

This application is for Cash Balance Benefit Program participants who are applying for retirement.

**NOTE:** You must initial all corrections on your application. If you are married or in a registered domestic partnership, your spouse or partner must also initial all corrections.

You may be able to complete and submit your application online using *myCalSTRS* for faster processing. Step-by-step guidance is provided to ensure you complete your application correctly.

All Cash Balance and Defined Benefit employers for whom you have performed CalSTRS creditable service within the last 12 months must certify that your employment has been terminated.

The distribution of a retirement lump-sum benefit will not become payable until 180-calendar days after the date you terminate employment as certified by your employer(s).

## SECTION 1: PARTICIPANT INFORMATION

### Client ID or Social Security Number

The Client ID or Social Security number is used to identify your account. It is important to enter the number correctly in the space provided. Your Client ID can be found on your *Retirement Progress Report*.

### Retirement Date

You will be officially retired as of the retirement date you put on your application, subject to the following conditions:

1. The earliest date you can elect as your retirement date is the date you attain 55 years of age.
2. The application must be received by CalSTRS on or before the last day of the month in which your retirement is to be effective.
3. The earliest date you can retire is the day after your last day of work, vacation or compensated approved leave, whichever is later.

Examples: If your last day of work is June 13, you may retire on June 14, even though you will receive a paycheck for the month of June. Your *Cash Balance Retirement Benefit Application* (CB 586) must be received by June 30, for a retirement date in June.

## SECTION 2: METHOD OF PAYMENT

### Retirement Benefit Distribution Choice

As a Cash Balance Benefit Program participant, you may elect to receive a retirement benefit as a one-time lump-sum distribution or an annuity provided the **sum of your account (your contributions and your employers' contributions) is \$3,500 or more**. Upon distribution of the lump-sum payment, no further benefits are payable to you from the Cash Balance Benefit Program.

If you elect to receive a monthly annuity, you may elect one of the following forms of payment below. **NOTE:** If you are a **non-member spouse you may only elect the Participant-Only Annuity or Period-Certain Annuity**.

1. A Participant-Only Annuity, which is the actuarial equivalent of the lump sum payable for the life of the participant with any balance remaining upon the death of the participant payable in a lump sum to the beneficiary.
2. A 100% Beneficiary Annuity, which is the actuarial equivalent of the lump sum payable for the combined lives of you and your beneficiary, with the monthly amount payable to you continuing to the surviving beneficiary upon your death. However, if your annuity beneficiary predeceases you, the annuity without modification for the option shall be payable to you.
3. A 75% Beneficiary Annuity, which is the actuarial equivalent of the lump sum payable for the combined lives of you and your beneficiary, with three-quarters of the monthly amount payable to you continuing to your surviving beneficiary upon your death. However, if your annuity beneficiary predeceases you, the annuity without modification for the option shall be payable to you.

**NOTE: If your annuity beneficiary is anyone other than your spouse and your beneficiary is more than exactly 19 years younger than you, you cannot select the 75% Beneficiary Annuity.**

4. A 50% Beneficiary Annuity, which is the actuarial equivalent of the lump sum payable for the combined lives of you and your beneficiary, with one-half of the monthly amount payable to you continuing to your surviving beneficiary upon your death. However, if the annuity beneficiary predeceases you, the annuity without modification for the option shall be payable to you.
5. A Period-Certain Annuity, which is the lump sum payable over a specified number of years, from three years to 10 years, but not to exceed the life expectancy of the participant or the life expectancy of the participant and the participant's beneficiary, until there is no balance remaining in the participant's employee account and employer account.

**NOTE: If you receive a payment that can be rolled over to a Traditional IRA, Roth IRA or other eligible plan and it is paid in a series of payments for less than 10 years, your choice to take a direct payment or a rollover for a payment will apply to all later payments in the series. Under federal law, a series of**

payments for 10 years or more cannot be rolled over.

## Section 2.1: Annuity Beneficiary Information

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 a special needs trust as your annuity beneficiary, the *Certification of a Special Needs Trust* form (SR 1854) must accompany this application.

If you are electing an option due to a divorce or termination of a domestic partnership, contact the Community Property Section of the CalSTRS Office of General Counsel at 916-414-1725.

Include birth date verification if your beneficiary isn't a CalSTRS member. Acceptable birth date verification documents include a photocopy of a birth certificate, state-issued ID, U.S. passport ID page or certain U.S. military IDs.

Your option beneficiary election is different from your one-time death benefit recipient. To designate a recipient to receive the death benefits payable in the event of your death, complete the *Recipient Designation* form (MS0002).

