



Your Disability Benefits Guide

For Defined Benefit Members



The California Public Employees' Pension Reform Act of 2013 made changes to the plan structure that primarily affect members first hired to perform CalSTRS creditable activities on or after January 1, 2013. Our two benefit structures are:

- **CalSTRS 2% at 62:** Members first hired on or after January 1, 2013, to perform service that could be credited to the Defined Benefit Program.
- **CalSTRS 2% at 60:** Members first hired on or before December 31, 2012, to perform service that could be credited to the Defined Benefit Program, even if they were subject to coverage under a different retirement system, including Social Security.

While the changes primarily affect service retirement benefits, final compensation for disability retirement benefits may be calculated differently for CalSTRS 2% at 60 members than for CalSTRS 2% at 62 members.

For more information, see the *Member Handbook*, available at CalSTRS.com/publications.

This booklet contains information and forms for a CalSTRS Defined Benefit Program disability benefit, including a service retirement benefit during an evaluation of your *Disability Benefits Application*. If you are a Cash Balance Benefit Program participant, contact us for the appropriate Cash Balance Benefit application. If you are not sure whether you are a Defined Benefit member, a Cash Balance participant or both, contact us or check your most recent *Retirement Progress Report* on myCalSTRS.com.

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A CalSTRS benefits specialist can help you understand your disability coverage, provide estimates and assist you with initiating an application.



Introduction

When your life and career are interrupted by a serious medical situation, medical and financial concerns can feel overwhelming. The CalSTRS Disability Program for Defined Benefit Program members may help reduce your financial worries.

This guide will help you make informed decisions to best meet your needs and concerns. It provides the specific requirements to apply for a disability benefit, what you can expect throughout the application process, and the *Disability Benefits Application*.

Your disability determination is based on CalSTRS criteria, not those used by other disability benefit providers such as Social Security or workers' compensation.



Your Disability Benefits Application Overview

This overview, from when you decide to apply for a disability benefit to your first benefit payment, will give you an idea of what to do and when.

To schedule a one-on-one meeting with a benefits specialist, go to *myCalSTRS* (select *Benefits Planning Services*, then *Schedule Appointment*), or contact your local CalSTRS benefits planning office.

➤ You'll find a listing of offices on page 25.

What to Do	When
Step 1	
Plan and research your disability decision.	Apply for disability benefits if you think you might qualify. Do not delay in submitting your application, regardless of your work status. A delay in submitting your application could affect your eligibility or your disability benefit effective date.
Meet with a CalSTRS benefits specialist.	
Step 2	
Complete, sign, date and submit your <i>Disability Benefits Application</i> and other forms.	CalSTRS must receive your signed and dated <i>Disability Benefits Application</i> . For specific timing requirements, see page 12 of this guide.
Step 3	
Provide medical and other documentation to substantiate your case.	Either with your <i>Disability Benefits Application</i> or once you are contacted by a disability analyst to discuss your case.
Step 4	
CalSTRS sends you a letter approving or rejecting your application. If approved, the letter includes the amount of your monthly benefit and how your monthly benefit was calculated.	Within 45 days of the approval of your disability benefit. If approved, your disability benefit will go into effect on whichever of the following dates occurs later: <ul style="list-style-type: none"> • The first day of the month in which we received your completed application. • The day after the last day you earned creditable compensation, including sick leave and substitute differential pay. Note: There could be changes in your monthly payment for several months beyond your benefit effective date as we receive and process additional information from your employer.
CalSTRS sends your initial benefit payment.	

Step 1: Plan and Research Your Decision

Before You Apply

CalSTRS offers in-person and telephone benefits planning sessions. When scheduling a session, inform our scheduling coordinator that you wish to discuss the disability benefit application process.

Benefits Specialists

We recommend you speak with a benefits specialist before submitting an application for disability benefits, although it is not required. Benefits specialists can help you understand your disability coverage, provide personalized estimates and assist you with initiating an application. Specialists also explain whether other CalSTRS benefits may be more financially advantageous to you.

Face-to-face appointments are usually scheduled four weeks in advance, and telephone appointments are scheduled two to four weeks in advance.

➤ See “Determining Your Eligibility” on page 11.

In Person

Schedule a face-to-face appointment by contacting one of the local offices listed on page 25.

By Telephone

Call 800-228-5453 and choose option 3 to schedule a telephone session.

Don't Delay

A delay in submitting your application could affect your disability benefit effective date and your eligibility. If you cannot schedule a benefits planning session, call 800-228-5453 and ask to speak to a CalSTRS disability analyst.

Benefits specialists cannot advise you if a disability benefit is right for you nor can they advise whether you will qualify for disability.



Is a Disability Benefit Right for You

A disability benefit is calculated differently from a service retirement benefit. The benefit amounts differ as well.

If you are approved for a disability benefit, your benefit will be reduced dollar for dollar due to workers' compensation or in certain other circumstances whereas a service retirement benefit would not. Please see

pages 15–16 for more information about benefit reductions. Consequently, in some situations, a service retirement benefit may be a better choice than a disability benefit.

Look closely at each benefit and how it might meet your financial needs before deciding which one to apply for. Ask a CalSTRS benefits specialist for customized benefit estimates to help you make your decision.

Formulas

Disability Benefit Formula:

$$\begin{array}{r}
 50\% \text{ of Disability Final Compensation}^* \\
 10\% \text{ of Disability Final Compensation} \\
 \text{(for eligible dependent children} \\
 \text{up to an additional 40\%)} \\
 + \\
 \hline
 \text{Member-Only} \\
 \text{Disability Benefit}
 \end{array}$$

Service Retirement Benefit Formula:

$$\begin{array}{r}
 \text{Service Credit} \\
 \text{Age Factor} \\
 \times \\
 \hline
 \text{Member-Only} \\
 \text{Service Retirement Benefit}
 \end{array}$$

*Final compensation for disability purposes uses your earned, rather than earnable, compensation. This results in a lower final compensation under disability for members who work less than full time.

Service Retirement Benefit May Be the Best Decision

Carol

Carol, age 58, has 29 years of service as a full-time instructor and earned \$5,800 per month as her final compensation as calculated for her service retirement and disability benefit. Due to an illness, she can no longer work.

Using the *Retirement Benefits Calculator* at CalSTRS.com, Carol learned her estimated service retirement benefit would be \$2,960 per month.

Carol met with a benefits specialist to discuss her options and, upon reviewing the estimates, confirmed that her disability benefit would be approximately \$2,900, which is less than her service retirement benefit.

Although Carol may have been eligible for disability, she decided she was financially better off to service retire.

When a service retirement benefit is better 2% at 60

Monthly disability benefit		Monthly service retirement benefit	
50% (Coverage A disability benefit calculation)	.50	Service credit	29 years
		Age factor (1.76% for age 58)	x .0176
Final compensation	x \$5,800	Final compensation	x \$5,800
Monthly Member-Only disability benefit	= \$2,900	Monthly Member-Only service retirement benefit	= \$2,960

Service Retirement Eligibility

If you're a CalSTRS 2% at 60 or 2% at 62 member, you can retire at age 55 with five years of service credit—or fewer if you service retire concurrently from certain other California public retirement systems.

If you're a CalSTRS 2% at 60 member, you can retire as early as age 50 if you have at least 30 years of service credit.

See the *Concurrent Retirement* fact sheet at CalSTRS.com/publications for a list of public retirement systems.



Disability Benefit May Be the Best Decision

Henry

Henry, age 55, worked full time and has 19 years of service and earned \$5,450 per month as his final compensation as calculated for his service retirement and disability benefit. Due to an impairment, he can no longer perform his usual job duties.

Henry met with a CalSTRS benefits specialist to discuss his options. He found out his service

retirement benefit would be approximately \$1,450 a month. If approved, Henry's disability benefit would be approximately \$2,725 a month.

Although Henry is eligible for a service retirement benefit, a disability benefit will provide him with a higher monthly benefit.

When a disability benefit is better 2% at 60

Monthly disability benefit		Monthly service retirement benefit	
50% (Member-Only disability benefit calculation)	.50	Service credit	19 years
		Age factor (1.4% for age 55)	x .014
Final compensation	x \$5,450	Final compensation	x \$5,450
Monthly Member-Only disability benefit	= \$2,725	Monthly Member-Only service retirement benefit	= \$1,450



Special Considerations for Members Receiving Workers' Compensation Benefits Who Are Eligible for Service Retirement

Your service retirement benefit will not be reduced by the benefits you receive from workers' compensation. However, your disability benefit will be reduced by the benefits you receive from workers' compensation if you receive workers' compensation and a CalSTRS disability benefit for the same impairment or impairments. A reduction in your disability benefit could mean that service retirement would be more financially beneficial to you. In addition, please be aware that if you receive service retirement benefits while your disability application is being evaluated and you are later approved for disability benefits, your benefit may be retroactively reduced due to your workers' compensation benefits.

Example

Thomas

Thomas, age 60, has 23 years of service credit as a full-time instructor. He has a serious impairment that happened at work that prevents him from working. Thomas is receiving temporary disability payments from his district's workers' compensation carrier and wants to apply for service retirement.

Thomas is certain a disability benefit will be higher than a service retirement benefit and meets with a CalSTRS benefits specialist to be sure he has considered his choices carefully. The specialist confirms that a disability benefit would normally be higher than service retirement benefit. However, because of

the workers' compensation reduction, the benefits specialist suggests that Thomas apply for a service retirement benefit while his disability application is being evaluated and request additional information regarding the workers' compensation reduction from his CalSTRS disability analyst.

Thomas stopped working when he was injured in March 2018. He has received temporary disability payments from his school's workers' compensation carrier since March 2018. He is applying for benefits in July 2018. Let's look at two scenarios for Thomas:

Scenario 1: Member applies for service retirement only

Date	Service retirement benefit amount	Workers' compensation benefit amount	Total benefit amount from all sources
3/1/18	\$2,500	\$2,000	\$4,500
4/1/18	\$2,500	\$2,000	\$4,500
5/1/18	\$2,500	\$2,000	\$4,500
6/1/18	\$2,500	\$2,000	\$4,500
7/1/18	\$2,500	\$2,000	\$4,500
8/1/18	\$2,500	\$2,000	\$4,500
9/1/18	\$2,500	\$2,000	\$4,500
10/1/18	\$2,500	\$2,000	\$4,500
11/1/18	\$2,500	\$2,000	\$4,500

Note: Thomas is able to backdate his service retirement benefit back to the day he stopped working. In addition, his service retirement benefit is not reduced by his workers' compensation payments.

Scenario 2: Member applies for service retirement during evaluation of a disability application and is later approved for disability

Date	Service retirement benefit amount	Workers' compensation benefit amount	Total amount to member on service retirement from all sources	Disability benefit amount	Total benefit amount from CalSTRS disability after workers' compensation offset
7/1/18	\$2,500	\$2,000	\$4,500	\$3,000	\$1,000
8/1/18	\$2,500	\$2,000	\$4,500	\$3,000	\$1,000
9/1/18	\$2,500	\$2,000	\$4,500	\$3,000	\$1,000
10/1/18	\$2,500	\$2,000	\$4,500	\$3,000	\$1,000
11/1/18	\$2,500	\$2,000	\$4,500	\$3,000	\$1,000

Note: Thomas' disability benefit is reduced by his workers' compensation benefits. Therefore, his total disability benefit is less than his service retirement benefit due to the workers' compensation reduction. If Thomas is approved for a disability benefit in November 2018, he will have to pay back the service retirement benefits he received and will be issued a retroactive disability benefit. Since he received \$12,500 in service retirement benefits and will receive only \$5,000 in disability benefits, he will owe CalSTRS \$7,500 in overpayments.

Service Retirement During Evaluation of a Disability Application

If you are eligible to retire from service, you may wish to receive a service retirement benefit while your disability application is being evaluated.

Consider the following when applying for a service retirement benefit during evaluation of your disability application:

- You may receive a service retirement benefit effective on the same date your disability benefit would begin. Your disability benefit can be effective on the later of the following:
 - The first day of the month in which we receive your completed application.
 - The day after the last day of service for which you earned creditable compensation, including sick leave and substitute differential pay.
- If approved for a disability benefit, your service retirement benefit will be canceled and converted retroactively to a disability benefit.
- CalSTRS may require you to request a reasonable accommodation from your employer as a condition of your application. If you have already retired, you will not be able to meet this requirement and your disability application may be rejected.
- If your disability application is rejected, you will remain on service retirement.
- If your disability application is rejected, you will not be able to reapply for a disability benefit unless you terminate your service retirement, return to CalSTRS-covered employment and earn one year of service credit.
- Participation in the Reduced Benefit Election is not available if you decide to receive a service retirement benefit while your disability application is being evaluated.

➤ See “Special Considerations” on page 19.

Health Benefits and Disability

CalSTRS does not provide health, dental or vision benefits to members, including those receiving a disability benefit. Contact your employer directly because health benefits vary from employer to employer.

If you are already receiving a service retirement benefit, you are not eligible to apply for a disability benefit.

Determining Your Eligibility

Your disability determination is based on CalSTRS criteria, not those used by other disability benefit providers such as Social Security or workers' compensation.

CalSTRS does not provide short-term disability benefits for impairments expected to last less than 12 months. Limited-term disability of up to two years may be granted under certain circumstances.

To receive a CalSTRS disability benefit, you must meet the requirements described here.

Service Credit Requirements

For most members, you must have five or more years of service credit and meet the following requirements:

- At least four years of service were credited for actual performance of Defined Benefit service, including service earned and reported by your employer while receiving workers' compensation payments.
- Your last five years of service must have been performed in California.
- You must have earned at least one year of service credit if you previously received a refund or a service retirement benefit or a disability retirement benefit.

Exceptions

There are specific exceptions to service credit eligibility requirements:

- If you have less than four years of actual performance of Defined Benefit service because of an on-the-job injury or disease that occurred while you were employed, you may meet the four-year service requirement by purchasing permissive service credit or redepositing previously refunded contributions and interest.

Note: The purchase of out-of-state or nonqualified service credit will not allow you to meet the service credit eligibility requirement.

- If you have earned at least one year of CalSTRS service credit in California and your disability is the direct result of an unlawful act of bodily injury by another while you were performing your official duties in a position subject to coverage as a Defined Benefit member, you may be eligible to apply. You must provide documentation of the unlawful act in the form of an official police report or an official employer incident report.

Medical Requirements

To meet the definition of disabled as established for CalSTRS in the California Education Code, you must have a medically determined physical or mental impairment that is permanent or expected to last continuously for at least 12 months. The impairment must prevent you from performing all of the following job duties:

- Your usual duties with or without reasonable accommodation from your employer.
- Duties of a comparable level position, which you are qualified for or can become qualified for in a reasonable period of time with education, training or experience. A "comparable level position" is employment at which you earn at least two-thirds of your final compensation.

Additionally, your impairment must meet the following conditions:

- Substantiated by competent medical documentation that you provide.
- Not the result of a willful self-inflicted injury.

Eligibility During Military Service

If you were disabled while on active military duty and are unable to return to CalSTRS-covered employment, you may apply for a CalSTRS disability benefit if you meet the other eligibility requirements.

Application Requirements

Your application must be submitted during one of the following periods:

- While you are employed or on a compensated leave of absence.
- Within four months after you have resigned or are terminated from employment, and not more than four months after your last day of actual performance of creditable service.
- Within four months of your last day of actual performance of service if you are on an unpaid leave of absence granted for reasons other than mental or physical impairment.
- Within 12 months of your last day of actual performance of service for which you received compensation if your employer approved your leave to study at an approved college or university.

- While you are physically or mentally incapacitated for the performance of service and have been continuously unable to perform your job duties since your last day of actual compensated service.

Do not delay in submitting your application, whatever your work status.

If approved, your disability benefit will go into effect on whichever of the following dates occurs later:

- The first day of the month in which we receive your completed application.
- The day after the last day you earned creditable compensation, including sick leave and substitute differential pay.

Age Requirements

There may be an age requirement, depending on your coverage:

- **Coverage A:** You must be under age 60 to apply for a disability benefit.
- **Coverage B:** There are no age requirements to apply for a disability benefit.

There are two types of disability benefit coverage—Coverage A and Coverage B.

Coverage A	Coverage B
If you became a member before October 16, 1992, and did not elect Coverage B, you have Coverage A.	If you became a member on or after October 16, 1992, you have Coverage B.
You can determine whether you have Coverage A or Coverage B by checking your <i>Retirement Progress Report</i> or your <i>myCalSTRS</i> account, or by calling us at 800-228-5453.	

Required Medical Documentation

You will be required to provide medical documentation to substantiate your impairment.

It is your responsibility to provide medical documentation requested by CalSTRS within 45 days of our request. Please make copies before submitting it to CalSTRS, as medical documentation will not be returned to you.

If we do not receive the medical documentation within 45 days, your disability application may be rejected for failing to provide medical documentation to substantiate your disability.

In addition, you are responsible for all fees associated with providing medical documents to CalSTRS.

