

# Your Retirement Formula: How It Works

## CalSTRS 2% at 60

Faye is a first-grade teacher with 29 years of service credit. She just turned 58, and though not in a hurry to retire, she's been thinking more about retirement lately. Her monthly pay is \$4,708.

Here are three examples for her retirement benefit calculation, not including any sick leave she may have that will be converted to service credit at retirement, and assuming her pay stays the same.

If Faye retires with at least 30 years of service credit, a 0.2 percent career factor will be added to her age factor, up to a maximum age factor of 2.4 percent.

### EXAMPLE 1

If Faye were to retire today, her monthly retirement benefit would be:

|                |   |            |   |                    |   |                    |
|----------------|---|------------|---|--------------------|---|--------------------|
| 29             | x | 1.76%      | x | \$4,708            | = | \$2,403            |
| service credit |   | age factor |   | final compensation |   | retirement benefit |

### EXAMPLE 2

If she continued working until her 60th birthday, she would qualify for the career factor. Her monthly retirement benefit would be:

|                |   |                                  |   |                    |   |                    |
|----------------|---|----------------------------------|---|--------------------|---|--------------------|
| 31             | x | 2.2%                             | x | \$4,708            | = | \$3,211            |
| service credit |   | age factor<br>+<br>career factor |   | final compensation |   | retirement benefit |

### EXAMPLE 3

If she continued working until her 62nd birthday, she would be eligible for the maximum combined age factor and career factor of 2.40 percent, giving her a monthly retirement benefit of:

|                |   |                                  |   |                    |   |                    |
|----------------|---|----------------------------------|---|--------------------|---|--------------------|
| 33             | x | 2.4%                             | x | \$4,708            | = | \$3,729            |
| service credit |   | age factor<br>+<br>career factor |   | final compensation |   | retirement benefit |

## CalSTRS 2% at 62

Bill was first hired to teach high school chemistry in March 2013, so he falls under the CalSTRS 2% at 62 benefit structure. He is 30 years old and would like to retire at age 62 or later. Under CalSTRS 2% at 62, there is no career factor or one-year final compensation benefit enhancement.

### EXAMPLE 1

If Bill continues working until his 62nd birthday, he would be eligible for the age factor of 2 percent. If his final compensation is \$5,100, his monthly retirement benefit would be:

|                |   |            |   |                    |   |                    |
|----------------|---|------------|---|--------------------|---|--------------------|
| 32             | x | 2%         | x | \$5,100            | = | \$3,264            |
| service credit |   | age factor |   | final compensation |   | retirement benefit |

### EXAMPLE 2

If Bill continues working until he turns 65, he would be eligible for the maximum age factor of 2.4 percent. If his final compensation was still \$5,100, his monthly retirement benefit would be:

|                |   |            |   |                    |   |                    |
|----------------|---|------------|---|--------------------|---|--------------------|
| 35             | x | 2.4%       | x | \$5,100            | = | \$4,284            |
| service credit |   | age factor |   | final compensation |   | retirement benefit |

- Find the "Age Factor" and "Career Factor" tables on pages 71–72.

# Your Retirement Benefit

As a Defined Benefit member, your retirement benefit is based on the following formula providing a fixed percentage of your final compensation determined as of the age you retire and your years of service: **service credit x age factor x final compensation**

## Ways to Increase Your Benefit

You can increase your retirement benefit by increasing one or more of the elements in the retirement benefit calculation formula. For instance, you can increase your service credit by working longer, purchasing permissive service credit or redepositing a service credit refund. In addition, by working longer and retiring later, you could increase your age factor up to a maximum of 2.4 percent.

- See "Benefit Enhancements," page 62.

## Service Credit

Service credit is the accumulated period of time, in years and partial years, during which you receive creditable compensation and make contributions to the Defined Benefit Program. You may also receive service credit for creditable compensation for certain employer-approved leaves of absence. Permissive service credit may be purchased under certain circumstances.

- See "Purchasing Service Credit," page 59.

## How Service Credit Is Calculated

Service credit for one school year is earned proportionally, based on the creditable compensation you earn, not including compensation for which contributions are credited to your Defined Benefit Supplement account, divided by the compensation that is earnable for full-time service in that position.

- See "Benefits for Part-Time Educators," page 31.

## Outgrowth Assignments

If you perform outgrowth assignments, or extra-pay assignments, for school activities related to—and an outgrowth of—your school's instructional or guidance program, you will earn service credit in addition to the service credit you earn for your regular position. These extra-pay assignments may include yearbook or science club adviser, soccer coach or band director. Sixteen percent—you and your employer each contribute 8 percent—of your earnings for service that exceeds one full year of service credit, up to the compensation cap, will be credited to your Defined Benefit Supplement account at the end of the fiscal year. Under the CalSTRS Funding Plan, your employer is responsible for returning any contributions that you make in excess of 8 percent.

- See "Return of Excess Contributions," page 25.

## Estimating Benefits

Estimate your retirement benefit using the Benefit Estimate Worksheet on page 70 or the *Retirement Benefits Calculator* at CalSTRS.com. The calculation for your service retirement benefit is different if you reinstated after receiving a service retirement or a disability benefit. See page 87 or contact us to learn more.

See your most recent *Retirement Progress Report* for your service credit total balance.

## One-Time Death Benefit

Designate a recipient for the one-time death benefit using your *myCalSTRS* account or the *Recipient Designation* form. The amount of this benefit depends on your coverage, and if you die before or after you retire. See "Your Survivor Benefits," page 89, to learn more.



You cannot receive more than one year of service credit for any one school year. If you perform more than one year of service, 8 percent of your and your employer's contributions will be credited to your Defined Benefit Supplement account, up to the compensation cap. The remaining excess contributions will be returned to you by your employer.

## Multiple Positions/Additional Assignments

If you're employed in multiple positions for one or more CalSTRS employers or if you perform additional assignments during the school year, you may perform more than one year of service in a school year. CalSTRS determines if you performed service in excess of one year at the end of the school year. If you did perform service in excess of one year in a school year, your Defined Benefit account will be credited with one year of service credit at the highest pay rates you earned during that year. The contributions made by you and your employer for that service will remain in your Defined Benefit account. Eight percent of the contributions made by you and your employer for service performed in excess of one year will be transferred to your Defined Benefit Supplement account, up to the compensation cap.

