

Compound Option Election—Instructions

- * You can use your *myCalSTRS* account at *myCalSTRS.com* to complete and submit your form online.

This form is used to elect a Compound Option at retirement, change a Compound Option elected or confirmed at retirement, or change an option elected or confirmed at retirement to a Compound Option.

The Compound Option allows three choices. You may:

- Name one option beneficiary, with an option choice, and retain a portion of your benefit as a Member-Only Benefit.
- Name two or more option beneficiaries, with an option choice for each, and retain a portion of your benefit as a Member-Only Benefit.
- Name two or more option beneficiaries, with an option choice for each, and not retain any of your benefit as a Member-Only Benefit.

Your monthly retirement benefit will be reduced based on your age, the ages of your beneficiaries and the option you elect for each beneficiary. An option factor based on actuarial valuation tables is used to determine the modification to your retirement benefit.

Each one of your beneficiaries must be a living person or persons. Your beneficiaries cannot be a trust, estate, charity or other entity.

EFFECT OF REINSTATEMENT AFTER RETIREMENT

You are not eligible to elect, change or cancel an option or beneficiary for one year following your reinstatement date. If you had a Compound Option Election and one of your option beneficiaries dies within that first year, an assessment will be applied to your future retirement benefit, which may reduce your retirement benefit for life.

SECTION 1—CHOOSE ONE

- **Compound Option Election**—This form must be returned with your *Service Retirement Application* and will be effective on your retirement date.
- **Change Option Election Made or Confirmed at Retirement to Compound Option**—This form must be returned with your *Service Retirement Application Change Request* form. CalSTRS must receive both forms no later than 30 days from the date your first benefit payment is issued.

- **Modify Compound Option Election Made or Confirmed at Retirement**—This form must be returned with your *Service Retirement Application Change Request* form. CalSTRS must receive both forms no later than 30 days from the date your first benefit payment is issued.

SECTION 2—BENEFIT ALLOCATION/OPTION

BENEFICIARY DESIGNATION

If you wish to retain part of your benefit as the Member-Only Benefit, enter the percentage in the space provided.

For each option beneficiary, choose one of the following: 100% Beneficiary Option, 75% Beneficiary Option or 50% Beneficiary Option. Then indicate the percent of your Member-Only Benefit you are allocating. You may select a different percentage for each beneficiary.

We will not be able to process your election if the total allocation of your Member-Only Benefit does not equal 100 percent.

This example is the benefit allocation for a member who wanted to retain 50 percent as the Member-Only Benefit and allocate 25 percent to each of his two children.

Recipient	Benefit Allocation
Member-Only	50 %
Beneficiary #1	25 %
Beneficiary #2	25 %
Total	100 %

If you want to designate more than four option beneficiaries, use additional copies of the form.

Option Beneficiary Designation

Descriptions of the beneficiary options available follow. If your option beneficiary predeceases you, the portion of your Modified Benefit that you allocated to him or her will rise to the Member-Only Benefit amount.

100% Beneficiary Option: Upon your death, your option beneficiary will receive the same benefit you were receiving for the portion allocated to him or her.

75% Beneficiary Option: Upon your death, your option beneficiary will receive 75 percent of the benefit you were receiving for the portion allocated to him or her.

50% Beneficiary Option: Upon your death, your option beneficiary will receive one-half of the benefit you were receiving for the portion allocated to him or her.

Nonspouse Option Beneficiary: Age Restrictions

Under federal law, if you name someone other than your current or former spouse to be your option beneficiary under the Compound Option, the type of option you may elect depends on your age and the age of your option beneficiaries:

- Under the 75% Beneficiary Option, your nonspouse option beneficiary cannot be more than exactly 19 years younger than you.
- Under the 100% Beneficiary Option, your nonspouse option beneficiary cannot be more than exactly 10 years younger than you.

These federal age restrictions also apply to registered domestic partners.

Birth Date Verification

Attach verification of each beneficiary's date of birth. Acceptable documents include a photocopy of a birth certificate, state-issued ID, passport ID and certain military IDs.

If your option beneficiary's name has been changed from the name shown on his or her birth record, a clear, unaltered photocopy of the marriage certificate or court order documenting the change is required. If you do not have either of these records, contact us at 800-228-5453.

SECTION 3—REQUIRED SIGNATURES

Check all boxes that apply, then sign and date your *Compound Option Election* form. If you are married or registered as a domestic partner, your spouse or partner also must sign and date your application.