All physician letters and off-work notes must be substantiated by objective medical documentation. Objective medical documentation includes, but is not limited to:

- Medical treatment chart notes
- Lab test results
- Hospitalization records
- Workers' compensation records and reports
- Consultative reports

Your Information Is Confidential

The medical information you provide is maintained with confidentiality and respect for your privacy.

Reasonable Accommodation

A reasonable accommodation may allow you to continue performing your usual duties. CalSTRS may require you to request a reasonable accommodation from your employer as a condition of processing your application for disability.

Examples of reasonable accommodation include employing a teacher's aide, changing your grade level or subject assignment, changing your classroom or parking location, or relieving you from yard duty.

Work with your employer to identify the type of accommodation or modification that may allow you to continue working. All documentation between you and your employer should be in writing and provided to CalSTRS, as requested. Your failure to request reasonable accommodation from your employer may cause your disability application to be rejected.

Contact your CalSTRS disability analyst for additional information.

CalSTRS may require you to request a reasonable accommodation from your employer as a condition of processing your application for disability benefits.

The Disability Benefit

Coverage A Disability Benefit

The Coverage A Member-Only disability benefit is *generally* 50 percent of your final compensation and is not based on the amount in your Defined Benefit account.

Alternate Formula: If you have Coverage A, are between 45 and 60 years of age and have less than 10 years of service credit, your benefit will be 5 percent of final compensation for each year of service credit.

Coverage A Disability Benefit Example

Joanne

Joanne has Coverage A

Joanne is 51 years old with 15 years of service credit. Her final compensation was \$4,500 per month.

Joanne's Member-Only disability benefit will be based on 50 percent of her final compensation:

$$\mathbf{\$4,500 \times .50 = \$2,250 \text{ monthly disability benefit}}$$

Coverage A Alternate Formula Example

Mary

Mary has Coverage A

Mary is 51 years old with eight years of service credit. Her final compensation was \$4,500 per month.

Because Mary is between 45 and 60 years of age and has less than 10 years of service credit, the alternate formula is used:

$$\mathbf{\$4,500 \times (.05 \times 8) = \$1,800 \text{ monthly disability benefit}}$$

Coverage B Disability Benefit

The Coverage B Member-Only disability benefit is always 50 percent of final compensation.

Benefit Amount

Disability Benefit Amount

If you are approved for a disability benefit, the final compensation used to calculate your benefit will be based on your actual earnings, not to exceed your compensation earnable.

Dependent Children

CalSTRS pays an additional benefit amount for your eligible dependent children up to an additional 40 percent of final compensation. For example, a member with one child may receive an additional 10 percent of final compensation.

To be eligible, your children must be financially dependent, which means you provide at least one-half of your child's support. You will be required to provide evidence of your child's financial dependence. You also must notify CalSTRS when a dependent child no longer meets the eligibility requirements.

Coverage A

Eligible dependent children must be under the age of 22 and not married or in a registered domestic partnership. Your dependents' benefits are added to your benefit payment.

Coverage B

Eligible dependent children must be under age 21. Your dependents' benefits are paid separately and directly to each dependent. Consult a tax professional to learn about any tax implications.

Reductions to Your Disability Benefit

If you are receiving payments or a lump sum from other sources for the same impairment or impairments, your CalSTRS disability benefit will be reduced. You are responsible for reporting these payments.



CalSTRS has a fiduciary responsibility to collect back any benefits that are overpaid to you.

Coverage A

Your monthly Coverage A disability benefit, including the amount received for eligible children, will be reduced by payments from other public systems, including:

- Workers' compensation
- Social Security disability
- Federal military disability
- Employer-paid income protection plans
- Other disability programs financed with public funds

Coverage B

If you receive both a Coverage B disability benefit and a disability benefit under a workers' compensation program for the same impairment, your CalSTRS benefit will be reduced by an amount equal to your workers' compensation benefit.

Right of Subrogation

Whether you are Coverage A or Coverage B, if you pursue a claim against a third party for the same impairment that entitles you to a disability benefit from CalSTRS, you must notify CalSTRS. This is true even if the claim has not yet resulted in a court action.

CalSTRS has the right to participate in the claim by filing our own action against the responsible party, intervening in your claim, or filing a lien against any judgment you may recover.

If you don't notify CalSTRS and you recover, or have already recovered, a monetary sum from the third party, you may be required to reimburse CalSTRS for part of the cost of your disability benefit.

Disability Benefit Effective Date

You should apply for a disability benefit before you exhaust other benefits available to you. If approved, your disability benefit will go into effect on whichever of the following dates occurs later:

- The first day of the month in which we receive your completed application.
- The day after the last day that you earned creditable compensation, including sick leave and substitute differential pay.

We will notify you in writing if your application is approved. If you are still working, you must stop working before we can begin paying benefits. If you do not stop working within 90 days after being notified of the approval, we will reverse the approval and reject your application.

Example:

John is unable to work and went on medical leave beginning March 14. He exhausted his sick leave, and his last day of compensation was April 17. He submitted a disability application and it was received by CalSTRS on June 14. The earliest day his disability benefit can be effective is June 1.

If he had submitted his application any time before the end of April, his disability benefit effective date would have been April 18, the day following his last day of compensation.

Limited-Term Disability Benefits

If your medical impairment is expected to improve with mental, physical or vocational rehabilitation, you may be approved for limited-term disability benefits. These benefits are granted for a specific time period. They can be renewed if your condition does not improve.

Providing a Monthly Lifetime Benefit to a Beneficiary After Your Death

Depending on your coverage (A or B), you can decide whether you want to provide a lifetime monthly benefit to someone or a special needs trust in the event of your death in exchange for a reduced benefit.

Coverage A	Coverage B	Under both Coverage A and B, service retirement during evaluation of a disability application
You can make a preretirement election of an option once you are eligible to service retire.	You can elect a modified disability retirement benefit at the time of your application.	You can elect a modified service retirement benefit. Under Coverage B, if you are approved for a disability benefit, your option election under disability retirement will become effective.
For more details about your CalSTRS survivor benefits and option choices, see the <i>Member Handbook</i> at CalSTRS.com/publications .		

Electing an Option

Coverage A

Under Coverage A, your time receiving a disability allowance is treated as active member service for the purposes of determining your survivors' eligibility for benefits if you die.

You may submit a preretirement election of an option if you are eligible to retire (age 55 or older with at least five years of service credit). This enables you to choose one or more option beneficiaries to receive a lifetime benefit upon your death. The *Preretirement Election of an Option* form can be found at CalSTRS.com/forms.

If you do not elect an option, your survivors, including your spouse or registered domestic partner, your eligible dependent children or your dependent parents, may be eligible to receive an ongoing family benefit. A family benefit will not be payable if there is a preretirement election of an option in effect.

Coverage B and Service Retirement During Evaluation of a Disability Application

You can elect either the Member-Only Benefit or a Modified Benefit at the time you submit your application.

Member-Only Benefit

If you do not want to provide a monthly benefit to a beneficiary after your death, elect the Member-Only Benefit on your application. This is the highest monthly benefit possible. Benefits will stop when you die. Any contributions and interest remaining in your account at the time of your death will be paid to your one-time death benefit recipient.

Modified Benefit

If you would like to provide a monthly benefit to a beneficiary after your death, elect the Modified Benefit on your application. You will need to choose an option and designate one or more option beneficiaries. Choosing an option will reduce your monthly benefit. The amount of the reduction depends on the option you choose, your age and the ages of your beneficiaries.

You can decide to provide a monthly benefit for one beneficiary by electing the 100% Beneficiary Option, the 75% Beneficiary Option or the 50% Beneficiary Option. You may also elect the Compound Option to provide for more than one option beneficiary.

You may be required to verify your birth date as well as the birth dates of your option beneficiaries.

Keep in mind that once your benefit begins, you cannot change your option election except under limited circumstances.

➤ See the *Member Handbook* for details.

Option Descriptions

When you elect the Modified Benefit, you can choose one of four options:

100% Beneficiary Option provides your option beneficiary with 100 percent of the amount you were receiving.

75% Beneficiary Option provides your option beneficiary with 75 percent of the amount you were receiving.

50% Beneficiary Option provides your option beneficiary with 50 percent of the amount you were receiving.

For the **100%, 75% and 50% Beneficiary Options**, your benefit will rise to the Member-Only Benefit if your option beneficiary dies before you.

The **Compound Option** allows three choices. If your beneficiary dies before you, your benefit will adjust. You may:

- Name one option beneficiary 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.

Nonspouse Option Beneficiary

If you name a beneficiary other than your spouse or a former spouse to be your option beneficiary, the type of option you may elect depends on your age and the age of your option beneficiary:

- Under the 75% Beneficiary Option, your nonspouse option beneficiary cannot be more than exactly 19 years younger than you.
- Under the Compound Option, your nonspouse beneficiaries cannot be either:
 - » More than exactly 19 years younger than you under the 75% Beneficiary Option, or
 - » More than exactly 10 years younger than you under the 100% Beneficiary Option.

Under federal law, these restrictions also apply to registered domestic partners.

Option Election If Applying for Service Retirement During Evaluation of a Disability Benefits Application

If you are applying to receive a service retirement benefit during the evaluation of your disability application, you may elect the Member-Only Benefit or the Modified Benefit for your service retirement benefit. You can name the same beneficiary for disability and service retirement.

If you are approved for a disability benefit, your Modified Benefit under service retirement will end and your disability benefit will take effect.

If your disability application is rejected and you continue to receive a retirement benefit, your service retirement option election will remain in place.

Special Needs Trust Can Be Designated as Option Beneficiary

If you wish to designate a special needs trust as your beneficiary or change an existing option election to a special needs trust, the *Certification of a Special Needs Trust* form (DS-1854) must be completed and accompany the appropriate option election form.

Special Considerations for Coverage B Members Eligible to Service Retire

The option factors for disability retirement under Coverage B differ from those for service retirement. Request estimates for each benefit to determine how your election will affect each benefit type.

Coverage B Special Considerations

Raul

Raul is 59 years old with 25 years of service credit and has a serious impairment that prevents him from working. He is considering electing his spouse as an option beneficiary under the 100% Beneficiary Option.

Raul is certain a disability retirement benefit will be higher than a service retirement benefit, but he meets with a benefits specialist to be sure he has considered his choices carefully. He is surprised to find that it may be more financially advantageous to him and his spouse if he service retires.



Benefit type	Is disability retirement better?	Is service retirement better?
Member-Only	\$3,000	\$2,820
100% Beneficiary Option	\$1,828	\$2,475
75% Beneficiary Option	\$2,276	\$2,572
50% Beneficiary Option	\$2,503	\$2,657

Special Considerations for Coverage A Members Electing a Preretirement Election of an Option

Before making a preretirement election of an option, keep in mind that if you cancel or change your preretirement election of an option before you retire or if your beneficiary dies before you retire, your monthly retirement benefit may be reduced for your lifetime.

Defined Benefit Supplement Distribution

If you have performed service in the Defined Benefit Program since January 1, 2001, you have a Defined Benefit Supplement account. Your most recent *Retirement Progress Report*, which includes your annual statement of accounts, lists the total amount in your Defined Benefit Supplement account at the end of the last school year.

If you have less than \$3,500 in your Defined Benefit Supplement account

when you begin to receive a benefit, you will receive your account balance as a lump-sum payment. Your lump-sum payment may be paid directly to you or rolled over to a qualified retirement plan.

If you have \$3,500 or more in your Defined Benefit Supplement account, you have more choices for receiving these funds.

Defined Benefit Supplement Payment Choices

Choices for the Member-Only Benefit

If you have Coverage A, or if you elect the Member-Only Benefit under Coverage B on your disability application, and you have at least \$3,500 in your Defined Benefit Supplement account, you have the following payment choices:

- 1. Lump-Sum Payment** provides a one-time payment of the total amount in your Defined Benefit Supplement account as either a direct payment to you or a rollover to a qualified plan.
- 2. Member-Only Annuity** provides a lifetime monthly payment. If any balance remains upon your death, it will be paid to your one-time death benefit recipient as a lump-sum payment.
- 3. Period-Certain Annuity** provides a monthly payment made for any number of whole years from three to 10. The amount you receive each month is based on the number of years over which the annuity is paid—the lower the number of years, the higher your monthly payment.
- 4. Combination of Lump-Sum Payment and Annuity** provides a lump-sum payment and the Period-Certain Annuity or the Lifetime Monthly Annuity if you have more than \$3,500 in your Defined Benefit Supplement account after your lump-sum payment.

If you die before the annuity period ends, and your account has a remaining balance, it will be paid to your one-time death benefit recipient, or to your estate, if you did not designate a recipient.

Choices If You Elect an Option

If you elect an option under Coverage B disability retirement or service retirement during evaluation of your disability application and have at least \$3,500 in your Defined Benefit Supplement account, you have six payment choices:

- 1. Lump-Sum Payment** provides a one-time payment of the total amount in your Defined Benefit Supplement account as either a direct payment to you or a rollover to a qualified plan.
- 2. 100% Beneficiary Annuity** provides a lifetime monthly payment for your lifetime and the lifetimes of your annuity beneficiaries. One hundred percent of your monthly annuity will be paid to your annuity beneficiaries upon your death.
- 3. 75% Beneficiary Annuity** provides a lifetime monthly payment for your lifetime and the lifetimes of your annuity beneficiaries. Seventy-five percent of your monthly annuity will be paid to your annuity beneficiaries upon your death.

4. **50% Beneficiary Annuity** provides a lifetime monthly payment for your lifetime and the lifetimes of your annuity beneficiaries. Fifty percent of your monthly annuity will be paid to your annuity beneficiaries upon your death.
5. **Period-Certain Annuity** provides a monthly payment made for any number of whole years from three to 10. The amount you receive each month is based on the number of years over which the annuity is paid—the lower the number of years, the higher your monthly payment. If you die before the annuity period ends, the remaining payments will be paid to your one-time death benefit recipient.
6. **Combination of Lump-Sum Payment and Annuity** provides a lump-sum payment and one of the annuities. To elect this choice, you must have \$3,500 or more in your Defined Benefit Supplement account after your lump-sum payment.

If you elect the Compound Option for your Defined Benefit retirement benefit, you may elect to receive your Defined Benefit Supplement funds as any of the annuities listed here. However, the annuity you elect will be the same for each of your annuity beneficiaries, and the apportionment of the benefit will remain the same as your Defined Benefit election.

The same nonspouse option beneficiary age restrictions for Defined Benefit elections apply to Defined Benefit Supplement elections (see page 16).

For the 100%, 75% and 50% beneficiary annuities, your benefit will rise to the Member-Only Benefit if your annuity beneficiary predeceases you.

Your Defined Benefit Supplement Election

Service Retirement During Evaluation of a Disability Application

If you are applying for service retirement during evaluation of your disability application, you must make an election for your Defined Benefit Supplement account balance.

If you elect to receive your Defined Benefit Supplement as a lump sum under service retirement, you cannot choose a different method of distribution under your disability benefit. However, if you choose to receive your Defined Benefit Supplement funds as an annuity under

service retirement and if you are approved for disability, your Defined Benefit Supplement account balance will be distributed based on your coverage, A or B.

Disability Benefits Application

If you are applying for a disability benefit under Coverage A or B, you must make an election for your Defined Benefit Supplement account balance.

If you are approved for a disability benefit, your Defined Benefit Supplement account balance will be distributed based on your election.

If Your Application Is Approved

While you receive a disability benefit, you will be asked to provide medical and financial updates to show that you continue to qualify.

Continuing to Qualify

Your disability benefit will end if:

- You return to your usual and customary job duties.
- You return to any work earning comparable salary.
- Your medical status no longer qualifies you for a CalSTRS disability benefit.
- You do not provide evidence of your continued qualification upon request.

In addition, your benefit will be reduced and you may become ineligible if you exceed your earnings limit.

➤ See “Earnings Limits” on page 24.

Coverage A Disability Benefits

You are eligible to receive your monthly disability benefit until you turn 60 as long as you remain disabled. At age 60, your disability benefit will end, and you can apply for service retirement.

To receive a service retirement benefit, you must apply for service retirement. Your service retirement benefit will be calculated using projected service credit and compensation for the duration of your disability. Your benefit amount will be either the service retirement benefit you are eligible to receive or the disability benefit amount you were receiving, whichever is less.

Exceptions

- If you are age 60 or older and have eligible dependent children, you will continue to receive a disability benefit until your children are no longer eligible. When your children are no longer eligible, your disability benefit will end and you can apply for service retirement.
- If you are at least 45, but have not yet attained the age of 60, with fewer than 10 years of service credit, your disability benefit will be 5 percent of your final compensation multiplied by your years of service credit, instead of 50 percent of your final compensation.

For example, with seven years of service credit, your benefit would be 35 percent of your final compensation (7 years of service credit x 5 percent of final compensation = 35 percent of final compensation).

Coverage B Disability Benefits

You will receive a disability benefit for your lifetime as long as you continue to qualify.

Multiple Retirement Calculation: If you return to active service before normal retirement age as a Defined Benefit member and later service retire, your eventual service retirement benefit will be calculated differently than if you had not received a disability benefit. This may provide for a lower service retirement benefit than if you had not received a disability benefit.