CalSTRS will return any member contributions in excess of 8 percent you made during the school year for the service performed in excess of one year to your employer in late September. Your employer is responsible for returning any excess member contributions to you. To determine if you have excess contributions that should be returned to you, see your *Retirement Progress Report*. Your *myCalSTRS* account provides a breakdown of excess contributions by employer.

- See "Consider Final Compensation If Working in Multiple Positions," pages 33–34, and "Mid-Year Retirement," page 62.

## Compensation for Excess Service

The compensation for service in excess of one year that is transferred to your Defined Benefit Supplement account is not used to determine your highest average annual compensation earnable when calculating final compensation. This is because final compensation is not based on total earnings but on compensation credited to the Defined Benefit Program. If your employer adjusts your reported earnings after the school year ends, your Defined Benefit and Defined Benefit Supplement account balances may be adjusted resulting in a change to your average annual compensation earnable and final compensation.

## Converting Unused Sick Leave to Service Credit

At service retirement, CalSTRS will convert your unused sick leave to additional service credit based on the information your employer provides on the *Express Benefit Report* form. As soon as you change employers during your career, coordinate with your former employer to arrange for the transfer of your accumulated unused sick leave to your new employer. If you cash out your accumulated sick leave, it is not creditable to CalSTRS.

For retirements effective on or after January 1, 2013, each of your employers during the last school year in which you earned creditable compensation can submit the *Express Benefit Report* form if your unused sick leave was not already transferred between districts. Employers are required to submit the *Express Benefit Report* within 30 days of your benefit effective date or the date we receive your *Service Retirement Application*, whichever is later. For retirements effective before January 1, 2013, only your last employer can report unused sick leave by submitting the *Express Benefit Report* form.

If you're employed full time as an educator, sick leave credit is calculated by dividing the number of accumulated unused sick leave days, as certified by your employer, by the number of base service days required to complete the last school term:

$$\frac{\text{accumulated days of unused sick leave}}{\text{number of base days for full-time service}} = \text{service credit granted}$$

Base service days equal the number of days of service your employer requires your class of employees to perform in a school year for full-time service during your final year of creditable

service. The base service days cannot be fewer than 175 days. If you're employed part time, the base service days are calculated based on the full-time equivalent.

Sick leave service credit cannot be used to meet eligibility requirements for service retirement. However, under CalSTRS 2% at 60, up to two-tenths of one year of unused sick leave may be used to qualify for the career factor, which is given for 30 or more years of service, as well as the 25-year threshold for one-year final compensation and an increased longevity bonus, if you qualified for the longevity bonus on or before December 31, 2010.

## Purchasing Service Credit

There are two main types of service credit you may be eligible to purchase: redeposit and permissive service. (The California Public Employees' Pension Reform Act of 2013 eliminated the ability to purchase nonqualified service credit, also known as air time.)

### Redeposit

You can purchase the service credit you lost when you left CalSTRS-covered employment, took a refund of your contributions and interest, and then returned to a CalSTRS-covered position—or are a member of certain other public retirement systems—by redepositing the funds with interest. You cannot redeposit Defined Benefit Supplement distributions.

- See “Redepositing to Restore Service Credit,” page 28.

### Permissive Service

You may be eligible to purchase permissive service credit for certain types of employer-approved leaves or service not previously credited to CalSTRS, including:

- Creditable service performed after a Defined Benefit refund and before reinstating as a CalSTRS member. Typically this is part-time or substitute teaching service in the California public school system for which you did not earn service credit.
- Prior service covered under the CalSTRS Cash Balance Benefit Program.
- Time spent on a qualifying employer-approved leave of absence or sabbatical for which you did not make retirement contributions to CalSTRS.
- Certain active military leave.
- University of California or California State University teaching service not credited or purchasable under another retirement system.
- Employer-approved maternity or paternity leave, up to 24 months.
- Out-of-state or foreign school service performed in a public education institution.
- Employer-approved leave under the federal Family and Medical Leave Act or the California Family Rights Act.
- Service in the Fulbright Teacher Exchange Program.
- Certificated teaching in a child care center, or teaching in a school for the blind or deaf or Native American school in California.

You may purchase a portion, rather than all, of the permissive service you have available. However, you cannot purchase service credit if you have received, or are eligible to receive, credit for the service in another public retirement system. You must complete payment for the service credit before your retirement date.

## Benefits for Qualified Uniformed Service

Under the federal Uniformed Services Employment and Reemployment Rights Act of 1994, you have a right to receive credit toward your eligibility for CalSTRS benefits for the period of your uniformed service if you return to work in an eligible position for the same CalSTRS employer you had immediately before your service.

See the *Uniformed Services Employment and Reemployment Rights Act* fact sheet at [CalSTRS.com/publications](http://CalSTRS.com/publications) to learn more.

## Estimating the Cost of Permissive Service Credit

The cost to purchase permissive service credit depends on your age and your highest annual compensation earnable during your last three years of employment. As of January 1, 2014, the contribution rates for purchasing service credit are assigned to each age, instead of by age group. You can estimate the cost to purchase permissive service credit online at [CalSTRS.com/calculators](http://CalSTRS.com/calculators). If you're an inactive member, the online estimates may not be accurate, so please call us for assistance.

To manually calculate your cost, you'll find the contribution rates by age on the right.

Compare the cost to purchase service credit with the increase it would provide to your lifetime retirement income at [CalSTRS.com/calculators](http://CalSTRS.com/calculators) or contact us for help.

- See the *Purchase Additional Service Credit* booklet for additional information at [CalSTRS.com](http://CalSTRS.com).