## SECTION 3: ROLLOVER ELIGIBLE DISTRIBUTIONS

The amount of tax-deferred or after-tax contributions and interest in your Cash Balance account is shown on your annual *Retirement Progress Report*. Your account balance must be \$200 or more to qualify for a rollover to a financial institution. Enter the dollar amount or percentage (from 1% to 100%) that you would like to roll over.

A complete rollover is exempt from federal and state income tax withholding. Federal and state income tax will not be withheld from the portion of the distribution that is rolled over.

We suggest you read the IRS publication 575, *Pension and Annuity Income* and the California Franchise Tax Board Publication FTB 1005, *Pension and Annuity Guidelines* or contact a qualified tax professional for advice. For more information, see the *Tax Considerations for Rollovers* booklet at [CalSTRS.com/publications](http://CalSTRS.com/publications).

## Section 3.1: Rollovers to Pension2

If you select Pension2® for your rollover, we will obtain the required signatures on your behalf. If you already have a Pension2 account, we will roll over your funds to that account. If you do not have a Pension2 account, we will open a Pension2 403(b) account for you and your investment that guarantees your principal and a specific interest rate. You can reallocate your investment at any time. For more information or to enroll right now, visit [Pension2.com](http://Pension2.com) or call 844-electP2 (844-353-2872).

## Section 3.2: Rollovers to Another Qualified Plan - Financial Institution Information

Complete this section only if you are rolling over to a different financial institution than Pension2.

If you submit a letter of acceptance with your application, the rollover will be sent directly to your financial institution. **Check the appropriate box if you have attached a letter of acceptance from your financial institution.** If you do not submit a letter of acceptance, the rollover will be sent to your mailing address provided in section 1 of the application and you will have 60 days to deposit it to the financial institution.

It is imperative that the financial institution name and account number are correct. If the information is incomplete or not legible, your rollover and retirement application will be delayed. We are not able to process direct trustee-to-trustee transfers to financial institutions outside the U.S.

## SECTION 4: LUMP SUM DIRECT PAYMENT AND PERIOD-CERTAIN ANNUITIES OF 3 TO 9 YEARS TAX WITHHOLDING PREFERENCES

If you choose to have payments paid directly to you, we must withhold at least 20% for federal taxes unless the payment amount is less than \$200. You may elect a higher percentage if you choose.

CalSTRS will withhold 2% California state tax if your address is in California, unless you elect to not have state tax withheld.

## Section 4.1: Lifetime Monthly Annuity or Period-Certain Annuity of 10 years

Federal and California state laws require us to withhold income tax on all benefit payments unless you specify otherwise. We will default your federal income tax for your monthly payments as single with no adjustments and your California state income tax as married claiming three withholding allowances based if your address is in California.

If you do not want taxes withheld, check the *Do Not Withhold* boxes. Be aware that there are penalties for not paying enough federal and state tax during the year, either through withholding or estimated tax payments.

See IRS Publication 505, *Tax Withholding and Estimated Tax*, at [irs.gov](http://irs.gov). It explains estimated tax requirements and describes penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough withheld from your benefit payments.

California does not tax the CalSTRS benefits of nonresidents. To learn more about California residency, see Franchise Tax Board Publication 1031, *Guidelines for Determining Resident Status*, at [ftb.ca.gov](http://ftb.ca.gov).

## SECTION 5: REQUIRED SIGNATURES

Check all boxes that apply, then sign and date your *Cash Balance Retirement Benefit Application*. If you are married or registered as a domestic partner, your spouse or partner also must sign and date your application. Your signature date is the date you signed your application.

If your spouse or registered domestic partner does not sign your application, you must include a signed *Justification for Non-Signature of Spouse or Registered Domestic Partner* form, available at [CalSTRS.com/forms](https://www.calstrs.com/forms), with your application.

If you divorced or terminated a registered 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 or final judgment. If your court documents have not been reviewed by CalSTRS, you may be asked to provide them. This can delay the processing of your application.

In addition, if you provide inaccurate information regarding your marital status, your application may be void.

## SUBMITTING YOUR APPLICATION

Submit pages 1–7 of your *Cash Balance Retirement Benefit Application* by one of the following methods. Keep a copy for your records.

### myCalSTRS

Complete and submit your application online using myCalSTRS for faster processing.

### Hand Delivery

Hand deliver your application to a local CalSTRS office. (See the *Your Retirement Guide* booklet at [CalSTRS.com/publications](https://www.calstrs.com/publications) or visit [CalSTRS.com/forms-drop](https://www.calstrs.com/forms-drop).)