Coverage A Disability Benefits Transition to Service Retirement

Patti

Patti, age 58, has 28 years of service as a full-time instructor and earned \$5,800 as her final compensation. Due to a medical impairment, she can no longer work.

At the time she stopped working, her service retirement benefit would have been slightly less than a disability benefit.

Benefit estimates at age 58

Monthly disability benefit		Monthly service retirement benefit	
50% (Coverage A disability benefit calculation)	.50	Service credit	28 years
Final compensation	x <u>\$5,800</u>	Age factor (1.76% for age 58)	x .0176
		Final compensation	x <u>\$5,800</u>
Monthly disability benefit	= \$2,900	Monthly service retirement benefit	= \$2,858

If Patti receives a disability benefit for two years and then service retires at age 60, her projected service credit and projected final compensation can be used to generate a service retirement benefit estimate.

Benefit estimates at age 60

Monthly disability benefit		Monthly service retirement benefit	
50% (Coverage A disability benefit calculation)	.50	Projected service credit	30 years
Final compensation	x \$5,800	Age factor (2% for age 60)	x .02
Monthly disability benefit	= <u>\$2,900</u>	Projected final compensation	x <u>\$6,030</u>
Monthly disability benefit with annual benefit adjustments	= \$2,960	Projected monthly service retirement benefit	= \$3,618

Under Coverage A, when Patti applies for service retirement, she receives either a new service retirement benefit or the amount she was receiving under disability, whichever is less. Here Patti would continue to receive the same amount she received under disability, which, with annual benefit adjustments, would be approximately \$2,960 by the time she reaches age 60.

You must keep CalSTRS informed of any changes to your eligibility or if you return to work.

Earnings Limits

You can earn income while you are receiving a disability benefit:

- You may teach under certain conditions, but you cannot earn CalSTRS service credit or contribute to CalSTRS while receiving a disability benefit.
- If your earnings exceed the limit, the excess amount is considered an overpayment and CalSTRS will collect it back from future benefit payments until paid in full.
- You will be required to provide CalSTRS with an annual report of your gross earnings from all employment. The Employment Development Department and your employer provide verification of the earnings you report to CalSTRS.
- Earnings limits vary. For current information, talk to a benefits specialist, or call 800-228-5453 and ask to speak to a CalSTRS disability analyst.

Coverage A

State law establishes two separate earnings limits for members receiving Coverage A disability benefits: a single-month earnings limit and a six-month earnings limit.

- **Single-Month Earnings Limit**

Your single-month earnings limit is equal to your indexed final compensation. Contact CalSTRS for your current indexed final compensation.

- **Six-Month Earnings Limit**

You can exceed the single-month earnings limit and retain your disability benefit. However, if you are able to earn $66\frac{2}{3}$ percent of your indexed final compensation over a consecutive six-month period, you are no longer considered disabled and your disability benefit will be terminated. CalSTRS must collect any overpaid benefits you receive.

Coverage B

Coverage B has an annual earnings limit subject to change by the Teachers' Retirement Board. Your CalSTRS disability benefit will be reduced dollar for dollar by the total amount of earnings from all employment in excess of the 12-month calendar year limit. The earnings limit for 2019 is \$31,500.

The earnings limit is updated each calendar year. See "Your Disability Benefits" in the *Member Handbook* at CalSTRS.com for current earnings limit.



CalSTRS Benefits Planning Offices

Member Service Centers

Location	Telephone Number	Hours
Glendale	800-228-5453 ext. 3	M-F 8-5
Irvine		
Riverside		
San Diego		
Santa Clara		
West Sacramento		

Have a question? Send us a secure online message using your *myCalSTRS* account or call us at 800-228-5453. Or visit one of our member service centers or satellite offices.

Satellite Offices*

Location	Telephone Number
Bakersfield	800-228-5453 ext. 3
Ceres	
Cordelia	
Culver City	
Downey	
El Centro	
Eureka	
Fresno/Central Valley	
Lancaster	
Oroville	
Oxnard	
Palm Springs	
Pleasant Hill	
Redding	
Salinas	
San Francisco	
San Marcos	
Santa Barbara	
Santa Cruz	
Santa Fe Springs	
Santa Maria	
Santa Rosa	
Visalia	
Walnut	

* Hours and services vary at satellite offices, so please call ahead of time or visit CalSTRS.com/local-offices for more information.

Step 2: Complete and Submit Your Forms

Instructions Overview

When completing your forms, be sure to:

- 👁️ Carefully read the instructions.
- ✂️ If you need to make a correction, draw a line through the error and make your correction, then place your initials next to the change, or use a new form. Your spouse or registered domestic partner must also initial any changes.
- ✍️ Print clearly in blue or black ink or type all information requested. Do not use pencil, erasable ink or light-colored ink.
- ✍️ Sign and date your *Disability Benefits Application* and other forms. Failure to sign required forms will cause your application to be rejected and may delay the date benefits are payable.
- 👤 Have your spouse or registered domestic partner sign and date all forms. If your spouse or registered domestic partner cannot sign the forms, complete the *Justification for Non-Signature of Spouse or Registered Domestic Partner* form. This form may require supporting documentation.
- 📁 Keep a copy of each completed form and any attachments you submit to CalSTRS for your records.

To make changes after you submit your *Disability Benefits Application* or to cancel your application, contact your assigned CalSTRS disability analyst or call 800-228-5453 and ask to speak with a CalSTRS disability analyst.

We understand that each disability case is unique. After you submit your application, we will send notification that your application has been received and give you contact information for your CalSTRS disability analyst. Your disability analyst will work with you throughout the disability benefits application process.

Application Checklist

Before you submit your *Disability Benefits Application* and any other forms, use this checklist to make sure you complete everything. If you need assistance, contact us.

- Complete all applicable sections** on the application and any additional forms, including all signatures and dates.
- Include your Client ID or Social Security number** on any documents you submit to CalSTRS. Your Client ID can be found on your *Retirement Progress Report*.
- Do not postpone submitting your *Disability Benefits Application***. You may obtain and submit any required documentation later.
- Include clear, unaltered photocopies of any documentation** and write your Client ID or Social Security number on them—do not send originals:
 - » Birth certificate or other acceptable verification of date of birth for your option beneficiary, if you are electing an option.
 - » Marriage certificate or other proof of a name change, if your option beneficiary's name is different from the name on his or her birth certificate.
 - » Birth certificate and Social Security card for eligible dependent children.
 - » A copy of your current or most recent job description.
- Have your spouse or registered domestic partner sign and date** your *Disability Benefits Application* and other forms or include the *Justification for Non-Signature of Spouse or Registered Domestic Partner* form.
- Sign and date** your *Disability Benefits Application* and other forms.
- Keep a copy** of all completed forms for your records.
- Submit your signed and dated** completed *Disability Benefits Application* and other forms:
 - Hand Delivery**
Hand deliver to a CalSTRS benefits planning office. See page 25 for a list of offices.
 - Mailing Address**
CalSTRS
P.O. Box 15275, MS 43
Sacramento, CA 95851-0275
 - Overnight Delivery**
If you use a special service such as UPS or FedEx:
 - CalSTRS
 - 100 Waterfront Place
 - West Sacramento, CA 95605
 - Fax Delivery**
916-414-5784

Forms Overview

Read through the list below to determine which forms are specific to your needs, or go directly to the form for more information. We have included check boxes to help you keep track of the forms you may need. Your benefit may be delayed if you do not complete, sign and date your forms or provide the required information. **All forms are available for download at [CalSTRS.com](https://www.calstrs.com) or through your *myCalSTRS* account.** If one or more of your beneficiaries is a special needs trust, you'll need to complete and submit the *Certification of a Special Needs Trust* form (DS-1854).

Form Name	Purpose	Why Use This Form
REQUIRED (Online at CalSTRS.com and included in this guide)		
<input type="checkbox"/> Disability Benefits Application	To apply for a disability benefit or a service retirement benefit during evaluation of your disability application	To apply for a disability benefit or a service retirement benefit during evaluation of your disability application
RECOMMENDED (Online at CalSTRS.com or submit electronically through <i>myCalSTRS</i>)		
<input type="checkbox"/> Direct Deposit Authorization (Also included in this guide)	To send your benefit payment directly to your financial institution	Provides a convenient and safe way to receive your benefit payment
<input type="checkbox"/> Recipient Designation	To designate one or more people or an estate, trust, charity or other entity to receive a one-time death benefit	Ensures your death benefit wishes are recorded at CalSTRS and avoids probate for this benefit after your death
SPECIAL CIRCUMSTANCES (Online at CalSTRS.com and included in this guide)		
<input type="checkbox"/> Justification for Non-Signature of Spouse or Registered Domestic Partner	To explain why your spouse's or registered domestic partner's signature is not on forms that require it	If you are married or registered as a domestic partner and your spouse or registered domestic partner does not sign your application
<input type="checkbox"/> Workers' Compensation Carrier Request for Information	To send to your workers' compensation carrier	If a workers' compensation claim was made for same impairment related to your disability application
SPECIAL CIRCUMSTANCES (Online at CalSTRS.com)		
<input type="checkbox"/> Preretirement Election of an Option (Coverage A only)	To designate an option beneficiary to receive a lifetime benefit if you die before retirement	If you die before or during retirement, your option beneficiaries will receive a lifetime benefit payment
<input type="checkbox"/> Preretirement Compound Option Election (Coverage A only)	To designate one or more option beneficiaries, with an option choice for each and, if you choose, retain a portion of your benefit as a Member-Only Benefit	To elect the Compound Option for your preretirement option election
<input type="checkbox"/> Compound Option Election (Coverage B disability/service retirement applicants)	To designate one or more option beneficiaries, with an option choice for each and, if you choose, retain a portion of your benefit as a Member-Only Benefit	To elect the Compound Option for your disability or service retirement benefit

Step 3: CalSTRS Role in the Process

Your Application Timeline

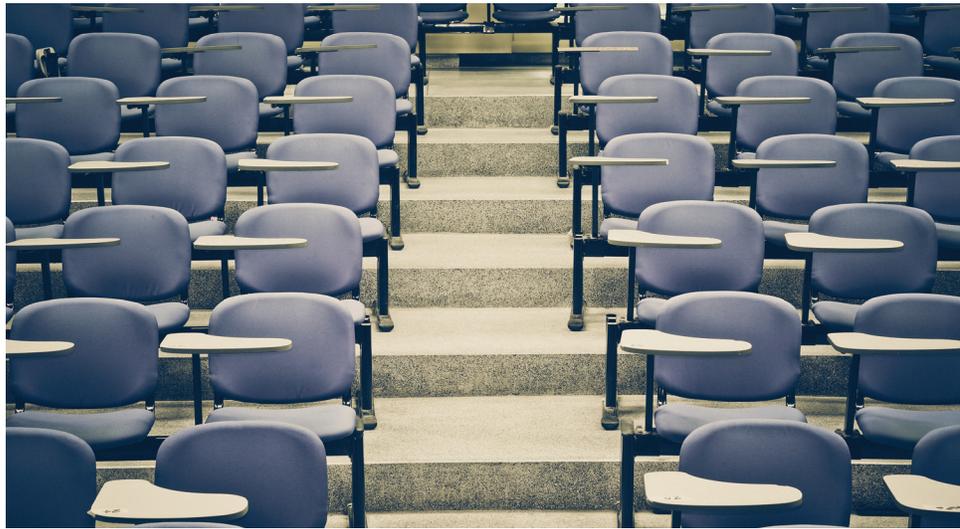
Your CalSTRS disability analyst will guide you through the disability application process.

By providing all requested medical records and information, we will be able to provide you with a timely decision.

After you submit your <i>Disability Benefits Application</i>, CalSTRS:	When
Reviews your application packet for all necessary information	Within one week of receiving your application
Sends you a letter acknowledging receipt of your application	Within one week of receiving your application
Will contact you to discuss your application	Within three weeks of receiving your application
Sends you a written request for medical, employment or additional information	Any time during the application process
May schedule you for an independent medical examination	Any time during the application process
Sends you a letter explaining if your application has been approved or rejected	Application processing times vary
Sends your benefit payment based on the information on file	Within 45 business days of the approval of your disability benefit

“How long will it take CalSTRS to review my disability application?”

Each disability case is unique, so processing times vary. Typically, the evaluation process can take up to five months. Your CalSTRS disability analyst will be in contact with you throughout this process. We will send you written requests for records and a written notice of the final decision.



CalSTRS can help you.



Privacy Notice

The Information Practices Act of 1977 (Civil Code section 1798.17) and the federal Privacy Act of 1974 (Title 5, United States Code section 552a(e)(3), section 7 Note) require that this notice be provided when collecting personal information and Social Security numbers from individuals. Information requested on this form is used by CalSTRS to determine eligibility and qualification for a disability benefit. Legal references authorizing solicitation and maintenance of this personal information include Education Code sections 22327, 22450, et al, 24003, 24013, 24103 and 24112. It is mandatory to furnish all information requested on the forms included in this guide. Failure to provide the mandatory information may result in the cancellation or rejection of your application.

Copies of the forms and other documents you may submit are maintained in CalSTRS electronic files indefinitely. Medical information is maintained separately and accessible exclusively to select CalSTRS staff, and may be shared with the Attorney General in cases of legal review or independent medical examination. Members have the right of access to their file upon request to CalSTRS Disability and Survivor Benefits Division, MS 43, P.O. Box 15275, Sacramento, CA 95851-0275, or by telephone at 800-228-5453.



Disability Benefits Application Instructions (Includes Service Retirement During Evaluation of a Disability Application)

This application is for Defined Benefit members who are applying for a disability benefit. Within the same application, there are sections specific to members who are also applying for a service retirement benefit during evaluation of a disability application.

Before completing this application, you must decide if you will apply for a disability benefit only or for a service retirement benefit during evaluation of a disability application.

Use the checklist below to determine the sections of the application you must complete.

COVERAGE A – DISABILITY BENEFIT ONLY

Complete the following sections:

- Section 1
- Sections 3, 3.1, 3.2
- Section 4
- Sections 5, 5.1, 5.2
- Section 6
- Section 7
- Section 8.3
- Sections 9.2, 9.4, 9.5
- Section 10–Required Signatures

COVERAGE A – SERVICE RETIREMENT DURING EVALUATION OF A DISABILITY APPLICATION

Complete the following sections:

- Section 1
- Section 2
- Sections 3, 3.1, 3.2
- Section 4
- Sections 5, 5.1, 5.2
- Section 6
- Section 7
- Sections 8.1, 8.3
- Sections 9.1, 9.2, 9.4, 9.5
- Section 10–Required Signatures

COVERAGE B – DISABILITY BENEFIT ONLY

Complete the following sections:

- Section 1
- Sections 3, 3.1, 3.2
- Section 4
- Sections 5, 5.1
- Section 6
- Section 7
- Sections 8.2, 8.3
- Sections 9.3, 9.4, 9.5
- Section 10–Required Signatures

COVERAGE B – SERVICE RETIREMENT DURING EVALUATION OF A DISABILITY APPLICATION

Complete the following sections:

- Section 1
- Section 2
- Sections 3, 3.1, 3.2
- Section 4
- Sections 5, 5.1
- Section 6
- Section 7
- Sections 8.1, 8.2, 8.3
- Sections 9.1, 9.3, 9.4, 9.5
- Section 10–Required Signatures

TO START

Indicate whether you are:

- **Applying for a disability benefit.** Check this box if you are applying for a disability benefit for the first time.
- **Applying for service retirement during evaluation of a disability application.** Check this box if you are applying to receive a service retirement benefit during the time CalSTRS is evaluating your application for a disability benefit.
- **Reapplying for a disability benefit.** Check this box if you previously applied for a disability benefit.

SECTION 1—MEMBER INFORMATION

This section is required for all applicants.

Include your mailing and email addresses, and home and alternate telephone numbers, so we can contact you if we have any questions. Be sure your name on your application matches your name as it appears on your Social Security card. If you know it, include your Client ID instead of your Social Security number. Indicate your coverage: A or B. You can find your Client ID and coverage on your *Retirement Progress Report*.

SECTION 2—SERVICE RETIREMENT INFORMATION

This section is required if you are applying for service retirement during evaluation of your disability application.

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

1. You are eligible to service retire.
2. Your retirement date must be on or after January 1, 2014.
3. The earliest date you can retire is the day after your last day of work, vacation or compensated approved leave, whichever is later.
4. Your retirement date must be at least one day after your most recent reinstatement if you previously received a service retirement benefit.
5. If you are purchasing service credit, your retirement date cannot be earlier than the date you complete payment of your service credit purchase.
6. If you retire for service during evaluation of your *Disability Benefits Application* and you are later approved for disability benefits, the benefit

effective date for disability benefits will be the later of:

- The first day of the month in which we received your completed application.
- The day after your last day of service for which you receive compensation, including sick leave and subdifferential pay.

NOTE: If your retirement date is not the first day of the month, your first benefit payment will be prorated for that month.

Last Date of Work, Vacation or Compensated

Approved Leave: Enter the last day of work, vacation or compensated approved leave for which you were paid. This date must be before your retirement date.