To manually estimate your cost to purchase service credit:

1. Multiply the amount of service credit (years) you want to purchase by the contribution rate for your age.
2. Multiply the result by your highest annual compensation earnable during the last three years.

| Permissive Service Credit Contribution Rates |                  |                  |
|--|------------------|------------------|
| Age  | CalSTRS 2% at 60 | CalSTRS 2% at 62 |
| Under 28                                     | 21.0%            | 18.1%            |
| 28   | 21.3             | 18.5             |
| 29   | 21.4             | 18.6             |
| 30   | 21.5             | 18.7             |
| 31   | 21.6             | 18.8             |
| 32   | 21.7             | 18.9             |
| 33   | 21.8             | 19.0             |
| 34   | 21.9             | 19.1             |
| 35   | 22.0             | 19.2             |
| 36   | 22.1             | 19.3             |
| 37   | 22.2             | 19.4             |
| 38   | 22.3             | 19.5             |
| 39   | 22.4             | 19.6             |
| 40   | 22.5             | 19.7             |
| 41   | 22.7             | 19.8             |
| 42   | 22.8             | 19.9             |
| 43   | 23.0             | 20.0             |
| 44   | 23.2             | 20.2             |
| 45   | 23.5             | 20.4             |
| 46   | 23.9             | 20.7             |
| 47   | 24.3             | 21.0             |
| 48   | 24.7             | 21.3             |
| 49   | 25.2             | 21.7             |
| 50   | 25.6             | 22.1             |
| 51   | 26.0             | 22.6             |
| 52   | 26.7             | 23.1             |
| 53   | 27.2             | 23.6             |
| 54   | 27.8             | 24.1             |
| 55   | 28.3             | 24.5             |
| 56   | 29.0             | 25.1             |
| 57   | 29.7             | 25.8             |
| 58   | 30.4             | 26.4             |
| 59   | 31.1             | 26.9             |
| 60   | 31.8             | 27.6             |
| 61   | 32.5             | 28.3             |
| 62   | 33.1             | 29.0             |
| 63   | 33.5             | 29.8             |
| 64   | 32.9             | 31.1             |
| 65   | 32.3             | 31.6             |
| 66   | 31.7             | 31.0             |
| 67   | 30.9             | 30.3             |
| 68   | 30.3             | 29.7             |
| 69   | 29.5             | 29.0             |
| 70   | 28.7             | 28.3             |
| 71   | 28.0             | 27.5             |
| 72   | 27.2             | 26.8             |
| 73 and older                                 | 25.2             | 24.8             |

\*These rates are effective July 1, 2017. Rates may be adjusted each July 1. The new rates are available in spring at [CalSTRS.com](http://CalSTRS.com).

## Age Factor

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

If you're a CalSTRS 2% at 60 member, the basic age factor is set at 2 percent at age 60. If you retire before age 60, the age factor gradually decreases to 1.1 percent at age 50. If you retire after age 60, it increases to a maximum of 2.4 percent at age 63. If you qualify for the 0.2 percent career factor by having at least 30 years of service credit, you reach the maximum age factor of 2.4 percent at age 61 and six months.

- **CalSTRS 2% at 62:** The basic age factor is set at 2 percent at age 62. If you retire before age 62, it gradually decreases to 1.16 percent at age 55 and increases to a maximum of 2.4 percent at age 65. There is no career factor benefit enhancement.
- See the Age Factor Tables, pages 71–72.

## Final Compensation

If you're a CalSTRS 2% at 60 member and have fewer than 25 years of service credit—and you're not an eligible classroom teacher with a collectively bargained for 12-consecutive-month final compensation—your final compensation is based on your highest average annual compensation earnable during any period of 36 consecutive months of paid employment covered by CalSTRS.

If you're an eligible classroom teacher under the CalSTRS 2% at 60 benefit structure with fewer than 25 years of service credit, CalSTRS may use 12 consecutive months of your highest average annual compensation earnable to determine your final compensation if your written collective bargaining agreement specifically provides for it and all costs are paid by your employer or you, or both. The 12-consecutive-month final compensation calculation cannot be bargained for in any collective bargaining agreement that is entered into, renewed, amended or extended on or after January 1, 2014.

If you retire with 25 or more years of service credit under the 2% at 60 benefit structure, CalSTRS uses your highest average annual compensation earnable during any period of 12 consecutive months as the final compensation component in your retirement calculation, which for most people is one school year. Unused sick leave in excess of two-tenths of one year, nonqualified service credit and retirement incentive credit cannot be used to qualify for the 25 years.

Nonconsecutive final compensation is available if your salary was reduced due to a reduction in school funds. Upon certification from your employer, we can use nonconsecutive periods of time to determine your final compensation over 36 months.

If you earn creditable compensation at more than one pay rate and earn less than 0.900 years of service at the highest rate, your final compensation is equal to the sum of your earnings for which contributions were credited to your Defined Benefit account, divided by the sum of your service credit earned during the final compensation period.

We will automatically determine your final compensation by searching your past 15 years of records. In some cases, it may be to your benefit to designate an earlier period of time as your final compensation period if your compensation was higher more than 15 years ago.

## 2% Age Factor

The 2 percent refers to the percentage of your final compensation you'll receive as a retirement benefit for every year of service credit, also known as the age factor. For example, if you're a 2% at 60 member retiring at age 60 or a 2% at 62 member retiring at age 62, your age factor is 2 percent—you'll receive a benefit equal to 2 percent of your final compensation for every year you work.

For example, if you work 25 years, you'll receive an annual benefit of 50 percent (2% X 25) of your final compensation. The age factor is less if you retire at an earlier age and is more if you retire at a later age, up to 2.4 percent. For 2% at 60 members, the age factor is increased by 0.2 percent if you earn 30 years of service, up to 2.4 percent.

If you have earned creditable compensation at multiple pay rates during a school year and your service credit at the highest pay rate is equal to at least 90 percent of a school year, then your final compensation will be determined as if all service for that school year had been earned at that pay rate.

- **CalSTRS 2% at 62:** Your final compensation is based on your highest average annual compensation earnable during any 36 consecutive months, and you're not eligible for the one-year final compensation benefit enhancement.

In addition, there is a cap on compensation that counts toward your CalSTRS retirement benefit. The cap is adjusted annually for changes in the Consumer Price Index for All Urban Consumers: U.S. City Average. The 2017–18 cap is \$143,082.

## Compensation Earnable

Your annual compensation earnable for a school year is based on the gross monthly pay you could have earned for creditable service performed full time. If you plan to retire before the end of the school year, your compensation earnable for the year will be prorated to your retirement date. See page 34 if you're working in multiple positions.