### Mail Your Application

CalSTRS  
P.O. Box 15275, MS 65  
Sacramento, CA 95851-0275

### Overnight Delivery

If you are using a special mailing service such as UPS or FedEx, send your application to:

CalSTRSMember Services  
100 Waterfront Place  
West Sacramento, CA 95605

### Fax Delivery

916-414-5965 or 916-414-5964

## QUESTIONS

Email your questions using your myCalSTRS account or at [CalSTRS.com/contact](https://www.calstrs.com/contact), or call 800-228-5453.

## RETIREMENT CHANGE REQUESTS

If you have already submitted your *Cash Balance Retirement Benefit Application* and want to make a change or cancel your retirement, CalSTRS must receive the *Cash Balance Retirement Application Change Request* form (CB1328) no later than 30 days from the date your first benefit payment is issued. You must return the gross amount of all payments previously distributed within 45 days of your initial benefit payment or the form will be voided and your request denied. This form is available at [CalSTRS.com/forms](https://www.calstrs.com/forms) or by calling us. Use the form to change or cancel your retirement date, annuity, annuity beneficiary, distribution type or to make other changes.

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**Cash Balance Retirement  
Benefit Application**  
CB586 REV 05/25

**CALSTRS**<sup>®</sup>  
California State Teachers' Retirement System  
P.O. Box 15275, MS 43  
Sacramento, CA 95851-0275  
**800-228-5453**  
CalSTRS.com

[For CalSTRS' Official Use Only]

Please read the instructions carefully before completing this form. **Use this form if you are eligible to apply for a Cash Balance retirement benefit (age 55 or older).**

**Section 1: Participant Information**

Provide either your Client ID or Social Security number.

CLIENT ID OR SOCIAL SECURITY NUMBER

DATE OF BIRTH (MM/DD/YYYY)

NAME (LAST, FIRST, INITIAL)

MAILING ADDRESS

CITY

STATE

ZIP CODE

TELEPHONE

RETIREMENT DATE (MM/DD/YYYY)

**Section 2: Method of Payment**

**Please select one of the following methods of retirement benefit payment:**

1. ☐ I choose to receive my Cash Balance retirement benefit as a one-time lump-sum payment.

I understand that upon distribution of the lump-sum payment, no further benefits are payable from the Cash Balance Benefit Program. I understand that the payment will not become payable until 180-calendar days after my termination date.

You must select one of the following methods of distribution:

- ☐ I choose to have my Cash Balance retirement benefit paid directly to me. **You must also complete Section 4: Direct Payment Lump Sum and Period-Certain Annuities of 3 to 9 Years Tax Withholding Preferences. OR**
- ☐ I choose to rollover all or part of my Cash Balance retirement benefit to the financial institution on section 3.1 or 3.2.



## Section 2: Method of Payment continued

2. ☐ I choose to receive my Cash Balance retirement benefit as monthly annuity payments.

I understand that my Cash Balance Benefit account balance must be at least \$3,500 to receive an annuity retirement benefit.

**NOTE:** If you are a non-member spouse you may only elect a Participant-Only Annuity or Period-Certain Annuity.

**Select one of the following\*:**

- ☐ Participant-Only Annuity
- ☐ 100% Beneficiary Annuity
- ☐ 75% Beneficiary Annuity
- ☐ 50% Beneficiary Annuity
- ☐ Period-Certain Annuity. Number of years chosen: \_\_\_\_\_ years

**For period-certain annuities of 3 to 9 years, you may receive the payments as a rollover.**

- ☐ Process the period-certain annuity payments as complete trustee-to-trustee transfers (rollover).
  - You must complete section 3.1 or 3.2.

**For annuity payments that will not be rolled over, choose one of the following payment address options:**

- ☐ Mail the payments directly to me at the address listed in section 1. **OR**
  - You must complete section 4.
- ☐ Send the payments electronically to my financial institution (direct deposit).
  - You must complete the *Direct Deposit Authorization form* (AS1130).

\*If you choose the 100%, 75% or 50% Beneficiary Annuity, you must also complete Section 2.1: Annuity Beneficiary Information.



Client ID or SSN: \_\_\_\_\_

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## Section 2.1: Annuity Beneficiary Information - If required from section 2

If you are electing a special needs trust, check the box below, provide your beneficiary information below, and complete the *Certification of a Special Needs Trust* (SR1854) form, available at [CalSTRS.com/forms](https://CalSTRS.com/forms), and submit it with your application.

☐ I am electing a special needs trust.