Please contact CalSTRS in writing if your eligible highest final compensation includes a period more than 15 years before your last date of work, vacation or compensated approved leave from your last CalSTRS-covered employer.

Mid-Year Retirement: The process of averaging for mid-year retirement often results in a final compensation that is lower than expected. See the *Your Retirement Guide* booklet at CalSTRS.com/publications to learn more.

Other Public Retirement Systems: See the *Your Retirement Guide* booklet and the *Concurrent Retirement* fact sheet at CalSTRS.com/publications.

SECTION 3—EMPLOYMENT INFORMATION

This section is required for all applicants.

If you are still working and receiving compensation, indicate an estimated last day of work and last day of compensation. You must complete all information regarding your employment and provide all information regarding any special credentials or licenses you hold.

Attach a copy of your previous job description or current job description if you are working.

SECTION 3.1—UNLAWFUL ACT INFORMATION

If you have between one and five years of service credit and your disability is due to an unlawful act of bodily injury committed against you by another person while you were working in CalSTRS-covered employment, mark the appropriate box. You must submit documentation with your application regarding the unlawful act, such as the official police report or the official employer incident report. Failure to provide this documentation with your application will result in your application being deemed ineligible. See “Service Credit Requirements” in *Your Disability Benefits Guide*.

SECTION 3. 2—REASONABLE ACCOMMODATION

Indicate whether you have requested reasonable accommodation from your employer. You are responsible for providing CalSTRS with documentation of your reasonable accommodation request. Your application may be rejected if you do not provide the requested information. If you have already requested reasonable accommodation, attach a copy of your request and your employer's response.

See "Reasonable Accommodation" in *Your Disability Benefits Guide*.

SECTION 4—STATEMENT OF IMPAIRMENT

This section is required for all applicants.

Provide information about your impairment. Answer all questions to the best of your knowledge. Your explanation, along with medical documentation from your treating physicians, provides the basis for determining if any impairment prevents you from working. Use additional sheets if needed. Write your name and Client ID at the top of each page.

SECTION 4.1—SUBROGATION

Indicate whether a third party (other than a workers' compensation claim) caused your injury. If yes, please provide all requested information. We will then follow up with you to determine whether CalSTRS' subrogation rights apply to your particular situation.

SECTION 5—MEDICAL INFORMATION

This section is required for all applicants. Include any medical treatment providers that may have medical documentation relevant to your application. If you are applying due to multiple impairments, list all medical providers that have treated you. Use additional sheets if needed. Write your name and Client ID at the top of each page.

SECTION 5.1—WORKERS' COMPENSATION INFORMATION

You are required to report any benefit you receive from workers' compensation if it is for any impairment that qualifies you for a CalSTRS disability benefit. If you are approved, your CalSTRS disability benefit must be reduced by an amount equal to the benefits you receive from workers' compensation. Complete the *Workers' Compensation Carrier Request for Information* form in the Forms section and send it directly to your workers' compensation carrier.

See "Benefit Amount" in *Your Disability Benefits Guide*.

SECTION 5.2—OTHER BENEFITS INFORMATION

This section is required for all Coverage A applicants.

You are required to report all benefits you are eligible to receive or are receiving from any other public benefit system. If you are approved for a CalSTRS disability benefit, your CalSTRS disability benefit must be reduced by an amount equal to the benefits you receive from another public benefit system.

See "Benefit Amount" in *Your Disability Benefits Guide*.

SECTION 6—ELIGIBLE DEPENDENT CHILDREN INFORMATION

This section is required for all applicants.

If you have eligible dependent children, list their full names, Social Security numbers and birth dates.

You must provide a copy of each child's birth certificate *and* Social Security card before any child's benefits can be paid.

Include any other related documentation, such as custody documents or current tax records, that provide evidence of your children's financial dependence on you as of the disability benefit effective date.

SECTION 7—AUTHORIZATION TO RELEASE INFORMATION TO CALSTRS

This section is required for all applicants.

Review and sign the authorization form. This authorization will be used by CalSTRS to obtain information related to your disability application to determine your eligibility for disability benefits.

NOTE: It is your responsibility to provide all requested documentation to CalSTRS.

SECTION 8—YOUR DEFINED BENEFIT ELECTION

SECTION 8.1—DEFINED BENEFIT ELECTION (SERVICE RETIREMENT)

This section is required if you are applying for service retirement during evaluation of your disability application. Elect the Member-Only Benefit or the Modified Benefit.

If you are re-retiring within 12 months of your most recent reinstatement date, you must keep the same benefit election. If you previously elected the Member-Only Benefit, you must keep the Member-Only Benefit; if you previously elected the Modified Benefit, you must keep the Modified Benefit and the same option beneficiary. If you re-retire after 12 months of reinstating, you may change or cancel your election

before or at retirement, but CalSTRS will apply a lifetime assessment to your retirement benefit. The assessment may reduce your retirement benefit for life. Once you have retired, you may make a postretirement option change only under very limited circumstances. See the *Member Handbook* to learn more.

Member-Only Benefit—The Member-Only Benefit provides you with a monthly lifetime benefit, but it does not provide a monthly lifetime benefit to anyone when you die. It is the highest monthly benefit you can receive in retirement.

Modified Benefit—The Modified Benefit provides you with a modified monthly lifetime benefit as well as a modified monthly lifetime benefit for your option beneficiary after your death. Complete this section if you are electing an option beneficiary or if you elected an option beneficiary before retirement.

Your option beneficiary must be a living person or persons or a special needs trust. Your option beneficiary cannot be another type of trust, charity, estate or other entity.

You will find descriptions of the options in Step 1 of *Your Disability Benefits Guide* and in the *Member Handbook*. For an estimate of how each option would affect your monthly retirement benefit, talk to a CalSTRS benefits specialist, use the *Retirement Benefits Calculator* at CalSTRS.com/calculators or complete the benefit estimate worksheet in the *Member Handbook*.

The option and option beneficiary you elect on your retirement application become effective on your retirement date. To provide for someone or a special needs trust if you should die before retirement, see Step 1 of *Your Disability Benefits Guide* for information on the Preretirement Election of an Option.

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.

NOTE: For Coverage A, your election applies only to service retirement.

Beneficiary Information—Enter your option beneficiary information if you elect an option other than the Compound Option. 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. If you elect the Compound Option, complete your

beneficiary information on the *Compound Option Election* form and include the form with your *Disability Benefits Application*.

NOTE: If you wish to elect an option for the benefit of a special needs trust, you must include the *Certification of a Special Needs Trust* form (DS-1854), available at CalSTRS.com/forms, with this application. You cannot receive service retirement benefits during the evaluation of your disability application until the required forms are returned.

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.

SECTION 8.2—DEFINED BENEFIT ELECTION (DISABILITY RETIREMENT)

This section is required for all Coverage B applicants applying for a disability retirement benefit.

Check one box only to elect the Member-Only Benefit or the Modified Benefit.

If you would like to receive Modified Benefit quotes, check the appropriate box. You must complete the beneficiary information section.

Modified Benefit—Complete this section if you are electing an option beneficiary to provide a monthly benefit to your option beneficiary if you should die before you disability retire. Your option beneficiary must be a living person or persons, or a special needs trust, and cannot be another type of trust, charity, estate or other entity. You will find descriptions of the options in Step 1 of *Your Disability Benefits Guide* and in the *Member Handbook*.

For an estimate of how each option would affect your monthly disability retirement benefit, talk to a CalSTRS benefits specialist. The option and option beneficiaries you elect are not effective until your disability retirement date.

Beneficiary Information—Enter your beneficiary information if you elect an option other than the Compound Option or if you request a quote. Include birth date verification. Acceptable documents include a photocopy of a birth certificate, state-issued ID, U.S. passport ID page or certain U.S. military IDs.

If you elect the Compound Option, complete your beneficiary information on the *Compound Option*

Election form and include the form with your *Disability Benefits Application*.

NOTE: If you wish to elect an option for the benefit of a special needs trust, you must include the *Certification of a Special Needs Trust* form (DS-1854), available at CalSTRS.com/forms, with your CalSTRS application or wait until you are contacted by your disability analyst.

SECTION 8.3—DEFINED BENEFIT TAX WITHHOLDING PREFERENCES

Federal and California state laws require us to withhold income tax on all benefit payments unless you specify otherwise. (See “Additional Information on Tax Withholding Preferences” on page 7 for more information, including state tax withholding for nonresidents.)

If you do not complete this section or do not provide specifics for the withholding rate, CalSTRS will withhold income tax from all your monthly benefit payments according to the established rate for a married individual claiming three withholding allowances, unless you live outside 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. 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. If you want taxes withheld, mark the appropriate boxes and specify the number of allowances. You may specify an *additional* dollar amount to withhold for state and federal taxes. **NOTE:** For California state income tax only, you may elect to withhold a flat dollar amount without specifying allowances.

If you're a nonresident of California, your benefit is not subject to California income tax. If you live outside of California but are still considered a resident or domiciliary of California, your benefit is subject to California income tax. We will apply tax withholding based on the address you provide us. If you live outside California but expect to have a California tax liability, you may request that we withhold California state tax from your payments in Section 3.2, “Defined Benefit Tax Withholding Preferences.” If you're unsure about your California residency status, consult a tax professional.

SECTION 9—YOUR DEFINED BENEFIT SUPPLEMENT ELECTION

SECTION 9.1—DEFINED BENEFIT SUPPLEMENT ELECTION (SERVICE RETIREMENT)

This section is required if you are applying for service retirement during evaluation of a disability application.

If you made retirement contributions to CalSTRS on or after January 1, 2001, you have a Defined Benefit Supplement account.

Service Retirement During Evaluation of a Disability Application—If you are applying for service retirement during evaluation of your disability application, you must make an election to receive your Defined Benefit Supplement account balance under service retirement.

Your Defined Benefit Supplement account balance is shown on your *Retirement Progress Report*. If your account balance is \$3,500 or more, you can choose to receive these funds as a lump-sum payment, an annuity payment or a combination of a lump-sum and annuity payment. Step 1 of *Your Disability Benefits Guide* explains the Defined Benefit Supplement distribution choices available.

If your account balance is less than \$3,500, you must take a lump-sum payment, which may be paid directly to you or rolled over to a qualified plan such as Pension2, if the balance is at least \$200. See “Your Defined Benefit Supplement Distribution” in the *Your Disability Benefits Guide* booklet for more information.

SECTION 9.2—DEFINED BENEFIT SUPPLEMENT ELECTION (COVERAGE A DISABILITY ALLOWANCE)

This section is required for all Coverage A members who are applying for a *disability allowance* benefit.

If you are applying for a disability allowance benefit, you must make an election to receive your Defined Benefit Supplement account balance under the disability allowance.

If you are approved for disability, your Defined Benefit Supplement account balance will be distributed based on your election.

Your Defined Benefit Supplement account balance is shown on your *Retirement Progress Report*. If your account balance is \$3,500 or more, you can choose to receive these funds as a lump-sum payment, an annuity payment or a combination of a lump-sum and annuity payment. Step 1 of *Your Disability Benefits Guide* explains the Defined Benefit Supplement distribution

choices available. If your account balance is less than \$3,500, you must take a lump-sum payment. If you choose to receive your funds as a lump-sum payment, a period-certain annuity of three to nine years, or a combination of the two, enter your payment instructions in section 9.4. See “Defined Benefit Supplement Distribution” in *Your Disability Benefits Guide* for descriptions of your choices.

SECTION 9.3—DEFINED BENEFIT SUPPLEMENT ELECTION (COVERAGE B DISABILITY RETIREMENT)

This section is required for Coverage B members who are applying for a *disability retirement* benefit.

If you are applying for a disability retirement, you must make an election to receive your Defined Benefit Supplement account balance under the disability retirement benefit.

If you are approved for disability, your Defined Benefit Supplement account balance will be distributed based on your election.

Your Defined Benefit Supplement account balance is shown on your *Retirement Progress Report*. If your account balance is \$3,500 or more, you can choose to receive these funds as a lump-sum payment, an annuity payment or a combination of a lump-sum and annuity payment. If your account balance is less than \$3,500, you must take a lump-sum payment.

If you choose to receive your funds as a lump-sum payment, a period-certain annuity of three to nine years, or a combination of the two, enter your payment instructions in section 9.4.

See “Defined Benefit Supplement Distribution” in *Your Disability Benefits Guide* for descriptions of your choices.

SECTION 9.4—DEFINED BENEFIT SUPPLEMENT PAYMENT INSTRUCTIONS

Lump Sum or Period-Certain Annuity of 3 to 9 Years—Complete this section if you choose a lump-sum payment or period-certain annuity of three to nine years for your Defined Benefit Supplement funds. If you choose an annuity payment other than a period-certain annuity of three to nine years, you do not need to complete this section.

If you would like your payment to be paid directly to you, check the *Direct Payment* box. Your monthly annuity payments will be mailed to the same address

or transferred to the same bank account as your retirement benefit.

Federal law allows lump-sum payments or period-certain annuity payments of three to nine years to be rolled over into a qualified plan. If you would like to roll over your payment to a financial institution, check the *Rollover* box. Be sure to read *Special Tax Notice: Your Rollover Options* on pages 9–12 of the Instructions.

Service Retirement During Evaluation of a Disability Application—Your Defined Benefit Supplement election under either service retirement or a disability benefit will be paid according to these payment instructions. If you would like to change your payment method, contact your CalSTRS disability analyst.

Rollover of Tax-Deferred or After-Tax Contributions and Interest—The amount of tax-deferred or after-tax contributions and interest in your Defined Benefit Supplement account is shown on your *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 the percentage (from 1% to 100%) that you would like to roll over.

For example: If you are going to receive a rollover-eligible distribution of \$4,000 and you choose to roll over 75 percent of the distribution to a qualified IRA or an eligible plan, CalSTRS will distribute \$3,000 directly to the plan you specify. The remaining 25 percent balance of \$1,000 paid directly to you is subject to 20 percent federal income tax withholding on tax-deferred contributions and interest. You will receive only \$800 because \$200 is withheld for federal tax (or you may receive less, if you are a California resident and choose to not opt out of state tax withholding).

Be sure to read the *Special Tax Notice: Your Rollover Options* on pages 9–12 of the Instructions.

SECTION 9.4.1—ROLLOVER TO PENSION2

Complete this section if you are doing a rollover to CalSTRS Pension2. If you select Pension2 for your rollover, we will obtain the required signatures on your behalf.

CalSTRS Pension2® Rollovers: 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 Defined Benefit Supplement 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 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. For more information or to enroll right now, visit Pension2.com or call toll free 888-394-2060.

SECTION 9.4.2—ROLLOVERS TO ANOTHER QUALIFIED PLAN WITH A FINANCIAL INSTITUTION

If you are rolling over your Defined Benefit Supplement funds to a financial institution other than CalSTRS Pension2, you must get a signature from your financial institution before submitting your application. In addition, you will not be able to submit your application online using *myCalSTRS*. You must submit a hard copy of your application or fax it to CalSTRS.

When providing your financial institution information, do not attach transfer documents or list “IRA” as the name of your financial institution. We will mail your payment to the financial institution address you

provide, so it is imperative that the financial institution name, address and account number are correct. If the information is incomplete, incorrect, not legible, or the financial institution representative’s signature is not provided, your rollover will be delayed. We are not able to process direct trustee-to-trustee transfers to financial institutions outside the U.S.

SECTION 9.5—DEFINED BENEFIT SUPPLEMENT TAX WITHHOLDING PREFERENCES

Direct Payment: Lump Sum or Period-Certain

Annuity of 3 to 9 Years—If you choose to have payments paid directly to you, we must withhold 20 percent for federal taxes. If you choose to have state tax withheld, CalSTRS will withhold at 2 percent. CalSTRS will withhold 2 percent California state tax if your address is in California unless you elect to not have state tax withheld. See “Additional Information on Tax Withholding Preferences” below.

ADDITIONAL INFORMATION ON TAX WITHHOLDING PREFERENCES

Applies to Sections 8.3, 9.4 and 9.5

Your tax withholding preferences will remain in effect until you change or cancel them. Change or cancel your preferences using the tax withholding feature on *myCalSTRS* or submit the *Income Tax Withholding Preference Certificate* form, available at CalSTRS.com/forms.

Withholding Choices: The number of state withholding allowances you claim may be different from the number of allowances you claim for federal withholding. To help determine the appropriate number of allowances, see the following worksheets:

- State withholding certificate DE-4P at edd.ca.gov/pdf_pub_ctr/de4p.pdf
- Federal withholding certificate W-4P at irs.gov/pub/irs-pdf/fw4p.pdf

There may be penalties for not paying enough tax on your benefits during the year, either through withholding or estimated tax payments.

Addresses Outside California: In compliance with federal law, California does not tax the CalSTRS benefits of nonresidents. However, if you think you may be liable for California state income tax, you may request CalSTRS to withhold state income tax. We do not withhold income tax for states other than California.