## Multiple Assignments

Additional assignments at a lower pay rate may lower your benefit if you perform less than 90 percent of a full year of service credit at your highest pay rate in any of the school years used to calculate your final compensation. This is because when you earn creditable compensation at multiple pay rates and don't earn at least 0.900 years of service at the highest pay rate, your annual compensation is calculated based on the creditable compensation paid in that year divided by the service credit for that year.

## Mid-Year Retirement

If you retire in the middle of the school year, your final compensation may be lower than expected if your highest average annual compensation earnable includes your last year of service. When calculating a mid-year retirement, if your highest earnings occurred at the end of your career, your highest average annual compensation earnable may span two years, which could make the final compensation amount lower than if you had worked a full year during your last year of employment. The calculation will have more of an effect if you're under the CalSTRS 2% at 60 benefit structure and have at least 25 years of service since your final compensation would be based on a 12-month period.

### Example

If you earned \$57,000 during the 2016–17 school year and would have earned \$60,000 during the 2017–18 school year, and you have more than 25 years of service credit under CalSTRS 2% at 60, your one year final compensation for a retirement date of January 1, 2018, would be:

$$\begin{array}{r} \$57,000 \div 12 = \$ 4,750 \times 6 \text{ months} = \$28,500 \\ \$60,000 \div 12 = \$ 5,000 \times 6 \text{ months} = \$30,000 \\ \hline \$58,500 \end{array}$$

$$\$58,500 \div 12 = \$ 4,875$$

**Your final compensation for your last 12 months would be \$4,875 per month. Had you worked the full year and retired in June of 2018, your final compensation would have been \$5,000 per month (\$60,000/12 = \$5,000 per month).**

A mid-year retirement while working under the Reduced Workload Program will result in ineligibility for the program and may negatively affect your service credit and final compensation. See page 47 for more on the Reduced Workload Program.

## Benefit Enhancements

You may qualify for one or more benefit enhancements that will increase your monthly retirement benefit. You may use up to two-tenths of one year of unused sick leave credit at retirement to qualify for certain benefit enhancements.

## Career Factor

For CalSTRS 2% at 60 members, a 0.2 percent career factor will be added to your age factor if you retire with at least 30 years of earned service credit, up to the maximum combined age and career factor of 2.4 percent (at age 61 and six months).

- **CalSTRS 2% at 62:** You're not eligible for the career factor enhancement.

## One-Year Final Compensation

For 2% at 60 members, if you have at least 25 years of service credit, the calculation for your final compensation is based on your highest average annual compensation earnable for 12 consecutive months.

- **CalSTRS 2% at 62:** Your final compensation is based on your highest average annual compensation earnable for 36 consecutive months, and you are not eligible for the one-year final compensation benefit enhancement.

If you're a 2% at 60 member, up to two-tenths of a year of unused sick leave can be used at retirement to qualify for some benefit enhancements.

## Longevity Bonus

For 2% at 60 members, the longevity bonus is a set dollar amount that is permanently added to your monthly retirement benefit if you earned at least 30 years of qualified service credit on or before December 31, 2010. The amount of the longevity bonus for the Member-Only Benefit depends on your years of service credit at retirement, even if that additional service was performed after 2010:

| If you earned:   | You will receive monthly: |
|------------------|---------------------------|
| 30 years         | \$200                     |
| 31 years         | \$300                     |
| 32 or more years | \$400                     |

The longevity bonus is:

- Included in the 2 percent annual benefit adjustment but not in the quarterly supplemental purchasing power protection benefit.
- Partially reduced if you elect an option.
- Partially reduced if you cancel a preretirement election of an option, or if your option beneficiary predeceases you.

## Member-Only Benefit

The Member-Only Benefit is the highest monthly benefit available when you retire. It provides a monthly benefit for your lifetime, but the benefit stops when you die. Any contributions and interest remaining in your account at the time of your death, minus the total amount already paid to you, will be paid to your designated one-time death benefit recipients. To provide a monthly CalSTRS benefit to your loved ones after your death, you must elect an option benefit.

- See "Protecting Your Survivors With a Lifetime Benefit," page 64, and "Protecting Your Loved Ones Before You Retire," page 48.



Your option beneficiary can be a person or special needs trust—you cannot designate another type of trust, charity, estate, organization or other entity.

To find out how each option would affect your retirement benefit, use the Retirement Benefits Calculator at [CalSTRS.com/calculators](https://www.calstrs.com/calculators) or make an appointment with a benefits specialist. Contact CalSTRS if you have any questions about electing a special needs trust.

## Protecting Your Survivors With a Lifetime Benefit (Modified Benefit)

To provide a lifetime monthly benefit to someone when you die, you can elect an option benefit either when you are eligible to, but not yet ready to retire (called a preretirement option election and discussed more fully on pages 48–51) or at retirement. An option election is different from the one-time death benefit recipient designation. An option allows you to distribute your retirement benefit over your life and the life of your option beneficiaries. If you did not make a preretirement election of an option, your option election is effective as of your retirement date. The deadline to change or cancel an option election made your *Service Retirement Application* is 30 days from the date your first benefit payment is issued. Once this deadline passes, your option election is irrevocable, except under certain limited circumstances (see pages 66–67).

You can also elect an option if you're eligible to retire concurrently under one or more eligible California public retirement systems and are age 55 or older. See pages 49–51 to learn more.

## Option Choices

You can provide a monthly benefit for someone after your death 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 one or more option beneficiaries and/or retain a portion of your benefit as Member-Only. Any option you elect will decrease the amount of your monthly benefit.

**100% Beneficiary Option:** Provides your option beneficiary with 100 percent of the amount you were receiving upon your death. If your option beneficiary dies before you, your benefit will rise to the Member-Only Benefit. Choosing this option results in the largest decrease to your monthly benefit.

**75% Beneficiary Option:** Provides your option beneficiary with 75 percent of the amount you were receiving upon your death. If your option beneficiary dies before you, your benefit will rise to the Member-Only Benefit.

**50% Beneficiary Option:** Provides your option beneficiary with 50 percent of the amount you were receiving upon your death. If your option beneficiary dies before you, your benefit will rise to the Member-Only Benefit. Choosing this option results in the smallest decrease to your monthly benefit while still providing a monthly benefit for someone after your death.