\_\_\_\_\_  
BENEFICIARY'S NAME (LAST, FIRST, MI)

\_\_\_\_\_  
BENEFICIARY'S SOCIAL SECURITY NUMBER OR TAX ID

\_\_\_\_\_  
MAILING ADDRESS

\_\_\_\_\_  
DATE OF BIRTH (MM/DD/YYYY)

\_\_\_\_\_  
EMAIL ADDRESS

\_\_\_\_\_  
PHONE NUMBER

**Member of CalSTRS:** ☐ Yes ☐ No

**Gender:** ☐ Male ☐ Female ☐ Nonbinary

**Relationship:** ☐ Spouse ☐ Registered Domestic Partner ☐ Other

**If your beneficiary is not a member of CalSTRS, you must attach birth date verification.** Your beneficiary must be a living person or special needs trust and cannot be another type of trust, charity or other entity.

☐ State-issued ID ☐ Birth certificate ☐ U.S. passport ID page ☐ Other

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## Section 3: Rollover Eligible Distributions

I choose to rollover all or part of my Cash Balance retirement benefit contributions and interest to a qualified plan with a financial institution. Only lump-sum payments and period-certain annuities of three to nine years are eligible for a rollover. **Complete Section 4: Direct Payment Lump Sum and Period-Certain Annuities of 3 to 9 years Tax Withholding Preferences**, if you elect to receive any portion of your tax-deferred funds as a direct payment. **Note:** If rolling over account funds to different financial institutions and/or different accounts, make a copy of section 3.2 for each financial institution and/or different account, check the applicable boxes above and complete the financial institution information below.

Select the appropriate box and complete the information below:

☐ Lump-sum payment

☐ Period-certain annuity (3–9 years)



## Section 3.1: Rollovers to Pension2

**Complete this section if your rollover is to Pension2.**

I choose to roll over all or part of my Cash Balance retirement benefit to Pension2®. Only period-certain annuities of 3 to 9 years are eligible for a rollover. Complete the information below. If you already have a Pension2 account, we will roll over your Cash Balance retirement benefit into that account. If you do not have a Pension2 account, we will open a Pension2 403(b) account for you and your investment will be defaulted into Voya Fixed Plus III, a fixed investment that guarantees your principal and a specific interest rate. You can reallocate your investment at any time. To access your account, visit [Pension2.com](http://Pension2.com) or call 844-353-2872.

☐ Rollover of **Tax-Deferred Contributions and Interest**

**Select one:**

☐ Amount to transfer: \$ \_\_\_\_\_ OR

☐ Percentage to transfer: \_\_\_\_\_ %

**Next:** If you:

- Chose to **roll over 100%** of your Cash Balance retirement benefit account to CalSTRS Pension2, **skip to section 5.**
- Chose to **roll over less than 100%** of your Cash Balance retirement benefit, **go to section 4** to indicate your tax withholding preferences.

### CalSTRS Pension2 403(b) and 457(b) Plans

Pension2, CalSTRS' voluntary defined contribution plan, offers 403(b), 457(b), Roth 403(b) and Roth 457(b) plans with flexible investment choices and low costs:

- Investments selected and monitored by CalSTRS for every type of investor – an investment with a competitive guaranteed rate of return, Easy Choice Portfolios that provide ready-made diversified portfolios, Core Investment Options to build your own portfolio, including institutional class mutual funds with lower expense ratios than retail mutual funds, and a Self-Directed Brokerage Account for experienced investors.
- Simple, low-cost and transparent costs – there are no commissions, no surrender charges, no front- or back-end load fees.
- Services, planning tools and a team to help you succeed. To learn more, go to [Pension2.com](http://Pension2.com), call 888-394-2060 or email [Pension2@CalSTRS.com](mailto:Pension2@CalSTRS.com).



## Section 3.2: Rollovers to Another Qualified Plan - Financial Institution Information

**Complete this section if your rollover is to a financial institution other than CalSTRS Pension2®.**

I choose to roll over all or part of my Cash Balance retirement benefit distribution to another qualified plan with a financial institution. Only lump-sum payments and period-certain annuities of three to nine years are eligible for a rollover. Complete section 4 if you elect to receive any portion of your tax-deferred funds as a direct payment.

Complete information below.

### ☐ Rollover of **Tax-Deferred Contributions and Interest**

If you submit a letter of acceptance with your application, the rollover will be sent directly to your financial institution. **Check the appropriate box if you have attached a letter of acceptance from your financial institution.** If you do not submit a letter of acceptance, the rollover will be sent to your mailing address provided in section 1 of the application and you will have 60 days to deposit it to the financial institution.

☐ I have attached a letter of acceptance from my financial institution.