Addresses Outside the U.S.: Federal law requires that federal income tax be withheld from payments delivered outside the U.S. or U.S. territories to U.S. citizens or non-U.S. resident aliens, as well as payments made to U.S. resident aliens. U.S.

citizens who have payments delivered outside the U.S. or its territories and U.S. resident aliens may elect any withholding status (married, single or head of household) and zero or more withholding allowances.

Payments Delivered Outside the U.S. and to Foreign Persons: If you’re a U.S. citizen and resident, non-U.S. resident alien or U.S. resident alien, federal tax withholding is required on monthly or lump-sum payments delivered to you outside the U.S. or its possessions. You cannot waive federal income tax withholding in this situation. See IRS Publication 505 at irs.gov for details.

U.S. citizens or resident aliens receiving payment while outside the U.S. must provide CalSTRS a form W-9 in order to ensure withholding is applied correctly. If you’re a nonresident alien, nonresident alien beneficiary or foreign estate, in the absence of a tax treaty exemption, monthly or lump-sum payments generally are subject to a 30 percent federal withholding tax on the taxable portion of payments from U.S. sources. See IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*, and IRS Publication 519, *U.S. Tax Guide for Aliens*, at irs.gov.

If you’re a foreign person, submit Form W-8BEN, *Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding*, to CalSTRS before receiving any payments. The form is available at irs.gov or by calling 800-829-3676.

For more information on tax liability, see IRS Publication 575, *Pension and Annuity Income*, and the California Franchise Tax Board Publication 1005, *Pension and Annuity Guidelines*, or contact a qualified tax professional.

Lifetime Monthly Annuity or Period-Certain

Annuity of 10 Years—If you elect to receive a Lifetime Monthly Annuity or a Period-Certain Annuity of 10 years, you will need to specify your tax withholding preferences. If you do not want taxes withheld, mark the *Do Not Withhold* boxes. If you want taxes withheld, mark the appropriate boxes and specify the number of allowances. If you do not complete this section, we will withhold income tax from your monthly payments according to the established rate for a married individual claiming three withholding allowances.

You may specify an *additional* dollar amount to withhold for state and federal taxes. For California state tax only, you may elect to withhold a flat dollar amount without specifying allowances. California does not tax benefits of nonresidents. See “Additional Information on Tax Withholding Preferences” on page 7.

SECTION 10—REQUIRED SIGNATURES

Check all boxes that apply, then sign and date your *Disability Benefits 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, with your application.

If you divorced or terminated a registered domestic partnership and a portion of your CalSTRS benefits was awarded to a former spouse or partner, check the box that indicates this. You may need to refer to your settlement agreement. In addition, 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.

NOTE: If you provide inaccurate information regarding your marital status, your application may be void.

Your application may be delayed or rejected if you do not complete, sign or date your application or provide the required information.

SPECIAL TAX NOTICE: YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of your CalSTRS payment is eligible to be rolled over to a qualified IRA or an eligible employer plan. Read this

notice on pages 9–12 of the Instructions to help you decide whether or not to do a rollover.

SUBMITTING YOUR APPLICATION

Submit pages 1–17 of your *Disability Benefits Application* by one of the following methods. Keep a copy for your records.

Hand Delivery

Hand deliver your application to a local CalSTRS office (see page 23 of the *Your Disability Benefits Guide* or visit CalSTRS.com/forms-drop).

Mailing Address

CalSTRS
P.O. Box 15275, MS 43
Sacramento, CA 95851-0275

Overnight Delivery

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

CalSTRS
Member Services
100 Waterfront Place
West Sacramento, CA 95605

Fax Delivery

916-414-5784

QUESTIONS

Email your questions using your *myCalSTRS* account or at CalSTRS.com/contactus, or call 800-228-5453.

RETIREMENT CHANGE REQUESTS

If you have already submitted your *Service Retirement Application* and want to make a change, CalSTRS must receive the *Service Retirement Application Change Request* form no later than 30 days from the date your first benefit payment is issued. This form is available at CalSTRS.com/forms or by calling us. Use the form to change your retirement date, option, option beneficiary, Reduced Benefit Election, or Defined Benefit Supplement election or to make other changes.

NAME OR ADDRESS CHANGE

Notify us immediately if you change your name or mailing address. Update your contact information using your *myCalSTRS* account or the *Address Change Request* form, available at CalSTRS.com/forms or by calling us.

Special Tax Notice: Your Rollover Options

INTRODUCTION

You are receiving this notice because all or a portion of your CalSTRS Defined Benefit Supplement, Defined Benefit refund or Cash Balance payment may be eligible for a rollover to an IRA or another eligible employer plan. This notice is intended to help you decide whether to do such a rollover.

Rules that apply to most CalSTRS payments are described in the “General Information About Rollovers” section. Special rules that only apply in certain circumstances are described in the “Special Rules and Options” section.

The following summarizes tax information and is provided in accordance with Section 402(f) of the Internal Revenue Code. CalSTRS does not provide tax information or advice. Consult a tax professional, the Internal Revenue Service or the State Franchise Tax Board for specific information and to confirm that any relevant tax laws have not changed since this notice was released.

Certain California tax information is also provided. In general, California law conforms to federal tax law. However, there are some differences between California and federal law. In addition, if you do not meet California residency criteria, your CalSTRS benefits are not subject to state income tax. For additional information, visit ftb.ca.gov.

30-Day Notice Period and Your Right to Waive

Generally, CalSTRS cannot make a direct rollover or a payment to you until at least 30 days after you receive this notice. If you do not wish to wait until this 30-day notice period ends before your payment is processed, you may waive the notice period.

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?

You will be taxed on your CalSTRS payment if you do not roll it over. If you are under age 59½ and do not do a rollover, you also will have to pay a 10 percent additional federal income tax and a 2.5 percent additional California state income tax on early distributions, unless an exception applies.

If you do a rollover, however, you will not have to pay tax until you receive distributions later, and the 10 percent additional federal income tax and 2.5 percent additional state income tax will not apply if those distributions are made after you are age 59½ or if an exception applies.

Where may I roll over my CalSTRS payment?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or another eligible employer plan (a tax-qualified plan, 403(b) plan or 457(b) plan) that will accept the rollover. The rules

of the IRA or plan that holds the rollover will determine your investment options, fees and rights to payment from the IRA or employer plan. For example, no spousal consent rules apply to IRAs, and IRAs may not provide loans. Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

How do I do a rollover?

There are two ways to do a rollover. You can choose either a direct rollover or a 60-day rollover.

Direct rollover: If you do a direct rollover, CalSTRS will make the payment directly to your IRA or another eligible employer plan. You should contact the IRA sponsor or the administrator of the plan for information on how to do a direct rollover.

If you do a direct rollover of only a portion of your CalSTRS payment and a portion is paid to you at the same time, the portion directly rolled over consists first of the amount that would be taxable if not rolled over.

60-day rollover: If you do not do a direct rollover, you still may do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive your CalSTRS payment to make the deposit.

If you do not do a direct rollover, CalSTRS is required to withhold 20 percent of the payment for federal income taxes. Unless you elect to not have state tax withheld or you are a nonresident of California, CalSTRS will withhold at 2 percent. This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20 percent withheld for federal taxes and any state tax withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed in the year distributed and will be subject to the 10 percent additional federal income tax and the 2.5 percent additional state income tax on early distributions if you are under age 59½, unless an exception applies.

How much may I roll over?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any CalSTRS payment is eligible for rollover, except:

- Benefit payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary).
- Required minimum distributions in the calendar year in which you turn age 70½ (or after death).
- Corrective distributions of contributions that exceed tax law limitations.

CalSTRS can tell you what portion of a payment is eligible for rollover.

If I don't do a rollover, will I have to pay the 10 percent additional federal income tax and the 2.5 percent additional state income tax on early distributions?

If you are under age 59½, you will have to pay the 10 percent additional federal income tax and 2.5 percent additional state income tax on early distributions for any CalSTRS payment, including amounts withheld for income tax, that you do not roll over, unless one of the exceptions listed below applies. This tax applies to the part of the distribution that you must include as income for tax purposes and is in addition to the regular federal and state income taxes on the payment not rolled over.

The 10 percent additional federal income tax and the 2.5 percent additional state income tax do not apply to the following CalSTRS payments:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation.
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancies of you and your beneficiary).
- Payments made due to disability.
- Payments after your death.
- Corrective distributions of contributions that exceed tax law limitations.
- Payments made directly to the government to satisfy a federal tax levy.
- Payments made under a qualified domestic relations order.
- Payments up to the amount of your deductible medical expenses whether or not you itemize deductions for the taxable year.
- Payments for certain distributions related to certain federally declared disasters.

If I do a rollover to an IRA, will the 10 percent additional federal income tax and the 2.5 percent additional state income tax apply to early distributions from the IRA?

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10 percent additional federal income tax and 2.5 percent additional state income tax on the part of the distribution that you must include as income for tax purposes unless an exception applies. In general, the exceptions to the additional federal and state income taxes for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- The exception for payments made after you separate from service if you will be at least age 55 in the year of the separation does not apply.

- The exception for qualified domestic relations orders does not apply. However, a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse.
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

SPECIAL RULES AND OPTIONS

IF YOUR PAYMENT INCLUDES AFTER-TAX Contributions

After-tax contributions included in your payment are not taxed upon distribution. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is included in the payment, so you cannot take a payment of only after-tax contributions. However, if you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment. In addition, special rules apply when you do a rollover, as described below.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of your CalSTRS payment and the rest is paid to you, the portion directly rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions. In this case, if you directly roll over \$10,000 to an IRA that is not a Roth IRA, no amount is taxable because the \$2,000 amount not directly rolled over is treated as being after-tax contributions. If you do a direct rollover of your entire CalSTRS payment to two or more destinations at the same time, you can choose which destination receives the after-tax contributions.

If you do a 60-day rollover to an IRA of only a portion of a payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions, and no part of the distribution is directly rolled over. In this case, if you roll over \$10,000 to an IRA that is not a Roth IRA in a 60-day rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to an eligible employer plan all of a payment that includes after-tax contributions, but only through a direct rollover—and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan. You can do a 60-day rollover to an eligible employer plan of part of a CalSTRS payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

If You Miss the 60-Day Rollover Deadline

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline.

Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver from the IRS, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements*.

If You Were Born On or Before January 1, 1936

If you were born on or before January 1, 1936, and receive a lump-sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, *Pension and Annuity Income*.

If You Roll Over Your Payment to a Roth IRA

If you roll over your CalSTRS payment to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10 percent additional federal income tax and 2.5 percent additional state income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within five years, counting from January 1 of the year of the rollover).

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed, including earnings after the rollover. A qualified distribution from a Roth IRA is a payment made after you are age 59½—or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000—and after you have had a Roth IRA for at least five years. In applying this five-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10 percent additional federal income tax and 2.5 percent additional state income tax on early distributions, unless an exception applies. You do not

have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publications 590-A, *Contributions to Individual Retirement Arrangements*, and 590-B, *Distributions From Individual Retirement Arrangements*.

CalSTRS is not responsible for assuring your eligibility to make a rollover to a Roth IRA. Consult a professional tax adviser if you are interested in rolling over your payment to a Roth IRA.

If You Are Not a CalSTRS Member

Payments after a member's death. If you receive a distribution after a CalSTRS member's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10 percent additional federal income tax and 2.5 percent additional state income tax on early distributions do not apply. The special rule described under the section "If you were born on or before January 1, 1936," applies only if the CalSTRS member was born on or before January 1, 1936.

If you are a surviving spouse. If you receive a CalSTRS payment as the surviving spouse of a deceased member, you have the same rollover options that the member would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10 percent additional federal income tax and 2.5 percent additional state income tax on early distributions, unless an exception applies. In addition, required minimum distributions from your IRA do not have to start until after you are age 70½.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10 percent additional federal income tax and 2.5 percent additional state income tax on early distributions. However, if the member had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the member had not started taking required minimum distributions, you will not have to start receiving required minimum distributions from the inherited IRA until the year the member would have been age 70½.

If you are a surviving beneficiary other than a spouse.

If you receive a CalSTRS payment because of the member's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10 percent additional federal income tax and 2.5 percent additional state income tax on early distributions. You will have to receive ongoing required minimum distributions from the inherited IRA beginning the year the member would have been age 70½.

Payments under a qualified domestic relations order.

If you are the spouse or former spouse of a CalSTRS member who receives a payment from CalSTRS under a qualified domestic relations order, you generally have the same options the member would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). However, payments under the qualified domestic relations order will not be subject to the 10 percent additional federal income tax or 2.5 percent additional state income tax on early distributions.

If You are a Nonresident Alien

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or a U.S. eligible employer plan, CalSTRS is generally required to withhold 30 percent of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing IRS Form 1040-NR and attaching your IRS Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, *U.S. Tax Guide for Aliens*, IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*, and FTB Publication 1100, *Taxation of Nonresidents and Individuals Who Change Residency*.

OTHER SPECIAL RULES

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series, unless you make a different choice for later payments.

If your payments for the year are less than \$200, CalSTRS is not required to allow you to do a direct rollover and is not required to withhold federal or state income taxes. However, you may do a 60-day rollover.

When electing how to receive a CalSTRS payment that is rollover eligible, any amount not designated for rollover will be issued directly to you according to the payment preference on file for your account.

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, *Armed Forces' Tax Guide*. You also may have special rollover rights if you were affected by a federally declared disaster or similar event, or if you received a distribution on account of a disaster. For more information, visit irs.gov.

FOR MORE INFORMATION

See the *Tax Considerations for Rollovers* booklet at CalSTRS.com. You should also consult a tax professional before taking a payment from CalSTRS.

In addition, you will find more information on the federal tax treatment of payments from employer plans in IRS

Publications 575, *Pension and Annuity Income*, Publication 590-A, *Contributions to Individual Retirement Arrangements*, Publication 590-B, *Distributions From Individual Retirement Arrangements*, and Publication 571, *Tax-Sheltered Annuity Plans (403(b) Plans)*. These publications are available from a local IRS office, at irs.gov, or by calling 800-TAX-FORM (800-829-3676).

For information on state tax, contact the California Franchise Tax Board at ftb.ca.gov or call 800-852-5711 (or 916-845-6500 if calling from outside the U.S.). Also see FTB Publication 1005, *Pension and Annuity Guidelines*.

RIGHT TO RECEIVE PAPER DOCUMENT

Contact CalSTRS to receive this *Special Tax Notice: Your Rollover Options* provided as a written paper document at no charge.

RIGHT TO WITHDRAW YOUR CONSENT

You have the right to withdraw consent to receive electronic delivery of the *Special Tax Notice: Your Rollover Options* at any time. Withdrawal of your consent may delay processing of your application. If you would like to withdraw your consent to receive electronic delivery of the *Special Tax Notice: Your Rollover Options*, contact CalSTRS and request to receive this notice and application as a written paper document at no charge.

Scope of Your Consent – Consent to receive electronic delivery of the *Special Tax Notice: Your Rollover Options* applies only to the particular transaction.

CalSTRS Contact Procedures – If you have questions about the procedures for receiving a written paper document or to update your electronic information, contact CalSTRS at 800-228-5453, CalSTRS.com/contactus or 916-414-5040 (fax).

Software Requirements – The software requirements needed to access and retain this *Special Tax Notice: Your Rollover Options* follow:

- Internet Explorer, Version 7.0 and above.
- Mozilla Firefox, Version 3.0 and above.
- Apple Safari, Version 3.0 and above.
- Google Chrome, Version 4.0 and above.

Use Adobe® Reader® to view, print and save this notice and other CalSTRS important online documents. If you do not have Adobe Reader installed on your computer, you may download the free program from the Adobe website.

CalSTRS is not responsible for any hardware or software problems resulting from the installation of any third-party tools, including web browsers, programs or plug-ins listed. Any third-party providers listed here are governed by their own terms of use and privacy policies.

Disability Benefits Application (Includes Service Retirement During Evaluation of a Disability Application)

DS 0260 REV 03/19

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

Complete this application if you are applying for a CalSTRS disability benefit. It includes the option to apply for service retirement during evaluation of your disability application.

Check one only:

- I am applying for a disability benefit only.
- I am applying for a service retirement benefit during evaluation of a disability application.
- I am reapplying for a disability benefit.

I fully understand that under service retirement during evaluation of my disability application, I will be officially retired as of the retirement date I have requested if CalSTRS receives my properly completed, signed and dated application no later than the last day of the month in which I am requesting to retire. Further, if my disability application is not approved, I fully understand I will remain on service retirement, and I will not be eligible to reapply for a disability benefit unless I terminate my service retirement, return to CalSTRS-covered employment and earn one year of service credit. With my signature on page 17 (section 10), I certify I have read the instructions and the booklet *Your Disability Benefits Guide*.

Section 1: Member Information

Name (Last, First, Initial)		Client ID or Social Security Number	
Mailing Address		Email Address	
City	State	ZIP Code	
	()	()	
Date of Birth (MM/DD/YYYY)	Home Telephone	Alternate Telephone	

Member Coverage: Coverage A Coverage B

Section 2: Service Retirement Information

Complete only if you are applying for service retirement during evaluation of a disability application.

