

Compound Option Election—Instructions

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

Before electing an option, talk to a CalSTRS benefits specialist and read the applicable section of the *Member Handbook* to make sure you fully understand options and how each option would affect your retirement benefit.

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.

Your option beneficiary must be a living person or persons or a special needs trust—it cannot be another type of trust, charity, estate or other entity. If you wish to elect or change an option for the benefit of a special needs trust, for each beneficiary you will need to complete a *Certification of a Special Needs Trust* form, available online at CalSTRS.com/forms, and submit it with this form.

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. Note: No contributions and interest remaining in your account upon death will be distributed so long as an option benefit is in effect, even if you retained part of your benefit as Member-Only.
- Name two or more option beneficiaries, with an option choice for each, and retain a portion of your benefit as a Member-Only Benefit. Note: No contributions and interest remaining in your account upon death will be distributed so long as an option benefit is in effect, even if you retained part of your benefit as Member-Only.
- 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.

EFFECT OF REINSTATEMENT AFTER RETIREMENT

You are not eligible to elect, change or modify 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

- **Elect a Compound Option at Retirement—** This form must be returned with your *Service Retirement Application* and will be effective on your retirement date.
- **Change From Another Option Election Made or Confirmed at Retirement to a 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 a 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.

If you want to cancel your Compound Option election, select “Cancel My Modified Benefit” on the *Service Retirement Application Change Request* form. If you choose to cancel your election, your benefit will be subject to an assessment that may reduce your benefit for life. See the *Service Retirement Application Change Request* form for more information.

SECTION 2—BENEFIT ALLOCATION/OPTION BENEFICIARY DESIGNATION

Enter the percentage that you want to retain as a Member-Only Benefit in the space provided. Please enter a zero if you do not want to retain a Member-Only Benefit portion.

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 Compound Option election 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 wish to elect or change an option for the benefit of a special needs trust, check the box and enter your beneficiary information. In addition, you will need complete the *Certification of a Special Needs Trust* form, available online at CalSTRS.com/forms, and submit it with this form.

Use additional copies of the form if you want to designate more than four option beneficiaries.

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. See the *Your Retirement Guide* and the *Member Handbook* for more information.

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.

NOTE: After you retire, you may change your option beneficiary only under limited circumstances. For more information, see the *CalSTRS Member Handbook* at CalSTRS.com/publications.

Birth Date Verification

Attach verification of each beneficiary's date of birth unless beneficiary is a CalSTRS member. Acceptable documents include a photocopy of a birth certificate, state-issued ID, U.S. passport ID page and certain U.S. 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 01/18

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 a Compound Option if you are retiring, to change from another option to the Compound Option, or to modify a Compound Option election made or confirmed in 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

- Compound Option.** I am electing the Compound Option at retirement as indicated in Section 2.
- Change from another option election made or confirmed at retirement to a 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 may result in a change to my retirement benefit, which may reduce my benefit for life. There is no penalty for changing to a special needs trust if the beneficiary remains the same.
- Modify a Compound Option elected at retirement.** I elected or confirmed the Compound Option at retirement and now wish to make changes indicated in Section 2. I understand this may result in a change to my retirement benefit, which may reduce my benefit for life. There is no penalty for changing to a special needs trust if the beneficiary remains the same.

Section 2: Benefit Allocation/Option Beneficiary Designation

Each of your beneficiaries must be a living person or a special needs trust and cannot be another type of 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. (Age restrictions apply for nonspouse option beneficiaries. For details, see the Instructions section.) Then allocate a percentage of your Member-Only Benefit. We cannot process your 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 we previously received and approved a certified court order filed before January 1, 2007. For more information, contact the Community Property Section of the Office of General Counsel 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.




SR0363

Name _____ Client ID or SSN _____

Section 2: Benefit Allocation/Option Beneficiary Designation continued

I choose to retain _____% (indicate 0–99%) of my benefit as the Member-Only Benefit. Enter the percentage that you want to retain as a Member-Only Benefit in the space provided. Please enter a zero if you do not want to retain a Member-Only Benefit portion.

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

Enter your beneficiary information. If you are electing a special needs trust, please check the box, provide your beneficiary information below and complete the *Certification of a Special Needs Trust* form, available online at CalSTRS.com/forms, which must be submitted with this form. 

I am electing a special needs trust.


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 U.S. PASSPORT ID OTHER

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

Enter your beneficiary information. If you are electing a special needs trust, please check the box, provide your beneficiary information below and complete the *Certification of a Special Needs Trust* form, available online at CalSTRS.com/forms, which must be submitted with this form. 

I am electing a special needs trust.

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 U.S. PASSPORT ID OTHER

Name _____ Client ID or SSN _____

Section 2: Benefit Allocation/Option Beneficiary Designation continued

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

Enter your beneficiary information. If you are electing a special needs trust, please check the box, provide your beneficiary information below and complete the *Certification of a Special Needs Trust* form, available online at CalSTRS.com/forms, which must be submitted with this form. 

I am electing a special needs trust.


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 U.S. PASSPORT ID OTHER

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

Enter your beneficiary information. If you are electing a special needs trust, please check the box, provide your beneficiary information below and complete the *Certification of a Special Needs Trust* form, available online at CalSTRS.com/forms, which must be submitted with this form. 

I am electing a special needs trust.

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 U.S. PASSPORT ID OTHER

Name _____ Client ID or SSN _____

Section 3: Required Signatures

I have read and I fully understand the instructions for the Compound Option Election. In addition, I have read the *Your Retirement Guide* and the *Member Handbook*. 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 I qualify for a postretirement option change as outlined in the *CalSTRS Member Handbook*.
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 understand it is a crime to fail to disclose a material fact or to make any knowingly false material statement, including a false statement regarding my marital status, for the purpose of using it, or allowing it to be used, to obtain, receive, continue, increase, deny or reduce any benefit administered by CalSTRS and it may result in penalties, including restitution, up to one year in jail and/or a fine of up to \$5,000 (Education Code section 22010). It may also result in any document containing such false representation being voided.

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).

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

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