**Compound Option:** Allows various choices. 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.

**Note:** If you elect any option, including a Compound Option, no contributions or interest will be distributed, even if you retain a portion of your benefit as Member-Only.

- See the Option Worksheets on pages 74–75 to estimate how an option would affect your benefit.

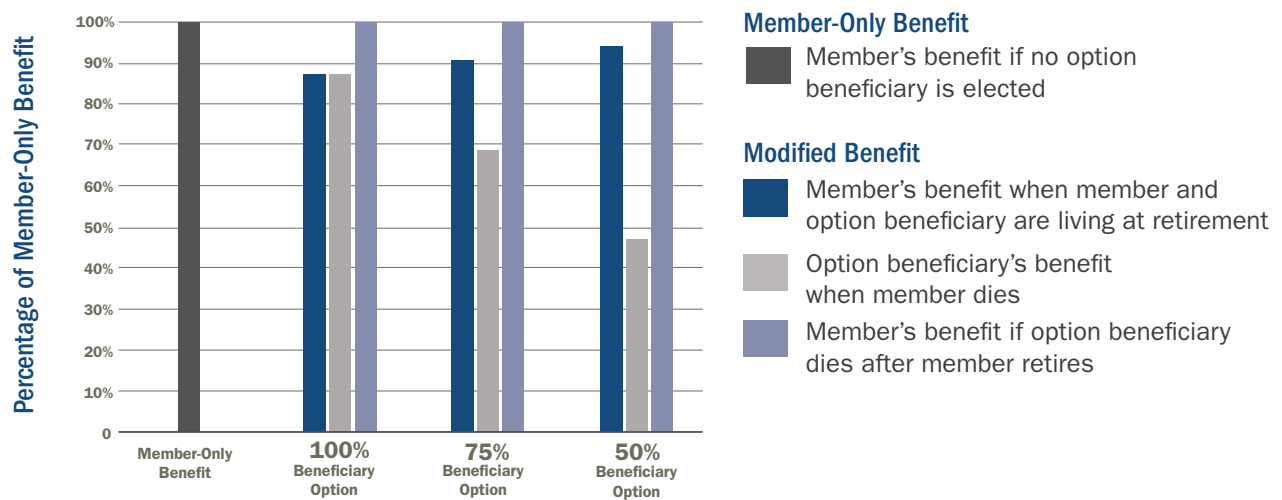


## How Choosing an Option Changes Your Benefit

When you choose to provide a lifetime monthly benefit for someone else, your retirement benefit will be reduced by a percentage, called an option factor. The option factor is based on your age and the age of your option beneficiary on the effective date of your retirement or when you make a preretirement election of an option, and the option you elect.

If you elect an option before retirement, the option factor when you retire will be the higher of the option factor in effect when the option was chosen or on the date of retirement. In most cases, this will result in a higher Modified Benefit than if you elected an option at retirement.

### Options Comparison Example



The percentages shown here are for a member, age 60, who designates an option beneficiary, age 57.

To find out how each option would affect your retirement benefit, use the *Retirement Benefit Calculator* at [CalSTRS.com/calculators](https://www.calstrs.com/calculators).

## Electing a Nonspouse Option Beneficiary

Under federal law, if you name someone other than your spouse or a former spouse as your option beneficiary, the type of option you may elect depends on your age and the age of your 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 option beneficiary 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.

Federal age restrictions also apply to registered domestic partners. If you elect a special needs trust as an option beneficiary, the age difference restrictions apply to you and the trust's beneficiary.

In general, once you retire, you can only change your option beneficiary under certain circumstances. You can name a new beneficiary if your original beneficiary dies, you divorce or terminate a registered domestic partnership, get married or register in a domestic partnership, or your previous beneficiary was someone other than your current or former spouse or partner. In addition, you may change an existing option beneficiary to a special needs trust without penalty, if the trust's sole beneficiary was your previously named option beneficiary.

### **Adding, Changing or Canceling Your Option Election After Retirement**

After the deadline to make changes to or cancel your retirement application has passed (30 days from the date your first benefit payment is issued), you can change your option beneficiary only under the specific circumstances described below. Contact CalSTRS for the appropriate *Cancellation of Option After Retirement* form.

When you choose a new option or a new option beneficiary, an adjustment to your benefit will be made. Before changing your option or choosing a new option beneficiary, contact CalSTRS to get an estimate of your benefit based on your new election. Your new election will be irrevocable except under very limited circumstances.

If you cancel your option election, the amount your benefit was previously reduced due to that option election will not be reimbursed to you.

**Death of Beneficiary:** If your original option beneficiary dies after the effective date of your retirement, you may elect a new option beneficiary. To elect a new option beneficiary, complete the required form and submit a copy of the certified death certificate to CalSTRS. The appropriate reduction to your benefit will be made. Even if you choose not to elect a new beneficiary, you must notify CalSTRS if your beneficiary dies after your retirement effective date and send us a copy of the death certificate.

If you elect a new option beneficiary, the election will not be effective until six months after CalSTRS receives your new designation, provided you and your new option beneficiary are living at that time. While you can name a new beneficiary, you cannot change the original option you elected unless you elected an option no longer available: Option 2, 3, 4, 5, 6, 7 or 8. Please note that if you previously elected Option 6, 7 or 9, you will need to change your option election to a 100%, 75% or 50% beneficiary option if your first elected beneficiary should die.

**Divorce:** You may cancel your option election if your option beneficiary is your current or former spouse or registered domestic partner, and a final decree of dissolution of marriage or a judgment of nullity has been entered, or an order of separate maintenance has been made on or after January 1, 1978, and you are not required to keep your former spouse or partner as your option beneficiary. The notification to cancel the option must include a certified copy of the final judgment, court order or any property settlement agreement confirming you are no longer required to maintain the former spouse or partner as an option beneficiary.

As of the date of the notification, you may elect to receive the Member-Only Benefit. Or you may choose to elect a new option and one or more new option beneficiaries, which will result in a modification to your retirement benefit based on your age and the ages of your new option beneficiaries.

If the court order requires you to keep your former spouse or partner as an option beneficiary for his or her community property percentage share only, you may either elect additional option beneficiaries or keep the remaining portion of your retirement benefit as the Member-Only Benefit. Even if you choose to retain your share as Member-Only, your one-time death benefit recipient will not receive any remaining contributions or interest because there is still an option election in place with your former spouse or registered domestic partner as beneficiary. Your choice must be consistent with the court order or judgment and must not result in any liability to CalSTRS.