			-				-				
--	--	--	---	--	--	--	---	--	--	--	--

Retirement date (MM/DD/YYYY)

The effective date of your service retirement will be no earlier than the first day of the month in which your application for disability benefits is received, or the day following your last day of compensation, whichever later, unless your disability application is denied or canceled and you have designated an earlier retirement date above. Please note the service retirement date designated cannot be earlier than January 1, 2014.

			-				-				
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Last date of work, vacation or compensated approved leave (MM/DD/YYYY). This date must be before your retirement date.

Other Public Retirement Systems

If you are a member of any of the following California public retirement systems and you did not perform service between your CalSTRS retirement date and the other public system's retirement date, you may be able to use the other system's final compensation for service that does not overlap. Mark all that apply and your retirement dates.

I am a member of the following California public retirement systems:

CalPERS SFERS LRS UCERS 1937 ACT COUNTY—County Name _____

Retirement dates from other systems (MM/DD/YYYY) _____



DS0260

NAME _____ CLIENT ID OR SSN _____

Section 3: Employment and Education Information

You are required to provide a copy of your most recent job description or duty statement. Please attach a copy of your job description or duty statement with your application.

DISTRICT OF EMPLOYMENT		COUNTY OF EMPLOYMENT
SCHOOL NAME	PRINCIPAL'S OR SUPERVISOR'S NAME ()	
MAILING ADDRESS	TELEPHONE NUMBER	
CITY	STATE	ZIP CODE
GRADE LEVEL TAUGHT	SUBJECTS TAUGHT	

POSITION TITLE	HOW LONG POSITION HELD
----------------	------------------------

Are you currently working in CalSTRS-covered employment? Yes No

LAST DAY OF ACTUAL OR EXPECTED ON-THE-JOB PERFORMANCE (MM/DD/YYYY)	LAST DAY FOR WHICH YOU HAVE RECEIVED OR EXPECT TO RECEIVE COMPENSATION FROM YOUR DISTRICT/EMPLOYER (MM/DD/YYYY)
--	---

Are you currently working in any capacity—full-time, part-time or modified work (not limited to public education; for example, real estate, tutoring, day care, counseling or artist)? Yes No
If yes, explain:

Have you been in your current position for less than one year? Yes No
If in public education, provide:

PREVIOUS SCHOOL	TELEPHONE NUMBER
-----------------	------------------

Do you now or have you ever owned your own business? Yes No
(If yes, please provide tax records including all schedules and K-1s).

If yes, what is the name of the business? _____
Dates of ownership _____ to _____ (MM/DD/YYYY)
If yes, explain the type of business (for example, real estate, tutoring, day care, counseling, artist, other).

Professional credentials and vocational certificates or licenses held:

Credentials/Certificate/License	Issue Date	Expiration Date
_____	_____	_____
_____	_____	_____

Do you have any experience in the education field other than your present position? If yes, explain.

Do you have work experience or training in a field other than education? If yes, please provide types and dates.

_____	Dates _____ to _____	(MM/DD/YYYY)
_____	Dates _____ to _____	(MM/DD/YYYY)

NAME _____ CLIENT ID OR SSN _____

Section 3.1 Unlawful Act Information

If you have less than five years of service credit, you may be eligible to apply for a disability benefit if your impairment is the result of an unlawful act of bodily injury that occurred on the job.

Is your impairment the result of an unlawful act? Yes No

You must attach supporting documentation with your application—the official police report and/or official employer's incident report. If you do not submit this documentation with your application, your application will be deemed ineligible.

Section 3.2 Reasonable Accommodation

CalSTRS may require you to request reasonable accommodation from your employer as a condition for receiving a disability benefit. A reasonable accommodation may enable you to continue employment in your same position or in one with comparable level responsibilities.

Reasonable accommodation must be considered. The Education Code requires that you work with your doctor and your employer to accomplish this in order to be eligible for CalSTRS disability benefits.

If your doctor determines that you can work with accommodations, then you must contact your employer to begin the interactive process to request reasonable accommodations before you will be eligible for disability retirement.

Has your doctor given you work restrictions? Yes No

If yes, you must engage in the interactive accommodation process with your school district. Please attach the school district's official response.

Section 4: Statement of Impairment

Respond to each question for each impairment. Use additional sheets if needed. Write your name and Client ID at the top of each page. Please note that the information below will need to be substantiated through medical documentation.

1. What is your specific diagnosis/impairment? _____

2. Date of diagnosis/impairment (MM/DD/YYYY) _____

3. Date your impairment began affecting your ability to perform at work (MM/DD/YYYY) _____

4. **Work Status:** Has your doctor instructed you to remain off work for your stated impairment? If yes, you will be asked to provide verification.

Please provide a beginning and end date for the time your doctor has taken you off work, if applicable:

From (MM/DD/YYYY) _____ through (MM/DD/YYYY) _____.

NAME _____ CLIENT ID OR SSN _____

Have you been hospitalized for this condition? Yes No

If yes, provide the names of hospitals and hospital physicians who examined or treated you for each diagnosis/impairment. Use additional sheets if needed. Write your name and Client ID at the top of each page.

Hospital Name and Mailing Address _____

Dates Hospitalized: From _____ to _____ (MM/DD/YYYY)

Name of Treating Physician at the Hospital (Last, First, Title) _____

Section 5.1 Workers' Compensation InformationHave you applied or do you plan to apply for benefits under workers' compensation? Yes No**If yes, complete the *Workers' Compensation Carrier Request for Information* form in the Forms section of the *Your Disability Benefits Guide*.**

If you are approved for a disability benefit, your benefit will be reduced dollar for dollar due to workers' compensation paid or payable for the same impairment or impairments.

Has claim been settled? Yes No If yes, date settled _____ (MM/DD/YYYY)Have you received any workers's compensation benefits? Yes No

Workers' Compensation Carrier _____

Name of Adjuster _____ Telephone Number () _____ Fax Number () _____

Mailing Address _____ City _____ State _____ ZIP Code _____

Claim Numbers Relating to Diagnosis/Impairment _____ Date of Diagnosis/Impairment (MM/DD/YYYY) _____

Section 5.2 Other Benefits Information – Coverage A Members OnlyAre you receiving or do you plan to apply for benefits under any insurance policy (**employer paid**) or other public system for any impairment listed on page 3? Yes No**Insurance Carrier or Other Public System Contact** (Social Security, CalPERS, military, other)

Name of Insurance Carrier or Public System _____

Contact Person _____ Telephone Number () _____

Mailing Address _____ City _____ State _____ ZIP Code _____

Claim Numbers Relating to Impairment _____ Date of Injury/Illness (MM/DD/YYYY) _____

NAME _____ CLIENT ID OR SSN _____

Section 6: Eligible Dependent Children Information

Provide a copy of the birth certificate and Social Security card for your named dependent children. In many instances you may also be required to submit a copy of your latest tax records, and/or child custody agreement, to substantiate financial dependency as of the disability benefit effective date.

Child's Name (Last, First, Initial) _____ Date of Birth _____

Child's Name (Last, First, Initial) _____ Date of Birth _____

Child's Name (Last, First, Initial) _____ Date of Birth _____

Child's Name (Last, First, Initial) _____ Date of Birth _____

Use additional sheets if needed. Write your name and Client ID at the top of each page.

- I have attached a copy of each child's birth certificate and Social Security card.
- I have attached additional documents, including: _____

Section 7: Authorization to Release Information to CalSTRS**Authorization to Release Information to CalSTRS**

I hereby authorize and direct any and all organizations, agencies and individuals from whom the California State Teachers' Retirement System or its representatives require information to determine my disability status to disclose all requested information which they may possess. Such information may include, but is not limited to, medical or hospital reports, any benefit or rehabilitation information, tax returns, and legal documents and decisions. The sources may be, but are not limited to: (1) physicians; (2) hospitals; (3) state agencies, such as the California Franchise Tax Board and the Department of Industrial Relations; (4) federal agencies such as the Internal Revenue Service, Social Security Administration and Veterans Administration; (5) any retirement or pension plan; (6) insurance companies, including workers' compensation insurance carriers; (7) rehabilitation firms; (8) psychiatric, psychological or counselor practitioners; and (9) universities and colleges.

The information requested will be used to verify my present and past medical, legal and financial status for the purposes of determining eligibility for and/or continuing qualification for receiving a disability benefit. Rehabilitation/vocational information requested will be used for determining employment or rehabilitation potential and/or to assist in vocational rehabilitation planning.

I understand during the entire period my application is being considered or I am receiving a disability benefit from CalSTRS that the information and documentation pertaining to me may be released to all organizations, agencies and individuals performing business or legal services for CalSTRS in connection to my claim.

In submitting this application, I agree, pursuant to California Education Code section 22450, to submit employment, legal or medical documentation, financial statements, certified copies of state and federal income tax records, or evidence of financial status to CalSTRS, for either establishing eligibility for a disability benefit or continuing qualification to receive a disability benefit. A photocopy of this authorization shall be considered as effective and valid as the original. This authorization remains valid during the entire period my application is being considered and/or I am receiving a disability benefit from CalSTRS.



Member's Signature to Authorize Release of Information to CalSTRS

Date Signed (MM/DD/YYYY)

GO TO NEXT PAGE TO CONTINUE COMPLETING THIS APPLICATION

Section 8: Your Defined Benefit Election

Section 8.1 Defined Benefit Election (Service Retirement)

Complete only if you are applying for service retirement during evaluation of a disability application. You may revoke or change your election no later than 30 days from the date of your initial service retirement payment.

I have read the instructions that describe the **Defined Benefit** options available and I elect the (choose only one):

- Member-Only Benefit (Coverage A–Service Retirement). Skip to section 8.3.
- Member-Only Benefit (Coverage B–Service Retirement). Go to section 8.2.
- Modified Benefit. If you check this box, choose one option below:

I previously submitted the Preretirement Election of an Option form or the Preretirement Compound

Option Election form. To confirm your original election, indicate the option you elected and your beneficiary: (100%, 75%, 50% or Compound): _____

Name of your option beneficiary or beneficiaries: _____

OR

I am electing an option at retirement. (Your option beneficiary must be a living person or persons, or a special needs trust, and cannot be another type of trust, charity, estate or other entity. This option is not the one-time death benefit.) Choose one and complete the beneficiary information section below:

- 100% Beneficiary Option
- 75% Beneficiary Option
- 50% Beneficiary Option
- Compound Option (If you choose the Compound Option, complete and attach the *Compound Option Election* form, available at CalSTRS.com) 

OPTION BENEFICIARY INFORMATION

If you are electing a beneficiary option at service retirement, enter your beneficiary information. If you are electing a special needs trust, check the box, provide your beneficiary information below, and complete the *Certification of a Special Needs Trust* form, available at CalSTRS.com/forms, and submit it with this application. You may revoke or change your election no later than 30 days from the date of initial payment. 

I am electing a special needs trust.

Beneficiary's Name (Last, First, Initial) _____ Beneficiary's Social Security Number or Tax ID _____

Mailing Address _____ City _____ State _____ ZIP Code _____
 () ()

Home Telephone _____ Alternate Telephone _____ Email Address _____

Member of CalSTRS: Yes No

Gender: Male Female Nonbinary

Relationship: Spouse Registered Domestic Partner Other

Date of Birth (MM/DD/YYYY): _____

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

- State-issued ID
- Birth Certificate
- U.S. Passport ID Page
- Other

Section 8.2 Defined Benefit Election–Coverage B (Disability Retirement Benefit)

I have read the instructions that describe the **Defined Benefit** options available and I elect the (choose only one):

- Member-Only Benefit. (Coverage B–Disability Retirement). Go to section 8.3.
- Modified Benefit. If you check this box, choose one option below and complete the Option Beneficiary Information section below:
 - 100% Beneficiary Option
 - 75% Beneficiary Option
 - 50% Beneficiary Option
 - Compound Option (If you elect the Compound Option, complete and attach the *Compound Option Election* form, available at CalSTRS.com.) 

I request Modified Benefit quotes for the option beneficiary below. (Your option beneficiary must be a living person or persons, or a special needs trust, and cannot be another type of trust, charity, estate or other entity. This option is not the one-time death benefit.)

OPTION BENEFICIARY INFORMATION

If you are electing a beneficiary option at disability retirement, enter your beneficiary information. If you are electing a special needs trust, check the box, provide your beneficiary information below, and complete the *Certification of a Special Needs Trust* form, available at CalSTRS.com/forms, and submit it with your *Service Retirement Application*. You may revoke or change your election no later than 30 days from the date of initial payment. 

I am electing a special needs trust.

Beneficiary’s Name (Last, First, Initial)		Beneficiary’s Social Security Number or Tax ID		
Mailing Address	City	State	ZIP Code	
()	()			
Home Telephone	Alternate Telephone	Email Address		

- Member of CalSTRS:** Yes No
- Gender:** Male Female Nonbinary
- Relationship:** Spouse Registered Domestic Partner Other

Date of Birth (MM/DD/YYYY): _____

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

- State-issued ID Birth Certificate U.S. Passport ID Page Other

Section 8.3 Defined Benefit Tax Withholding Preferences

If you do not complete this section, or if the information you provide is unclear, CalSTRS will withhold state and federal income tax from your payment based on rates for a married person claiming three withholding allowances. (If you're a nonresident of California, you don't have to pay state income tax. If you don't live in California but think you may be liable for California state income tax, you may request us to withhold state income tax below.)

Remember, there are penalties for not paying enough tax during the year, either through withholding or estimated tax payments. You may be able to avoid paying quarterly estimated taxes by having enough state and federal tax withheld from your monthly benefit payment.

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

CALIFORNIA STATE INCOME TAX WITHHOLDING

Do not withhold California state income tax.

OR

Withhold California state income tax.

Withhold only \$ _____ from each benefit payment. (Enter a flat dollar amount only. Do not enter a percentage.)

OR

Withhold California state income tax based on the tax tables for (choose one):

Married with _____
(Enter 0 or number of allowances.)

Single with _____
(Enter 0 or number of allowances.)

Head of household with _____
(Enter 0 or number of allowances.)

Additional withholding: \$ _____
from each benefit payment in addition to the amount to be withheld based on state tax tables. (You cannot enter an amount without selecting one of the above options. Enter a dollar amount only.)

FEDERAL INCOME TAX WITHHOLDING

Do not withhold federal income tax.

OR

Withhold federal income tax based on the tax tables for (choose one):

Married with _____
(Enter 0 or number of allowances.)

Single with _____
(Enter 0 or number of allowances.)

Additional withholding: \$ _____
from each benefit payment in addition to the amount to be withheld based on federal tax tables. (You cannot enter an amount without selecting one of the above options. Enter a dollar amount only.)

NOTE: A flat amount cannot be withheld for federal income tax, unless you also withhold according to the federal tax tables.

Section 9: Your Defined Benefit Supplement Election

Section 9.1 Defined Benefit Supplement Election (Service Retirement)

Complete if you are applying for service retirement during evaluation of a disability application.

If you made retirement contributions to CalSTRS on or after January 1, 2001, you have a **Defined Benefit Supplement** account with CalSTRS. If your Defined Benefit Supplement account balance is:

- **Under \$3,500**, you must take a lump-sum payment. Mark the lump-sum payment box below.
- **\$3,500 or more**, you have choices about how to receive those funds.

Defined Benefit Supplement Choices

You have **three payment choices** for your Defined Benefit Supplement account. **Choose only one.**

1. Lump-Sum Payment You have three choices. Choose one:

- Check paid to you directly. (Skip to section 9.4 and select Direct Payment.)
- Rollover to CalSTRS Pension2. (Skip to section 9.4, select Rollover, then go to section 9.4.1.)
- Rollover to another qualified plan with a financial institution. (Skip to section 9.4, select Rollover, then go to section 9.4.2.)

2. Annuity Payment You have two choices. Choose one:

Period-Certain Monthly Annuity of 3 to 10 years*

Number of years (circle one) 3 4 5 6 7 8 9 10 Then select one:

- Check paid to you directly. (Skip to section 9.4 and select Direct Payment.)
- Rollover to CalSTRS Pension2. (Skip to section 9.4, select Rollover, then go to section 9.4.1.)
- Rollover to another qualified plan with a financial institution. (Skip to section 9.4, select Rollover, then go to section 9.4.2.)

OR Lifetime Monthly Annuity*

If you elected the **Member-Only Benefit** on page 8, you have one choice:

Member-Only Annuity

If you elected the **Modified Benefit** on page 8, you have three choices. Select one:

100% Beneficiary Annuity 75% Beneficiary Annuity 50% Beneficiary Annuity

3. Combination Lump Sum and Annuity After your lump-sum payment, at least \$3,500 must remain in your Defined Benefit Supplement account to fund an annuity. Indicate your lump-sum payment amount and select one annuity.

\$ _____ **Lump-Sum Amount**

- Check paid to you directly. (Skip to section 9.4 and select Direct Payment.)
- Rollover to CalSTRS Pension2. (Skip to section 9.4, select Rollover, then go to section 9.4.1.)
- Rollover to another qualified plan with a financial institution. (Skip to section 9.4, select Rollover, then go to section 9.4.2.)