If your spouse or registered domestic partner does not sign your application, you must include a completed and signed *Justification for Non-Signature of Spouse or Registered Domestic Partner* form, available at CalSTRS.com/forms.

If you divorced or terminated a domestic partnership and a portion of your CalSTRS benefit was awarded to a former spouse or partner, check the box that indicates this. You may need to refer to your settlement agreement. If your court documents have not been reviewed by CalSTRS, you may be asked to provide them.

SUBMITTING YOUR APPLICATION

Submit this form with your *Service Retirement Application* or *Service Retirement Application Change Request* form, whichever is applicable.

Compound Option Election

SR 0363 rev 01/16

CALSTRS

California State Teachers' Retirement System
P.O. Box 15275, MS 65
Sacramento, CA 95851-0275
800-228-5453
CalSTRS.com

_____ number of additional pages attached

Complete this form to elect the Compound Option if you are retiring, or to change from another option to the Compound Option, or modify or cancel a Compound Option election made or confirmed at retirement.

NAME (LAST, FIRST, INITIAL)

CLIENT ID OR SOCIAL SECURITY NUMBER

Applying for retirement? If you are electing the Compound Option, return your completed form with your *Service Retirement Application* to CalSTRS. **Already submitted your application for retirement?** If you want to change to the Compound Option, or if you elected the Compound Option and want to make changes, CalSTRS must receive both this form and the *Service Retirement Application Change Request* form no later than 30 days from the date your first benefit payment is issued.

Section 1: Choose One

I have read the *Member Handbook* descriptions of the available options and elect:

- Compound Option.** I am applying for retirement and elect the Compound Option indicated in Section 2.
- Change option election made or confirmed at retirement to Compound Option.** I applied for retirement and wish to change the option election on my *Service Retirement Application* to the Compound Option indicated in Section 2. I understand this will result in an assessment to my retirement benefit, which may reduce my benefit for life.
- Modify Compound Option.** I elected or confirmed the Compound Option at retirement and now wish to make changes indicated in Section 2. I understand this will result in an assessment to my retirement benefit, which may reduce my benefit for life.

Section 2: Benefit Allocation/Option Beneficiary Designation

Each one of your beneficiaries must be a living person. Your beneficiaries cannot be a trust, corporation, charity, estate or other entity.

For each option beneficiary, elect one of the following: 100% Beneficiary Option, 75% Beneficiary Option or 50% Beneficiary Option. Then allocate a percentage of your Member-Only Benefit. CalSTRS cannot process your Compound Option election if the total allocation of your Member-Only Benefit does not equal 100 percent. (See Instructions.)

Court-ordered option elections: If you are divorced or a party to a dissolution of domestic partnership and are required to elect a discontinued option, you may do so if CalSTRS has previously received and approved a certified court order filed before January 1, 2007. For more information, contact our Legal Office at 916-414-1725.

- Provide all the information requested for each option beneficiary, including birth date verification.
- If you wish to designate more than four option beneficiaries, use additional copies of this form and indicate the number of additional pages you are submitting in the top right-hand corner of this page.

I choose to retain _____% (indicate 0-99%) of my benefit as the Member-Only Benefit.

1. I elect the (select one) 100% 75% 50% Beneficiary Option and allocate _____% of my Member-Only Benefit.

BENEFICIARY'S NAME (LAST, FIRST, INITIAL)

BENEFICIARY'S SOCIAL SECURITY NUMBER OR TAX ID

MAILING ADDRESS

DATE OF BIRTH (MM/DD/YYYY)

()

CITY

STATE

ZIP CODE

HOME TELEPHONE

()

EMAIL ADDRESS

ALTERNATE TELEPHONE

MEMBER OF CALSTRS: YES NO

RELATIONSHIP: SPOUSE REGISTERED DOMESTIC PARTNER OTHER

GENDER: MALE FEMALE

If your beneficiary is not a member of CalSTRS, you must attach birth date verification:

STATE-ISSUED ID BIRTH CERTIFICATE PASSPORT ID OTHER



SR0363

Name _____ Client ID or SSN _____

2. I elect the (select one) 100% 75% 50% Beneficiary Option and allocate _____% of my Member-Only Benefit.

BENEFICIARY'S NAME (LAST, FIRST, INITIAL) _____ BENEFICIARY'S SOCIAL SECURITY NUMBER OR TAX ID _____

MAILING ADDRESS _____ DATE OF BIRTH (MM/DD/YYYY) _____

() _____

CITY _____ STATE _____ ZIP CODE _____ HOME TELEPHONE _____

() _____

EMAIL ADDRESS _____ ALTERNATE TELEPHONE _____

MEMBER OF CALSTRS: YES NO RELATIONSHIP: SPOUSE REGISTERED DOMESTIC PARTNER OTHER GENDER: MALE FEMALE

If your beneficiary is not a member of CalSTRS, you must attach birth date verification:

STATE-ISSUED ID BIRTH CERTIFICATE PASSPORT ID OTHER

3. I elect the (select one) 100% 75% 50% Beneficiary Option and allocate _____% of my Member-Only Benefit.

BENEFICIARY'S NAME (LAST, FIRST, INITIAL) _____ BENEFICIARY'S SOCIAL SECURITY NUMBER OR TAX ID _____

MAILING ADDRESS _____ DATE OF BIRTH (MM/DD/YYYY) _____

() _____

CITY _____ STATE _____ ZIP CODE _____ HOME TELEPHONE _____

() _____

EMAIL ADDRESS _____ ALTERNATE TELEPHONE _____

MEMBER OF CALSTRS: YES NO RELATIONSHIP: SPOUSE REGISTERED DOMESTIC PARTNER OTHER GENDER: MALE FEMALE

If your beneficiary is not a member of CalSTRS, you must attach birth date verification:

STATE-ISSUED ID BIRTH CERTIFICATE PASSPORT ID OTHER

4. I elect the (select one) 100% 75% 50% Beneficiary Option and allocate _____% of my Member-Only Benefit.

BENEFICIARY'S NAME (LAST, FIRST, INITIAL) _____ BENEFICIARY'S SOCIAL SECURITY NUMBER OR TAX ID _____

MAILING ADDRESS _____ DATE OF BIRTH (MM/DD/YYYY) _____

() _____

CITY _____ STATE _____ ZIP CODE _____ HOME TELEPHONE _____

() _____

EMAIL ADDRESS _____ ALTERNATE TELEPHONE _____

MEMBER OF CALSTRS: YES NO RELATIONSHIP: SPOUSE REGISTERED DOMESTIC PARTNER OTHER GENDER: MALE FEMALE

If your beneficiary is not a member of CalSTRS, you must attach birth date verification:


STATE-ISSUED ID BIRTH CERTIFICATE PASSPORT ID OTHER

Section 3: Required Signatures

I have read and I fully understand the instructions for the Compound Option Election and the *Your Retirement Guide* booklet. I fully understand that:

1. **This election does not constitute an application for service retirement.** I must still submit the *Service Retirement Application* to receive a service retirement benefit.
2. I cannot change this option election after 30 days from the date my first benefit payment is issued unless one or more of my option beneficiaries predeceases me; or one of my option beneficiaries is my spouse or registered domestic partner and a final decree for a dissolution of marriage, annulment, dissolution or termination of partnership, or action for separate maintenance has been entered on or after January 1, 1978; or one of my option beneficiaries is not my current or former spouse or partner and I change my election to my current spouse or partner.
3. My option and beneficiaries must remain the same for one year following a reinstatement.

Check all that apply to your current and any previous marital status.

- I am married or registered as a domestic partner and both our signatures are below.
- I am married or registered as a domestic partner and my spouse or registered domestic partner did not sign below.  I have completed, signed and enclosed the *Justification for Non-Signature of Spouse or Registered Domestic Partner* form.
- I have never been married or in a registered domestic partnership, or I am widowed or my registered domestic partner has died.
- I have been divorced or have terminated a registered domestic partnership and my former spouse or registered domestic partner was awarded a portion of my CalSTRS benefits.
- I have been divorced or have terminated a registered domestic partnership and my former spouse or registered domestic partner was *not* awarded a portion of my CalSTRS benefits.

Required Signatures

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct. I understand that perjury is punishable by imprisonment for up to four years (Penal Code section 126). I understand it is a crime to fail to disclose a material fact or to make any knowingly false material statements for the purpose of altering a benefit administered by CalSTRS and it may result in penalties, including restitution, up to one year in jail and a fine of up to \$5,000 (Education Code section 22010).

 _____
 Member's Signature Signature Date (MM/DD/YYYY)

 _____
 Spouse's or Registered Domestic Partner's Signature Signature Date (MM/DD/YYYY)

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