**Spouse or Partner:** If you had previously designated a person other than your current or former spouse or registered domestic partner as your option beneficiary, you may cancel your option beneficiary election and designate your spouse or partner as your new option beneficiary. You may elect a new option but may not name additional beneficiaries other than your spouse or partner.

If you elect a new option beneficiary, the election will not be effective until six months after CalSTRS receives the new designation, provided you and your new option beneficiary are living at that time. Your benefit will be subject to an actuarial reduction based on your age and the age of your spouse or partner.

**Newly Married or Registered in Domestic Partnership:** If you were unmarried or unregistered at retirement and receiving a Member-Only Benefit, you can choose an option and name your new spouse or partner as an option beneficiary if you later marry or register in a domestic partnership. You must be married or registered at least one year before electing the option and naming the option beneficiary. Your benefit will be subject to an actuarial reduction based on your age and the age of your spouse or partner. Your new option election and beneficiary addition will not be effective until six months after CalSTRS receives your new designation, provided you and your new option beneficiary are living at that time.

**Special Needs Trust:** If your option beneficiary is a disabled individual and has a qualifying special needs trust, you may change your election to the individual's qualifying trust at any time. This election may help protect the disabled individual's eligibility for other public benefits by shielding this income.

To make this election, contact CalSTRS for additional information and the required forms. If the trust qualifies under AB 1875 (Chapter 559, Statutes of 2016), you can elect it at any time, and we will place the option election on your account immediately at no cost to you.

## Your Defined Benefit Supplement Account Distribution

Your most recent *Retirement Progress Report* shows the total balance in your Defined Benefit Supplement account at the end of the last school year.

If you have less than \$3,500 in your account at the time you retire, you must elect to receive the account balance as a lump-sum payment. Your lump-sum distribution may be paid directly to you or rolled over to a qualified plan such as CalSTRS Pension2.

If your account balance is \$3,500 or more, you have choices for electing how to receive your distribution, depending on whether you elect the Member-Only Benefit or the Modified Benefit.

### Choices for a Member-Only Benefit

If you elect a Member-Only Benefit and have \$3,500 or more in your Defined Benefit Supplement account, you have the following payment choices:

**Lump-Sum Payment:** A one-time payment of the total balance of your Defined Benefit Supplement account, either as a direct payment or as a rollover to a qualified plan.

**Member-Only Annuity:** A monthly payment equal to the total balance of your Defined Benefit Supplement account spread over your lifetime. Any balance remaining upon your death will be paid to your one-time death benefit recipient.

**Period-Certain Annuity:** A monthly payment equal to the total balance of your Defined Benefit Supplement account spread over any number of whole years from three to 10. The monthly amount you receive is based on the number of years over which the annuity is paid—the fewer the years, the higher the amount payable each month. If you die before the annuity period ends, the remaining payments will be paid to your one-time death benefit recipients. A period-certain annuity of three to nine years is eligible for direct payment or a rollover, unless you are 70½ or older and subject to the required minimum distribution rule.

**Combination of Lump-Sum Payment and Annuity:** A lump-sum payment and one of the annuities. To elect this choice, you must have \$3,500 or more remaining in your Defined Benefit Supplement account after your lump-sum payment. A period-certain annuity of three to nine years is eligible for direct payment or a rollover.

Your Defined Benefit Supplement Lifetime Annuity beneficiary is the same person you designated as your Defined Benefit option beneficiary. Your Period-Certain Annuity beneficiary is your one-time death benefit recipient.

**Note:** If you elect the Compound Option for your Defined Benefit retirement benefit, you may elect to receive your Defined Benefit Supplement benefit as one of the annuities. However, the annuity you elect will be the same for each of your annuity beneficiaries, and the apportionment of your benefit will remain the same as it is for your Defined Benefit election.

## Choices for a Modified Benefit

If you elect a Modified Benefit and have \$3,500 or more in your Defined Benefit Supplement account, you have the following payment choices:

**Lump-Sum Payment:** A one-time payment of the total balance of your Defined Benefit Supplement account as a direct payment or a rollover to a qualified plan.

**100% Beneficiary Annuity:** A monthly payment equal to the total balance of your Defined Benefit Supplement account spread over your lifetime and the lifetime of your annuity beneficiary. One hundred percent of your monthly annuity amount will be paid to your annuity beneficiary upon your death. If your beneficiary dies before you, your payment will rise to the Member-Only Annuity amount.

**75% Beneficiary Annuity:** A monthly payment equal to the total balance of your Defined Benefit Supplement account spread over your lifetime and the lifetime of your annuity beneficiary. Seventy-five percent of your monthly annuity amount will be paid to your annuity beneficiary upon your death. If your beneficiary dies before you, your payment will rise to the Member-Only Annuity amount.

**50% Beneficiary Annuity:** A monthly payment equal to the total balance of your Defined Benefit Supplement account spread over your lifetime and the lifetime of your annuity beneficiary. Fifty percent of your monthly annuity amount will be paid to your annuity beneficiary upon your death. If your beneficiary dies before you, your payment will rise to the Member-Only Annuity amount.

**Period-Certain Annuity:** A monthly payment equal to the total balance of your Defined Benefit Supplement account spread over any number of whole years from three to 10. The monthly amount you receive is based on the number of years over which the annuity is paid—the fewer the years, the higher the amount payable each month. If you die before the annuity period ends, the remaining payments will be paid to your one-time death benefit recipients. A period-certain annuity of three to nine years is eligible for direct payment, or a rollover, unless you are 70½ or older and subject to the required minimum distribution rule.

**Combination of Lump-Sum Payment and Annuity:** A lump-sum payment and one of the annuities. To elect this choice, you must have \$3,500 or more remaining in your Defined Benefit Supplement account after your lump-sum payment. A period-certain annuity of three to nine years is eligible for direct payment or a rollover.

## Nonspouse Lifetime Annuity Beneficiary

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

- Under the **75% Beneficiary Annuity**, your nonspouse annuity beneficiary cannot be more than exactly 19 years younger than you.
- If you elect the **Compound Option**, your nonspouse annuity beneficiaries cannot be either more than exactly 19 years younger than you under the 75% Beneficiary Annuity, or more than exactly 10 years younger than you under the 100% Beneficiary Annuity.

