was adopted by someone other than the participant's spouse, that child is not entitled to a share of the participant's TSP account under the order of precedence. "By representation" means that if a child of the participant dies before the participant dies, that child's share will be divided equally among his or her children. "Parent" does not include a stepparent, unless the stepparent adopted the participant.

Making a valid designation. To name beneficiaries to receive your civilian TSP account after you die, you must complete this form, and it must be received by the TSP (not your agency) **on or before** the date of your death. **Only** Form TSP-3 is valid for designating a beneficiary to your civilian TSP account; a will is not valid for the disposition of a TSP account. You may, however, designate your estate or a trust as a beneficiary on Form TSP-3.

You are responsible for ensuring that your Form TSP-3 is properly completed, signed, and witnessed (see the Instructions for Sections II and IV in the right-hand column). **Do not submit an altered form;** if you need to correct or change the information you have entered on the form, start over on a new form.

Changing or cancelling your Designation of Beneficiary. This designation will stay in effect until you submit another valid Form TSP-3 cancelling prior designations or naming other beneficiaries. To **cancel** a Form TSP-3 already on file, write "Cancel prior designations" in Section II of a new Form TSP-3, sign and date the form, and have it witnessed.

To **change** your beneficiary, follow the same steps for designating a beneficiary. Keep your designation (and your beneficiaries' addresses) current. It is a good idea to review how you have designated your beneficiaries from time to time — particularly when your life situation changes (e.g., by marriage, divorce, the birth or adoption of a child, or the death of a beneficiary).

By law, the TSP must pay your designated beneficiary under all circumstances. For example, if you designated your spouse as your beneficiary, your TSP account must be paid to the spouse designated on Form TSP-3, *even if you are separated or divorced from that spouse or have remarried*. This is true even if the spouse you designated gave up all rights to your TSP account. Consequently, if your life situation changes, you may want to file a new Form TSP-3 that cancels or changes your current beneficiary designation.

The share of any beneficiary who dies before you do will be distributed proportionally among the surviving designated TSP beneficiaries. If none of the designated beneficiaries is alive at the time of your death, the order of precedence will be followed.

INSTRUCTIONS FOR SECTION II. You may name as a beneficiary any person, corporation, trust, or legal entity, or your estate.

Note: If the beneficiary is a minor child, benefits will be made payable directly to the child.

If you need additional space, use a blank sheet of paper. Enter your name, TSP account number, and date of birth, and number the pages. **You must sign and date all additional pages; the same two witnesses who signed the form must sign each additional page.** Check the box in Section II indicating that additional pages are used and write out the number of additional pages used.

Enter the share for each beneficiary as a whole percentage. Percentages must total 100 percent.

The examples show you how to name a beneficiary or cancel prior designations of beneficiary(ies).

- For each person you designate as a beneficiary, enter the full name, share, address, Social Security number (SSN), date of birth, and relationship to you. If you do not have all the requested information, you must provide at least the beneficiary's name, the beneficiary's share, and either the beneficiary's SSN or date of birth.
- You may designate one or more contingent beneficiaries for each primary beneficiary you name on Form TSP-3. The contingent beneficiary(ies) will receive the primary beneficiary's share if the primary beneficiary dies before you do. (You cannot designate contingent beneficiaries for contingent beneficiaries.)
- If the beneficiary is a corporation or other legal entity, enter the name of the entity on the name line. Enter the legal representative's name and address on the address lines. Enter the Employer Identification Number (EIN). Leave the date of birth and relationship lines blank.
- If the beneficiary is a trust, enter the name of the trust on the name line. Enter the trustee's name and address on the address lines. Enter the EIN, if available. Leave the date of birth line blank. Enter "Trust" on the relationship line. **Note:** Filling out this form will not create a trust.
- If the beneficiary is your estate, enter the name of the estate on the name line. Enter the executor's name and address on the address lines. Enter the EIN, if available. Leave the date of birth line blank. Enter "Estate" on the relationship line.
- You may cancel a designation of beneficiary by printing "Cancel prior designations" on the name line. **Note:** If you do not submit another Form TSP-3, your account will be paid according to the order of precedence.

INSTRUCTIONS FOR SECTION IV. Do not ask the individuals you name as beneficiaries of your TSP account to witness your Form TSP-3. A person named as a beneficiary of this TSP account who is also a witness cannot receive his or her share of the account.

EXAMPLES OF DESIGNATING A BENEFICIARY

A. DESIGNATING MORE THAN ONE BENEFICIARY

1. Larson Susan Maria Share: 33%
 Name (Last) (First) (Middle)
4231 Oregon Street
 Street address or box number
Cincinnati OH 45239
 City State/Country Zip Code
934-56-7890 09 / 07 / 1950 Sister
 Social Security Number/EIN Date of Birth (mm/dd/yyyy) Relationship

Enter the full name of the beneficiary. Do not write name as S.M. Larson or Mrs. Keith H. Larson.

Be sure that the shares to be paid to the beneficiaries total 100 percent.

2. Larson Elliott Harris Share: 33%
 Name (Last) (First) (Middle)
4826 Bayberry Road
 Street address or box number
Cincinnati OH 45239
 City State/Country Zip Code
945-67-8901 04 / 20 / 1952 Brother
 Social Security Number/EIN Date of Birth (mm/dd/yyyy) Relationship

In this example, Susan Larson, Elliott Larson, and Melissa Richardson will each get one third of your account. If one of these beneficiaries dies before you do, the remaining beneficiaries would each receive 50 percent of your account.