Annuity You have two choices. Choose one:

Period-Certain Monthly Annuity of 3 to 10 years*

Number of years (circle one) 3 4 5 6 7 8 9 10 Then select one:

- Check paid to you directly. (Skip to section 9.4 and select Direct Payment.)
- Rollover to CalSTRS Pension2. (Skip to section 9.4, select Rollover, then go to section 9.4.1.)
- Rollover to another qualified plan with a financial institution. (Skip to section 9.4, select Rollover, then go to section 9.4.2.)

OR Lifetime Monthly Annuity* If you elected the **Member-Only Benefit** on page 8, you have one choice:

Member-Only Annuity

If you elected the **Modified Benefit** on page 8, you have three choices. Choose one:

100% Beneficiary Annuity 75% Beneficiary Annuity 50% Beneficiary Annuity

***The Lifetime Monthly Annuity and Period-Certain Annuity of 10 years are not eligible for a rollover. See section 8.3 for tax withholding preferences.**

Section 9.2 **Defined Benefit Supplement Election—Coverage A** (Disability Allowance Benefit)

If you made retirement contributions to CalSTRS on or after January 1, 2001, you have a **Defined Benefit Supplement** account with CalSTRS. If your Defined Benefit Supplement account balance is:

- **Under \$3,500**, you must take a lump-sum payment. Mark the lump-sum payment box below.
- **\$3,500 or more**, you have choices about how to receive your funds.

Defined Benefit Supplement Choices

NOTE: If you are applying for disability benefits only, your Defined Benefit Supplement funds will not be paid out until your *Disability Benefits Application* has been approved.

You have three payment choices for your Defined Benefit Supplement account. **Choose only one.**

1. Lump-Sum Payment or Rollover You have two choices. Select one:

- Check paid to you directly. (Skip to section 9.4 and select Direct Payment.)
- Rollover to CalSTRS Pension2. (Skip to section 9.4, select Rollover, then go to section 9.4.1.)
- Rollover to another qualified plan with a financial institution. (Skip to section 9.4, select Rollover, then go to section 9.4.2.)

2. Annuity Payment You have two choices. Select one:

Period-Certain Monthly Annuity of 3 to 10 years*

Number of years (*circle one*) 3 4 5 6 7 8 9 10

- Check paid to you directly. (Skip to section 9.4 and select Direct Payment.)
- Rollover to CalSTRS Pension2. (Skip to section 9.4, select Rollover, then go to section 9.4.1)
- Rollover to another qualified plan with a financial institution. (Skip to section 9.4, select Rollover, then go to section 9.4.2.)

OR

Lifetime Monthly Annuity*

3. Combination Lump Sum *and* Annuity. After your lump-sum payment, at least \$3,500 must remain in your Defined Benefit Supplement account to fund an annuity. Indicate your lump-sum payment amount and select one annuity.

\$ _____ Lump-Sum Amount

- Check paid to you directly. (Skip to section 9.4 and select Direct Payment.)
- Rollover to CalSTRS Pension2. (Skip to section 9.4, select Rollover, then go to section 9.4.1.)
- Rollover to another qualified plan with a financial institution. (Skip to section 9.4, select Rollover, then go to section 9.4.2.)

Annuity (choose one):

Period-Certain Monthly Annuity of 3 to 10 years*

Number of years (*circle one*) 3 4 5 6 7 8 9 10

- Check paid to you directly. (Skip to section 9.4 and select Direct Payment.)
- Rollover to CalSTRS Pension2. (Skip to section 9.4, select Rollover, then go to section 9.4.1.)
- Rollover to another qualified plan with a financial institution. (Skip to section 9.4, select Rollover, then go to section 9.4.2.)

OR

Lifetime Monthly Annuity*

***The Period-Certain Annuity of 10 years and the Lifetime Monthly Annuity are not eligible for a rollover. See Section 8.3 for tax withholding preferences.**

Section 9.3 Defined Benefit Supplement Election—Coverage B (Disability Retirement Benefit)

If you made retirement contributions to CalSTRS on or after January 1, 2001, you have a **Defined Benefit Supplement** account with CalSTRS. If your Defined Benefit Supplement account balance is:

- **Under \$3,500**, you must take a lump-sum payment. Mark the lump-sum payment box below.
- **\$3,500 or more**, you have choices about how to receive your funds.

Defined Benefit Supplement Choices

You have **three payment choices** for your Defined Benefit Supplement account. **Choose only one.**

1. Lump-Sum Payment or Rollover You have three choices. Choose one:

- Check paid to you directly. (Skip to section 9.4 and select Direct Payment.)
- Rollover to CalSTRS Pension2. (Skip to section 9.4, select Rollover, then go to section 9.4.1.)
- Rollover to another qualified plan with a financial institution. (Skip to section 9.4, select Rollover, then go to section 9.4.2.)

2. Annuity Payment You have two choices. Choose one:

Period-Certain Monthly Annuity of 3 to 10 years*

Number of years (circle one) 3 4 5 6 7 8 9 10 Then select one:

- Check paid to you directly. (Skip to section 9.4 and select Direct Payment.)
- Rollover to CalSTRS Pension2. (Skip to section 9.4, select Rollover, then go to section 9.4.1.)
- Rollover to another qualified plan with a financial institution. (Skip to section 9.4, select Rollover, then go to section 9.4.2.)

OR Lifetime Monthly Annuity*

If you elected the **Member-Only Benefit** on page 9, you have one choice:

- Member-Only Annuity

If you elected the **Modified Benefit** on page 9, you have three choices. Select one:

- 100% Beneficiary Annuity
- 75% Beneficiary Annuity
- 50% Beneficiary Annuity

3. Combination Lump Sum and Annuity After your lump-sum payment, at least \$3,500 must remain in your Defined Benefit Supplement account to fund an annuity. Indicate your lump-sum payment amount and select one annuity.

\$ _____ **Lump-Sum Amount**

- Check paid to you directly. (Skip to section 9.4 and select Direct Payment.)
- Rollover to CalSTRS Pension2. (Skip to section 9.4, select Rollover, then go to section 9.4.1.)
- Rollover to another qualified plan with a financial institution. (Skip to section 9.4, select Rollover, then go to section 9.4.2.)

Annuity (choose one):

Period-Certain Monthly Annuity of 3 to 10 years*

Number of years (circle one) 3 4 5 6 7 8 9 10 Then select one:

- Check paid to you directly. (Skip to section 9.4 and select Direct Payment.)
- Rollover to CalSTRS Pension2. (Skip to section 9.4, select Rollover, then go to section 9.4.1.)
- Rollover to another qualified plan with a financial institution. (Skip to section 9.4, select Rollover, then go to section 9.4.2.)

OR Lifetime Monthly Annuity* If you elected the **Member-Only Benefit** on page 9, you have one choice:

- Member-Only Annuity

If you elected the **Modified Benefit** on page 9, you have three choices. **Select one:**

- 100% Beneficiary Annuity
- 75% Beneficiary Annuity
- 50% Beneficiary Annuity

***The Lifetime Monthly Annuity and Period-Certain Annuity of 10 years are not eligible for a rollover.**

See section 8.3 for tax withholding preferences.

Section 9.4 Defined Benefit Supplement Payment Instructions

I have received and read the *Special Tax Notice: Your Rollover Options* on pages 9–12 of the Disability Benefits Application Instructions. **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.** The 30-day waiting period has been met or I waive the 30-day period. Indicate below if you want to receive your Defined Benefit Supplement distribution as a direct payment or a rollover. **Select one:**

- Direct Payment:** I choose to have my Defined Benefit Supplement distribution paid directly to me. (Skip to section 9.5.)
- OR**
- Rollover:** I choose to roll over all or part of my Defined Benefit Supplement distribution to a qualified plan with a financial institution. I understand that only lump-sum payments and period-certain annuities of three to nine years are eligible for a rollover. I have completed the information below. **NOTE:** *Any amount not designated for rollover will be mailed directly to me. See section 9.5, Direct Payment and mark the appropriate box for your tax withholding preferences.*

Section 9.4.1 Rollovers to Pension2 (Does Not Require a Financial Institution Signature)

Complete this section if your rollover is to CalSTRS Pension2.

I choose to roll over all or part of my Defined Benefit Supplement distribution to CalSTRS Pension2. Only lump-sum payments and period-certain annuities of three to nine years are eligible for a rollover. Complete the information below. If you already have a Pension2 account, we will roll over your Defined Benefit Supplement 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 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 CalSTRS.com/Pension2 or call 888-394-2060.

Rollover of Tax-Deferred Contributions and Interest

I elect to roll over my tax-deferred contributions and interest to CalSTRS Pension2.

Select one: Amount to transfer \$ _____ **OR** Percentage to transfer _____ (indicate 1%-100%)

Rollover of After-Tax Contributions

I elect to roll over my after-tax contributions to CalSTRS Pension2.

Select one: Amount to transfer \$ _____ **OR** Percentage to transfer _____ (indicate 1%-100%)

Next: If you:

- Chose to **roll over 100 percent** of your Defined Benefit Supplement account to CalSTRS Pension2, **skip to section 10.**
- Chose to **roll over less than 100 percent** of your Defined Benefit Supplement account, **go to section 9.5** 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 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- and back-end load fees.
- Services, planning tools and a team to help you succeed.

To learn more, go to Pension2.com, call toll free 888-394-2060 or email Pension2@CalSTRS.com.

Section 9.4.2 Rollovers to Another Qualified Plan With a Financial Institution (Requires Your Financial Institution's Signature)

Complete this section if your rollover is to another qualified plan with a financial institution. If you roll over your Defined Benefit Supplement funds to an institution other than CalSTRS Pension2, you must obtain original signatures from your financial institution.

Rollover of Tax-Deferred Contributions and Interest

I elect to roll over my tax-deferred contributions and interest to one of the plans below.

Select one: Amount to transfer \$ _____ **OR** Percentage to transfer _____ (indicate 1%–100%)

Select one: Traditional, SEP or SIMPLE IRA Other eligible plan (403(b), 457(b), 401(k) or 401(a))
 Roth account (taxable rollover)

Financial Institution Information (All information is required.)

Account Number	Make Check Payable to (Full Name of Financial Institution)
Payment Mailing Address	City
	State ZIP Code
Name of Financial Institution's Representative	Telephone

Certification: My signature below confirms the account number for the individual named at the top of this page. As a representative of the financial institution or plan named above, I certify that this institution or plan agrees to accept the funds described above as a direct trustee-to-trustee transfer from CalSTRS for deposit into a qualified IRA or other eligible plan as defined in the Internal Revenue Code. I understand that my signature below authorizes the transfer of CalSTRS funds as indicated above.

Financial Institution Representative's Signature	Signature Date (MM/DD/YYYY)
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Rollover of After-Tax Contributions

I elect to roll over my after-tax contributions to one of the plans listed below (not applicable for most accounts).

Select one: Amount to transfer \$ _____ **OR** Percentage to transfer _____ (indicate 1%–100%)

Select one: Traditional or SEP IRA Other eligible plan (403(b), 457(b), 401(k) or 401(a)) Roth account

Financial Institution Information (All information is required.)

Account Number	Make Check Payable to (Full Name of Financial Institution)
Payment Mailing Address	City
	State ZIP Code
Name of Financial Institution's Representative	Telephone

Certification: My signature below confirms the account number for the individual named at the top of this page. As a representative of the financial institution or plan named above, I certify that this institution or plan agrees to accept the funds described above as a direct trustee-to-trustee transfer from CalSTRS for deposit into a qualified IRA or other eligible plan as defined in the Internal Revenue Code. I understand that my signature below authorizes the transfer of CalSTRS funds as indicated above.

Financial Institution Representative's Signature	Signature Date (MM/DD/YYYY)
---	-----------------------------

Section 9.5 Defined Benefit Supplement Tax Withholding Preferences

When completing this section, remember that there are penalties for not paying enough tax during the year, either through withholding or estimated tax payments. You may be able to avoid paying quarterly estimated taxes by having enough state and federal tax withheld from your benefit payment. California does not tax benefits of nonresidents. If you don't live in California but think you may be liable for California state income tax, you may request us to withhold state income tax.

Direct Payment Lump Sum and Period-Certain Annuities of 3 to 9 Years

Federal law requires CalSTRS to withhold to 20 percent 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.

Under state law, you can choose not to have any state tax withholding. If you're a California resident and make no elections, we will withhold state tax at 2 percent.

Withhold California state income tax? Yes No

Lifetime Monthly Annuity and Period-Certain Annuity of 10 Years

If you do not provide specific instructions in the section below, CalSTRS will withhold state and federal income tax from your payment based on rates for a married person claiming three withholding allowances. If you do not provide specific instructions on state tax withholding and you provided a non-California address on your application, we will assume you are not a California resident and so we will not withhold state income tax.

CALIFORNIA STATE INCOME TAX WITHHOLDING

Do not withhold California state income tax.

OR

Withhold California state income tax.

Withhold only \$ _____ from each benefit payment. (Enter a flat dollar amount only. Do not enter a percentage.)

OR

Withhold California state income tax based on the tax tables for (choose one):

Married with _____
(Enter 0 or number of allowances.)

Single with _____
(Enter 0 or number of allowances.)

Head of household with _____
(Enter 0 or number of allowances.)

Additional withholding: \$ _____

from each benefit payment in addition to the amount to be withheld based on state tax tables. (You cannot enter an amount without selecting one of the above options. Enter a dollar amount only.)

FEDERAL INCOME TAX WITHHOLDING

Do not withhold federal income tax.

OR

Withhold federal income tax based on the tax tables for (choose one):

Married with _____
(Enter 0 or number of allowances.)

Single with _____
(Enter 0 or number of allowances.)

Additional withholding: \$ _____

from each benefit payment in addition to the amount to be withheld based on federal tax tables. (You cannot enter an amount without selecting one of the above options. Enter a dollar amount only.)

NOTE: A flat amount cannot be withheld for federal income tax, unless you also withhold according to the federal tax tables.

Section 10: Required Signatures

Check all that apply to your current and 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 attached 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.

Member's Signature

I certify that I have read the Disability Benefits Application Instructions and the booklet, *Your Disability Benefits Guide*, and I am applying for a disability benefit and/or service retirement. If I applied for service retirement while my disability application is being evaluated, I fully understand that if my properly completed, signed and dated retirement application is approved by CalSTRS and verified by my employer, I will be officially retired as of my requested retirement date. In addition, I waive my right to the 30-day notice period for a Defined Benefit Supplement distribution direct payment or rollover (sections 9.1, 9.2, 9.3 and 9.4.)

I understand the 180 calendar day separation-from-service requirement, the annual earnings limit and the consequences of both, if I return to work after retirement and perform retired member activities.

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).



Member's Signature

Signature Date (MM/DD/YYYY)



Current Spouse's or Registered Domestic Partner's Signature

Signature Date (MM/DD/YYYY)

NOTE: Signature dates can be no earlier than six months before your requested retirement date.

Submitting Your Application

Submit pages 1–17 of your *Disability Benefits Application*. You'll also need to submit the *Justification for Non-Signature of Spouse or Registered Domestic Partner* form, if required. Remember to sign and date your application and other forms. Keep a copy for your records. If you fax your application, keep the confirmation page. We are unable to call and confirm receipt of your faxed application.

Hand Delivery

Hand deliver to a local CalSTRS office. Find one at CalSTRS.com/forms-drop.

Fax Delivery

916-414-5784

Mail Your Application

CalSTRS
P.O. Box 15275, MS 43
Sacramento, CA 95851-0275

Overnight Delivery

If you are using a special mailing service such as UPS or FedEx, send your application to:
CalSTRS
Member Services
100 Waterfront Place
West Sacramento, CA 95605

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Direct Deposit Authorization—Instructions

Use this *Direct Deposit Authorization* form to enroll, change or cancel direct deposit for your CalSTRS payment. For faster processing, enroll and manage your direct deposit account online using your *myCalSTRS* account at CalSTRS.com.

SECTION 1—YOUR AUTHORIZATION

AUTHORIZE: By checking the AUTHORIZE box, signing and submitting this form, you are authorizing CalSTRS to transmit any benefit payments due by electronic funds transfer to the designated account. Check the AUTHORIZE box to enroll in direct deposit or to change an existing authorization.

Electronic payments to your designated account must meet NACHA requirements. The requirements are designed to comply with U.S. law and impose additional reporting requirements on all electronic payments, including direct deposits that directly involve a financial institution outside the territorial jurisdiction of the United States. Per the State Controller's requirements, if you receive your monthly benefit payment via direct deposit at a U.S. financial institution and then have the entire amount forwarded to a financial institution in another country, you will be issued a paper check in lieu of the direct deposit.

CANCEL: By checking the CANCEL box, signing and submitting this form, you are authorizing CalSTRS to cancel an existing direct deposit authorization.

YOUR INFORMATION

Provide your name, Client ID or SSN, mailing and email addresses, and telephone number. Then sign and date the form on the lines provided.