These federal age restrictions also apply to registered domestic partners. If you elect a special needs trust as an option beneficiary, the age difference restrictions apply to you and the trust's beneficiary.

## Worksheets and Tables

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## Benefit Estimate Worksheet

Learn more about your benefits by attending a workshop to prepare for your retirement. If you still have questions, make an appointment to talk to a CalSTRS benefits specialist.

| Your Member-Only Benefit Estimate   |                   |
|---|-------------------|
| You plan to retire at age _____   |                   |
| <b>Step 1: Determine Service Credit and Age Factor</b>  |                   |
| Service Credit<br>(years of service)  | = _____           |
| Age Factor<br>(See Age Factor Table, next page.<br>If applicable, include career factor.)   | = _____           |
| <b>Step 2: Determine Final Compensation</b>   |                   |
| Enter your highest average annual compensation earnable for 36 consecutive months (or 12 consecutive months, if eligible for one-year final compensation). See "Final Compensation" on page 61. |                   |
|   | \$ _____          |
|   | \$ _____          |
|   | \$ _____          |
| Total Compensation Earnable   | = \$ _____        |
| (If eligible, use one-year final compensation ÷ 12 months.)   | ÷ 36 months       |
| Monthly Final Compensation  | = \$ _____        |
| <b>Step 3: Calculate Benefit</b>  |                   |
| Service Credit  | _____             |
| x Age Factor  | x _____           |
| x Final Compensation  | x _____           |
| + Longevity Bonus (if eligible)   | + _____           |
| <b>Your Member-Only Monthly Benefit</b>   | <b>= \$ _____</b> |

| Example   |                      |
|---|----------------------|
| Mary is retiring at age 60 with 24.250 years of service.                              |                      |
| <b>Step 1: Determine Service Credit and Age Factor</b>                                |                      |
| Service Credit<br>(years of service)  | = 24.250             |
| Age Factor<br>(based on Mary's age at retirement,<br>see Age Factor Table, next page) | = 2%                 |
| <b>Step 2: Determine Final Compensation</b>   |                      |
| Mary's highest 36 consecutive months of compensation earnable                         |                      |
| 2016-17   | \$ 48,000            |
| 2015-16   | \$ 47,000            |
| 2014-15   | \$ 45,000            |
| Total Compensation Earnable   | = \$ 140,000         |
|   | ÷ 36 months          |
| Monthly Final Compensation  | = \$ 3,888.89        |
| <b>Step 3: Calculate Benefit</b>  |                      |
| Service Credit  | 24.250               |
| x Age Factor  | x .02                |
| x Final Compensation  | x \$ 3,888.89        |
| + Longevity Bonus (if eligible)   | 0                    |
| <b>Mary's Member-Only Monthly Benefit</b>   | <b>= \$ 1,886.11</b> |

## Age Factor Tables

The age factor is a percentage determined by your age in years and months on the last day of the month in which your retirement is effective.

For CalSTRS 2% at 60 members, the age factor equals 2 percent at age 60. From age 55 to 60, the factor is reduced by 0.01 (one one-hundredth) of a percent for each month or fraction of a month you're under age 60. For example, if you're age 55 and six months when you retire, your age factor is 1.46 percent. Between ages 60 and 63, the 2 percent age factor is increased by 0.033 of a percent for each quarter year of age you're over age 60, up to a maximum age factor of 2.4 percent.

### Career Factor

For 2% at 60 members, the age factor is increased by a career factor of 0.2 percent if you have 30 or more years of earned service credit on the day you retire. If you qualify for the 0.2 percent career factor, you reach the maximum age factor of 2.4 percent at age 61 and six months.

- **CalSTRS 2% at 62:** There is no career factor benefit enhancement to the age factor.

### Career Factor CalSTRS 2% at 60 Example

If you have 30 or more years of service credit, add 0.2 percent to the age factor on the table below. The maximum age factor with the career factor is 2.4 percent.

| Age           | Without Career Factor | With Career Factor |
|---------------|-----------------------|--------------------|
| 61 and 3 mos. | 2.167%                | 2.367%             |
| 61 and 9 mos. | 2.233%                | 2.400%*            |

\* Maximum age factor

### Age Factor Table CalSTRS 2% at 60 (expressed as percentages)

|    | Months |       |       |       |       |       |       |       |       |       |       |       |
|----|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|    | 0      | 1     | 2     | 3     | 4     | 5     | 6     | 7     | 8     | 9     | 10    | 11    |
| 63 | 2.400  | 2.400 | 2.400 | 2.400 | 2.400 | 2.400 | 2.400 | 2.400 | 2.400 | 2.400 | 2.400 | 2.400 |
| 62 | 2.267  | 2.267 | 2.267 | 2.300 | 2.300 | 2.300 | 2.333 | 2.333 | 2.333 | 2.367 | 2.367 | 2.367 |
| 61 | 2.133  | 2.133 | 2.133 | 2.167 | 2.167 | 2.167 | 2.200 | 2.200 | 2.200 | 2.233 | 2.233 | 2.233 |
| 60 | 2.000  | 2.000 | 2.000 | 2.033 | 2.033 | 2.033 | 2.067 | 2.067 | 2.067 | 2.100 | 2.100 | 2.100 |
| 59 | 1.880  | 1.890 | 1.900 | 1.910 | 1.920 | 1.930 | 1.940 | 1.950 | 1.960 | 1.970 | 1.980 | 1.990 |
| 58 | 1.760  | 1.770 | 1.780 | 1.790 | 1.800 | 1.810 | 1.820 | 1.830 | 1.840 | 1.850 | 1.860 | 1.870 |
| 57 | 1.640  | 1.650 | 1.660 | 1.670 | 1.680 | 1.690 | 1.700 | 1.710 | 1.720 | 1.730 | 1.740 | 1.750 |
| 56 | 1.520  | 1.530 | 1.540 | 1.550 | 1.560 | 1.570 | 1.580 | 1.590 | 1.600 | 1.610 | 1.620 | 1.630 |
| 55 | 1.400  | 1.410 | 1.420 | 1.430 | 1.440 | 1.450 | 1.460 | 1.470 | 1.480 | 1.490 | 1.500 | 1.510 |
| 54 | 1.340  | 1.345 | 1.350 | 1.355 | 1.360 | 1.365 | 1.370 | 1.375 | 1.380 | 1.385 | 1.390 | 1.395 |
| 53 | 1.280  | 1.285 | 1.290 | 1.295 | 1.300 | 1.305 | 1.310 | 1.315 | 1.320 | 1.325 | 1.330 | 1.335 |
| 52 | 1.220  | 1.225 | 1.230 | 1.235 | 1.240 | 1.245 | 1.250 | 1.255 | 1.260 | 1.265 | 1.270 | 1.275 |
| 51 | 1.160  | 1.165 | 1.170 | 1.175 | 1.180 | 1.185 | 1.190 | 1.195 | 1.200 | 1.205 | 1.210 | 1.215 |
| 50 | 1.100  | 1.105 | 1.110 | 1.115 | 1.120 | 1.125 | 1.130 | 1.135 | 1.140 | 1.145 | 1.150 | 1.155 |