3. Richardson Melissa Anne Share: 34%
 Name (Last) (First) (Middle)
9842 Magnolia Drive
 Street address or box number
Columbus GA 30161
 City State/Country Zip Code
989-01-2345 11 / 06 / 1975 Niece
 Social Security Number/EIN Date of Birth (mm/dd/yyyy) Relationship

B. DESIGNATING ONE OR MORE CONTINGENT BENEFICIARIES

1. If living: Steinway Sarah Ruth Share: 100%
 Name (Last) (First) (Middle)
P.O. Box 812
 Street address or box number
Covington KY 40117
 City State/Country Zip Code
956-78-9012 12 / 02 / 1940 Friend
 Social Security Number/EIN Date of Birth (mm/dd/yyyy) Relationship

In this example, you will need to use an additional page. Be sure to number any additional pages and to put your name, TSP account number, and date of birth on each page. You and the same two witnesses who signed the form must sign and date each additional page. Check the box in Section II indicating that additional pages are used and write out the number of additional pages used.

You may designate one or more contingent beneficiaries to receive a beneficiary's share in the event that the primary beneficiary dies before you do. To identify the primary and contingent beneficiaries, you must write in "If living:" above the primary beneficiary's name and "Otherwise to:" above the contingent beneficiary's name. If there is more than one contingent beneficiary for a primary beneficiary, write in "And to:" above the second (and subsequent) beneficiary's name.

2. Otherwise to: Bluthner Rose Marie Share: 33%
 Name (Last) (First) (Middle)
7280 Bay Avenue
 Street address or box number
Cincinnati OH 45239
 City State/Country Zip Code
972-83-1046 08 / 26 / 1944 Friend
 Social Security Number/EIN Date of Birth (mm/dd/yyyy) Relationship

In this example, Sarah Steinway is the primary beneficiary. Rose Bluthner, Michael Kraus, and Cecilia Kraus are contingent beneficiaries to Sarah Steinway.

Note: If a named beneficiary dies, you may prefer to submit another Form TSP-3 to change your designation(s).

3. And to: Kraus Michael Thomas Share: 33%
 Name (Last) (First) (Middle)
6287 Laurel Post Drive
 Street address or box number
Stone Mountain GA 30058
 City State/Country Zip Code
967-89-0123 03 / 12 / 1946 Brother
 Social Security Number/EIN Date of Birth (mm/dd/yyyy) Relationship

4. And to: Kraus Cecilia Jean Share: 34%
 Name (Last) (First) (Middle)
6200 Laurel Post Drive
 Street address or box number
Stone Mountain GA 30058
 City State/Country Zip Code
978-90-1234 08 / 16 / 1968 Niece
 Social Security Number/EIN Date of Birth (mm/dd/yyyy) Relationship

Detach here

EXAMPLES OF DESIGNATING A BENEFICIARY (continued)

C. DESIGNATING A CORPORATION OR LEGAL ENTITY

1. The XYZ Foundation **Share: 100%**

Name [Name of corporation or legal entity]
c/o Eleanor Jarvis, Legal Representative 64730 Connecticut Ave.

Street address or box number [Name of Legal Representative and Legal Representative's address]
Bethesda MD 20815

City State/Country Zip Code

00-0123456 [Leave blank] [Leave blank]

Social Security Number/EIN Date of Birth (mm/dd/yyyy) Relationship

D. DESIGNATING A TRUST

1. John P. Manos Trust **Share: 100%**

Name [Name of trust]
c/o Eric P. Manos, Trustee 1111 Delaware Lane

Street address or box number [Name of Trustee and Trustee's address]
New York NY 14607

City State/Country Zip Code

[Enter if known] [Leave blank] **Trust**

Social Security Number/EIN Date of Birth (mm/dd/yyyy) Relationship

E. DESIGNATING AN ESTATE

1. Estate of Ruth R. Jones **Share: 100%**

Name [Name of estate]
c/o Marilyn D. McClain, Executor 150 Rossmoyne Drive

Street address or box number [Name of Executor and Executor's address]
Alameda CA 94510

City State/Country Zip Code

[Enter if known] [Leave blank] **Estate**

Social Security Number/EIN Date of Birth (mm/dd/yyyy) Relationship

F. CANCELLING A DESIGNATION OF BENEFICIARY

1. Cancel prior designations **Share: [Leave blank] %**

Name (Last) (First) (Middle)
 [Leave blank]

Street address or box number
 [Leave blank]

City State/Country Zip Code

[Leave blank] [Leave blank] [Leave blank]

Social Security Number/EIN Date of Birth (mm/dd/yyyy) Relationship

This will cause your account to be paid according to the order of precedence stated in "Information and Instructions" (unless you submit another Form TSP-3).

Be sure your form cancelling prior designations is signed, dated, and witnessed.

Do **not** write "Cancel prior designations" on a form when you are designating new beneficiaries. You only need to cancel a beneficiary designation if you want the order of precedence to apply.

PRIVACY ACT NOTICE. We are authorized to request the information you provide on this form under 5 U.S.C. chapter 84, Federal Employees' Retirement System. We will use this information to identify your TSP account and to process this form. In addition, this information may be shared with other Federal agencies for statistical, auditing, or archiving purposes. We may share the information with law enforcement agencies investigating a violation of civil or criminal law, or agencies implementing a

statute, rule, or order. It may be shared with congressional offices, private sector audit firms, spouses, former spouses, and beneficiaries, and their attorneys. We may disclose relevant portions of the information to appropriate parties engaged in litigation and for other routine uses as specified in the Federal Register. You are not required by law to provide this information, but if you do not provide it, we will not be able to process your request.