### **Select one:**

☐ Amount to transfer: \$ \_\_\_\_\_ **OR**

☐ Percentage to transfer (1%–100%): \_\_\_\_\_ %

### **Select one:**

☐ Traditional, SEP or SIMPLE IRA

☐ Roth account (taxable rollover)

☐ Other eligible plan such as 403(b), 457(b), 401(k) or 401(a)

\_\_\_\_\_  
MAKE CHECK PAYABLE TO (FULL NAME OF FINANCIAL INSTITUTION)

\_\_\_\_\_  
ACCOUNT NUMBER



Client ID or SSN: \_\_\_\_\_

#### Section 4: Lump-Sum Direct Payment and Period-Certain Annuities of 3 to 9 Years Tax Withholding Preferences

I have read *Tax Considerations for Rollovers*, found at [CalSTRS.com/publications](http://CalSTRS.com/publications). I understand I have at least 30 days before distribution to consider the information provided in this notice and decide whether to elect a direct rollover to another qualified retirement plan or have the amount distributed directly to me. The 30-day waiting period has been met or I waived the 30-day waiting period.

##### Rollover Eligible

Federal law requires CalSTRS to withhold to 20% federal income tax from all lump-sum payments and period-certain annuities of three to nine years that are paid directly to you. CalSTRS will automatically withhold federal tax from your payment.

**Optional:** If you would like more than 20% withheld for federal income tax, you may designate a higher percentage.

Enter a whole number (no decimals): \_\_\_\_\_

**Note:** See [irs.gov](http://irs.gov) for information and instructions on Form W-4R.

Under state law, you can choose not to have any state tax withholding. If you choose to have state tax withheld, CalSTRS will withhold at 2%.

**Withhold** California state income tax? ☐ Yes ☐ No

##### Non-Rollover Eligible

This includes one-time distributions paid to an estate or declared successor when no spouse and no designated beneficiary is named. If you choose to have federal tax withholding, CalSTRS will withhold 10 % federal income tax for all one-time lump-sum payments not eligible for rollover.

If you choose to have California state tax withholding. CalSTRS will withhold 2% for state tax.

Withhold California state income tax? ☐ Yes ☐ No

Withhold Federal income tax? ☐ Yes ☐ No

#### Section 4.1: Lifetime Monthly Annuity and Period-Certain Annuities of 10 Years

We will default your federal income tax for your monthly payments as single with no adjustments and your California state income tax as married claiming three withholding allowances. You may elect to not withhold state or federal income tax by checking one or both boxes below. If you are a nonresident of California, we will not withhold California state tax unless you elect to have California state tax withheld.

<b>CALIFORNIA STATE INCOME TAX WITHHOLDING</b>  <input type="checkbox"/> <b>Do not</b> withhold California State income tax.	<b>FEDERAL INCOME TAX WITHHOLDING</b>  <input type="checkbox"/> <b>Do not</b> withhold Federal income tax.
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**Note:** There are penalties for not paying enough tax during the year, either through withholding or estimated tax payments. You may avoid paying quarterly estimated taxes by having enough state and federal taxes withheld from your benefit payment.

You can update your tax withholding preferences online using your *myCalSTRS* account or the *Income Tax Withholding Preference Certificate* (AD0908) form, available at [CalSTRS.com/forms](http://CalSTRS.com/forms).

## Section 5: Required Signatures

**Check all that apply to your current and previous marital status. (You must check at least one.)**

- ☐ 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 the Justification for Non-Signature of Spouse or Registered Domestic Partner (MS1125A).
- ☐ I have never been married or in a registered domestic partnership.
- ☐ 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 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 partner **was not** awarded a portion of my CalSTRS benefits.

### Required Signatures

I have read *Tax Considerations for Rollovers*, found at [CalSTRS.com/publications](http://CalSTRS.com/publications) and authorize CalSTRS to distribute my benefit as instructed on this form, including my designated tax withholding preferences. I understand I have at least 30 days before distribution to consider the information provided in this notice and decide whether to elect a direct rollover to another retirement plan or have the amount distributed to me. By signing this form, the 30-day waiting period has been met or I waive the 30-day period. 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, of 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).

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, of up to one year in jail and/or a fine of up to \$5,000 (Education Code section 22010).

PARTICIPANT SIGNATURE	DATE (MM/DD/YYYY)
CURRENT SPOUSE'S OR REGISTERED DOMESTIC PARTNER'S SIGNATURE	DATE (MM/DD/YYYY)
SPOUSE'S OR PARTNER'S PRINTED NAME (LAST, FIRST, INITIAL)	