View and print your current and past benefit payment statements from your *myCalSTRS* account. (Cash Balance Benefit annuity payments are not available to view or print from *myCalSTRS*.)

If you want to receive statements by mail, you can choose to receive them twice a year—in February, with tax table changes, and in October, with the annual benefit adjustment—or every month by checking the appropriate box on the form.

SECTION 2—YOUR ACCOUNT INFORMATION

Checking Account Deposits: Select “Checking” box and attach a voided personal check to this authorization to assist us in verifying your account and routing numbers.

Savings Account Deposits: Select “Savings” box and provide your routing number and account number.

GENERAL INFORMATION

Mail your completed *Direct Deposit Authorization* form to: **CalSTRS, P.O. Box 15275, MS 85, Sacramento, CA 95851-0275** or fax to 916-414-5474.

Generally, your first payment will be deposited into your account within one to two pay periods after we receive the authorization.

To avoid delay in processing your payments, do not close your old account until your first payment is deposited into your new account.

Your direct deposit will continue to be deposited into your designated account until we are notified in writing using this form or online using your *myCalSTRS* account that you wish to change or cancel your direct deposit authorization.

To avoid delays in benefits or communications, promptly update changes to your mailing address online using your *myCalSTRS* account or the *Address Change Request* form, available at CalSTRS.com.

NOTE: The security of your CalSTRS account is important to us. When you make a change to your direct deposit information, we will send you a letter and an email confirming the change. You cannot opt out of receiving these notifications.

PRIVACY NOTICE

CalSTRS is authorized by California Education Code sections 24604 and 22450 to collect and use the information on this form for identification and enrollment processing for payment of benefits by direct deposit. The information collected will be disclosed to the State Controller's Office, an originating financial institution and the Federal Reserve Bank for the purpose mentioned. You must provide all information on this form. Failure to provide the mandatory information may result in non-enrollment of your direct deposit, or could cause the enrollment to be processed incorrectly. You have the right to review the file maintained on you by CalSTRS upon proper identification. Contact CalSTRS by calling 800-228-5453 or write to CalSTRS, P.O. Box 15275, MS 85, Sacramento, CA 95851-0275.

Direct Deposit Authorization

AS 1130 rev 01/17

CALSTRS

California State Teachers' Retirement System
P.O. Box 15275, MS 85
Sacramento, CA 95851-0275
800-228-5453
916-414-5474 fax
CalSTRS.com

Use this form to authorize CalSTRS to send your benefit payments electronically to your designated account, or to change or cancel your current direct deposit authorization. Print clearly in black or blue ink, then mail or fax your completed form to us. **For faster processing, enroll or manage your direct deposit authorization using your myCalSTRS account.**

Section 1: Your Authorization

I **AUTHORIZE** CalSTRS to directly deposit my benefit payments via electronic funds transfer in the account indicated below. I agree to receive my benefit payment statements (direct deposit advices) electronically unless I request otherwise. I certify that the entire payment amount of my direct deposit is not ultimately deposited into a financial institution outside of the U.S. 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/or a fine of up to \$5,000 (Education Code section 22010).

I **CANCEL** my direct deposit authorization. I understand that once my request is processed, I will receive my benefit payments by mail.

LAST, FIRST, INITIAL

CLIENT ID OR SSN

MAILING ADDRESS

TELEPHONE NUMBER

CITY, STATE AND ZIP CODE

EMAIL ADDRESS



SIGNATURE

SIGNATURE DATE (MM/DD/YYYY)

Your benefit payment statements, except for Cash Balance annuity payments, are provided on myCalSTRS.

To receive your statements by mail, select one:

- Mail my statement twice a year—in February, with tax table changes, and October, with the annual benefit adjustment.
- Mail my statement each month.

Section 2: Your Account Information (select one)

Checking: Attach a voided check from your financial institution here. (Do not attach a deposit slip.)

Savings: Routing Number _____ Account Number _____



AS1130

Justification for Non-Signature of Spouse or Registered Domestic Partner

MS 1125A rev 01/19

CALSTRS®

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

MEMBER'S NAME (LAST, FIRST, INITIAL)

CLIENT ID OR SOCIAL SECURITY NUMBER

As required by Education Code sections 22453 and 26703, the signature of the spouse or registered domestic partner of the CalSTRS member or participant is required on any form in which the CalSTRS member or participant makes a request related to the election, change or cancellation of a CalSTRS benefit, subject to the following exceptions. If you are married or registered as a domestic partner and your spouse or partner did not sign one or more of the forms identified in the "Documents Submitted" section, you must check the appropriate box indicating the reason your spouse or partner did not sign.

- I do not know and have taken all reasonable steps to determine the whereabouts of my spouse or registered domestic partner.
- My spouse or registered domestic partner is incapable of executing the acknowledgment because of an incapacitating mental or physical condition.
- My current spouse or registered domestic partner has no identifiable community property interest in the benefits.
- My spouse or registered domestic partner and I have executed a settlement agreement that makes the community property law inapplicable to the marriage or registered domestic partnership.
- My spouse or registered domestic partner has refused to sign the acknowledgment. Court action will be or has been initiated to enforce or waive the signature requirement for my spouse or registered domestic partner (Education Code sections 22454 and 26704). CalSTRS must have a certified copy of the court order before any benefits can be paid. Submit a certified copy of the court order when you receive it.

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).



MEMBER'S SIGNATURE

SIGNATURE DATE (MM/DD/YYYY)

Documents Submitted Check the appropriate box for each document you are submitting with this form.

- | | |
|---|--|
| <input type="checkbox"/> Service Retirement Application | <input type="checkbox"/> Add, Change or Cancel Option During Disability Retirement |
| <input type="checkbox"/> Reduced Benefit Election | <input type="checkbox"/> Add, Change or Cancel Option During Disability Retirement, Compound Option Election |
| <input type="checkbox"/> Refund Application | <input type="checkbox"/> Defined Benefit Supplement Termination Benefit Distribution Election |
| <input type="checkbox"/> Disability Benefits Application | <input type="checkbox"/> Defined Benefit Supplement Termination Benefit Election Change |
| <input type="checkbox"/> Preretirement Election of an Option | <input type="checkbox"/> Defined Benefit Supplement Application for Retired Members |
| <input type="checkbox"/> Preretirement Compound Option Election | <input type="checkbox"/> Cash Balance Retirement Benefit Application |
| <input type="checkbox"/> Compound Option Election | <input type="checkbox"/> Cash Balance Termination Benefit Application |
| <input type="checkbox"/> Service Retirement Application Change Request | <input type="checkbox"/> Cash Balance Disability Benefit Application |
| <input type="checkbox"/> Cancellation or Change of Option After Retirement (Dissolution of Marriage or Registered Domestic Partnership) | <input type="checkbox"/> Cash Balance Rollover Distribution |
| <input type="checkbox"/> Change of Option Beneficiary After Retirement | <input type="checkbox"/> Special Needs Trust Certification form |
| <input type="checkbox"/> Annuity Deposit Information | <input type="checkbox"/> Letter requesting a change |
| <input type="checkbox"/> Reinstatement After Retirement | |
| <input type="checkbox"/> Rollover of Limited-Term Disability Payments | |
| <input type="checkbox"/> Disability Allowance to Service Retirement Application | |

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Workers' Compensation Carrier Request for Information

(DS 1657 rev 12/17)

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

If you filed a workers' compensation claim for the impairment directly related to your *Disability Benefits Application*, this *Workers' Compensation Carrier Request for Information* form must be completed by your employer's workers' compensation carrier.

Member: Complete sections 1, 2 and 3 of this form and **send it directly to your workers' compensation carrier**. Your carrier will complete the second page and send the requested information to CalSTRS.

Workers' Compensation Carrier: Complete sections 4 and 5 of this form. Include copies of all reports for the claim numbers listed.

Section 1: Member Information

NAME (LAST, FIRST, INITIAL)

SOCIAL SECURITY NUMBER

DATE OF BIRTH (MM/DD/YYYY)

Section 2: Workers' Compensation Information

NAME OF WORKERS' COMPENSATION CARRIER

WORKERS' COMPENSATION CLAIM NUMBER

DATE OF INJURY

BODY PARTS

WORKERS' COMPENSATION CLAIM NUMBER

DATE OF INJURY

BODY PARTS

WORKERS' COMPENSATION CLAIM NUMBER

DATE OF INJURY

BODY PARTS

Section 3: Authorization to Release Workers' Compensation Information

The purpose of this authorization is to assist CalSTRS with determining my eligibility for receiving a CalSTRS disability benefit. I hereby authorize you to release to CalSTRS or its representatives any and all information, including photocopies of records in your possession, which CalSTRS requires solely to assist in determining my physical or mental impairment. This authorization remains valid during the entire period my application is being considered and/or I am receiving a disability benefit from CalSTRS.



Member's Signature to Authorize Release of Information to CalSTRS

Date Signed (MM/DD/YYYY)



DS1657

**Workers' Compensation Carrier
Request for Information** continued

Name _____ SSN _____

Section 4: To Be Completed By Workers' Compensation Carrier Insurance Carrier

	Claim 1	Claim 2	Claim 3
Claim Number	_____	_____	_____
Date of Injury	_____	_____	_____
Liability Accepted	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Condition P&S	_____	_____	_____
Body Parts	_____	_____	_____

IF LIABILITY IS NOT ACCEPTED, PROVIDE REASON. (INCLUDE CLAIM NUMBER)

IF CONDITION IS NOT PERMANENT AND STATIONARY, WHAT IS ESTIMATED DATE? (INCLUDE CLAIM NUMBER)

	Claim 1	Claim 2	Claim 3
Has Settlement Occurred?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Stipulated Award	_____ %	_____ %	_____ %
C&R	\$ _____	\$ _____	\$ _____
F&A	_____ %	_____ %	_____ %

	Claim 1	Claim 2	Claim 3
Further Exams Scheduled?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Appointment Date:	_____	_____	_____
	<input type="checkbox"/> QME <input type="checkbox"/> AME	<input type="checkbox"/> QME <input type="checkbox"/> AME	<input type="checkbox"/> QME <input type="checkbox"/> AME
Treating Physician:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Doctor's Name:	_____	_____	_____
Specialty:	_____	_____	_____

Section 5: Signature of Workers' Compensation Insurance Carrier

Representative's Signature:  _____

Date: _____

Print Name: _____

Phone Number: _____

Mail to: CalSTRS ▪ P. O. Box 15275, MS 43 ▪ Sacramento, CA 95851-0275 ▪ FAX 916-414-5040

Glossary

Age Factor

The percentage of your final compensation that you will receive as a retirement benefit for every year of service credit. The age factor is based on your age on the last day of the month in which your retirement is effective.

For CalSTRS 2% at 60 members, the age factor at age 60 is 2 percent. The age factor gradually decreases to 1.1 percent at age 50 if you retire before age 60, and increases to the maximum 2.40 percent at age 63 if you retire after age 60. For example, if you retire at age 60 and have 20 years of service, you will receive 2 percent (your age factor at age 60) of your final compensation multiplied by the 20 years of service credit, or 40 percent of your final compensation (2 percent x 20).

For CalSTRS 2% at 62 members, the age factor at age 62 is 2 percent. The age factor gradually decreases to 1.16 percent at age 55 if you retire before age 62 and increases to the maximum 2.40 percent at age 65 if you retire after age 62.

Annual Benefit Adjustment

An automatic annual increase to your monthly benefit. The increase is effective September 1 of each year after the first anniversary of your benefit effective date and appears on your October 1 payment. Annual benefit adjustments are calculated at 2 percent of your initial benefit. The increase is not compounded or linked to inflation.

Benefit Formula (Service Retirement)

For the Member-Only Benefit, the formula is service credit x age factor x final compensation. If choosing an option, multiply the Member-Only Benefit by the appropriate option factor.

Benefit Formula (Disability Coverage A or B)

For the Member-Only disability benefit, the formula is generally 50 percent of your final compensation.

Client ID

A CalSTRS randomly generated number used to identify members. CalSTRS uses it instead of your Social Security number to secure your identity. Your Client ID can be found on your *Retirement Progress Report*.

Compensation Earnable

Creditable compensation you could earn in a school year for creditable service performed full time not including service for which contributions are credited to your Defined Benefit Supplement account.

Comparable Level Position

Any job in which you can earn 66⅔ percent or more of indexed final compensation.

Coverage A

Coverage A disability and survivor benefit programs were available to new members until October 15, 1992. Coverage A is mandatory for all members of the Defined Benefit Program who were receiving a disability or service retirement benefit on or before October 15, 1992. Members who were not receiving a benefit on or before that date could retain this coverage or elect Coverage B.

Coverage B

The disability and survivor benefit programs for new members after October 15, 1992, or who previously had Coverage A and elected Coverage B.

Defined Benefit Supplement Program

A supplemental benefit program with benefits based on contributions and interest credited to your account. Contributions from earnings for service performed in excess of one year go into your Defined Benefit Supplement account.

For 2% at 60 members, contributions for earnings for limited-term payments or retirement incentives also go into your Defined Benefit Supplemental account. From January 1, 2001, to December 31, 2010, funds also came from 25 percent of your monthly CalSTRS contribution.

Disability or Disabled

A medically determinable physical or mental impairment that is permanent or that can be expected to last continuously for at least 12 months. The disability must prevent you from performing your usual duties with reasonable accommodation or the duties of a comparable level for which you are qualified or can become qualified by education, training or experience. You may apply for disability while still employed. Any impairment from a willful self-inflicted injury does not constitute a disability.

Earnings Limits

The amount a disabled or retired Defined Benefit member or Cash Balance annuitant may earn from employment in a month or year without a reduction in the CalSTRS benefit. The earnings limits are different for disabled and retired members and participants, and may be adjusted each year by the Teachers' Retirement Board.

Final Compensation

The highest average annual compensation earned or earnable during a specified period of CalSTRS-covered paid employment.

For members under the 2% at 60 benefit structure, the period is 12 consecutive months if you have at least 25 years of service credit. If you have fewer than 25

years of service credit, the period is 36 consecutive months. For members under the 2% at 62 benefit structure, the period is 36 consecutive months.

Indexed Final Compensation

The final compensation used to determine your disability benefits, multiplied by the indexed final compensation factor, based on the year of your initial benefit.

Member

You are a member if you have been credited with service in the Defined Benefit Program and have not received a refund for that service.

Member-Only Benefit

The highest monthly benefit you can receive when you retire for service or disability before any reduction to provide for an option beneficiary.

Normal Retirement Age

For 2% at 60 members, normal retirement age is 60. For 2% at 62 members, normal retirement age is 62.

One-Time Death Benefit

A one-time benefit paid to your designated recipients (may be persons, an estate, trust, charity, corporation or other entity) after you die.

Option

Plan feature that allows you to distribute your retirement benefit over your lifetime and the lifetimes of other people or a designated special needs trust.

Option Beneficiary

The person or special needs trust you name to receive a lifetime monthly benefit after your death.

Projected Final Compensation

The final compensation used to determine your disability or survivor benefit under Coverage A, increased by 2 percent,

compounded annually, to the earlier of age 60 or the date the disability benefit is terminated.

Projected Service

Service credit plus the service you would have earned to age 60 (or termination of the disability benefit, whichever comes first) had you continued to work and receive service credit at the same rate as the highest of any one of the three school years immediately preceding your death or the date your disability benefit began to accrue under Coverage A.

Reasonable Accommodation

Federal and state laws give you the right to request accommodation that would allow you to continue working and obligate employers to make a good faith effort to accommodate these requests. Before making a final decision on your application for disability benefits, CalSTRS may require you to pursue a request for reasonable accommodation. This would enable you to continue employment in your same position, or in one with comparable responsibilities. Reasonable accommodation could be accomplished by changing the duties of your position or reassigning you to alternate duties you are qualified to perform through modification of your work site or other measures.

Recipient

The beneficiary you name to receive your one-time death benefit.

Retirement Progress Report

An annual report for active and inactive members that includes:

- A summary of Defined Benefit, Defined Benefit Supplement and Cash Balance Benefit program transactions during the prior year.
- Accumulated service credit.
- Contribution and interest balances.

- Any excess member contributions made during the year.
- Death benefit recipient and beneficiary information.
- Two projections of your retirement benefit if you are at least age 45.

Service Credit

Accumulated period in years, including partial years, for which you earned creditable compensation and made contributions under the CalSTRS Defined Benefit Program. Your service credit is one of the factors used to determine your eligibility for benefits payable under the Defined Benefit Program. Service credit cannot exceed 1.00 in any given school year.

Service Retirement During Evaluation of a Disability Application

If you are applying for a disability benefit, you may be eligible to receive a service retirement benefit while CalSTRS evaluates your application for disability benefits. This will enable you to receive monthly retirement income while awaiting the determination. You can receive only one benefit at a time. You will not be eligible for the Reduced Benefit Election.

Subrogation

A right of recovery available to CalSTRS when a disability retirement benefit, disability allowance, family allowance or survivor benefit is payable due to the injury or death of the member and the injury or death is the proximate consequence of the act of a third person or entity.

CalSTRS Resources



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95851-0275



VISIT

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