Note: You must have 30 years of service credit to retire between the ages of 50 and 55.



### Age Factor Table CalSTRS 2% at 62 (expressed as percentages)

|    | Months |       |       |       |       |       |       |       |       |       |       |       |
|----|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|    | 0      | 1     | 2     | 3     | 4     | 5     | 6     | 7     | 8     | 9     | 10    | 11    |
| 65 | 2.400  | 2.400 | 2.400 | 2.400 | 2.400 | 2.400 | 2.400 | 2.400 | 2.400 | 2.400 | 2.400 | 2.400 |
| 64 | 2.267  | 2.267 | 2.267 | 2.300 | 2.300 | 2.300 | 2.333 | 2.333 | 2.333 | 2.367 | 2.367 | 2.367 |
| 63 | 2.133  | 2.133 | 2.133 | 2.167 | 2.167 | 2.167 | 2.200 | 2.200 | 2.200 | 2.233 | 2.233 | 2.233 |
| 62 | 2.000  | 2.000 | 2.000 | 2.033 | 2.033 | 2.033 | 2.067 | 2.067 | 2.067 | 2.100 | 2.100 | 2.100 |
| 61 | 1.880  | 1.890 | 1.900 | 1.910 | 1.920 | 1.930 | 1.940 | 1.950 | 1.960 | 1.970 | 1.980 | 1.990 |
| 60 | 1.760  | 1.770 | 1.780 | 1.790 | 1.800 | 1.810 | 1.820 | 1.830 | 1.840 | 1.850 | 1.860 | 1.870 |
| 59 | 1.640  | 1.650 | 1.660 | 1.670 | 1.680 | 1.690 | 1.700 | 1.710 | 1.720 | 1.730 | 1.740 | 1.750 |
| 58 | 1.520  | 1.530 | 1.540 | 1.550 | 1.560 | 1.570 | 1.580 | 1.590 | 1.600 | 1.610 | 1.620 | 1.630 |
| 57 | 1.400  | 1.410 | 1.420 | 1.430 | 1.440 | 1.450 | 1.460 | 1.470 | 1.480 | 1.490 | 1.500 | 1.510 |
| 56 | 1.280  | 1.290 | 1.300 | 1.310 | 1.320 | 1.330 | 1.340 | 1.350 | 1.360 | 1.370 | 1.380 | 1.390 |
| 55 | 1.160  | 1.170 | 1.180 | 1.190 | 1.200 | 1.210 | 1.220 | 1.230 | 1.240 | 1.250 | 1.260 | 1.270 |

- **CalSTRS 2% at 62:** The age factor is 2 percent at age 62. The maximum age factor is 2.4 percent at age 65. The age factor for early retirement at age 55 with five years of service credit is 1.16 percent.

## Defined Benefit Supplement Period-Certain Annuity Estimates

This annuity provides a monthly annuity payable from three to 10 years. A Period-Certain Annuity of 3 to 9 years may be rolled over to another qualified plan each month.

| Defined Benefit Supplement Account Balance | 3 Year  | 4 Year  | 5 Year | 6 Year | 7 Year | 8 Year | 9 Year | 10 Year |
|--|---------|---------|--------|--------|--------|--------|--------|---------|
| \$3,500                                    | \$108   | \$83    | \$69   | \$59   | \$52   | \$47   | \$43   | \$40    |
| \$5,000                                    | \$154   | \$119   | \$99   | \$85   | \$75   | \$68   | \$62   | \$58    |
| \$7,500                                    | \$231   | \$179   | \$148  | \$127  | \$112  | \$101  | \$93   | \$86    |
| \$10,000                                   | \$308   | \$238   | \$197  | \$169  | \$150  | \$135  | \$124  | \$115   |
| \$15,000                                   | \$462   | \$358   | \$296  | \$254  | \$225  | \$203  | \$186  | \$173   |
| \$20,000                                   | \$616   | \$477   | \$394  | \$339  | \$300  | \$271  | \$248  | \$230   |
| \$25,000                                   | \$769   | \$596   | \$493  | \$424  | \$375  | \$338  | \$310  | \$288   |
| \$30,000                                   | \$923   | \$715   | \$591  | \$508  | \$450  | \$406  | \$372  | \$345   |
| \$40,000                                   | \$1,231 | \$954   | \$788  | \$678  | \$600  | \$541  | \$496  | \$460   |
| \$50,000                                   | \$1,539 | \$1,192 | \$985  | \$847  | \$749  | \$676  | \$620  | \$575   |

To estimate your monthly Period-Certain Annuity amount, divide your Defined Benefit Supplement account balance by the Period-Certain Annuity factor that corresponds to your elected time period:

| Period   | Factor  |  |
|----------|---------|--|
| 3 years  | 32.4898 | <b>Combination 3-Year Period-Certain Annuity and Lump-Sum Payment</b><br>Defined Benefit Supplement account balance \$30,000<br>Lump-sum payment -\$10,000<br><hr/> Remaining balance \$20,000<br><br>Period-Certain 3-Year Annuity factor = 32.4898<br><br><b>Calculation for annuity:</b><br>\$20,000 ÷ 32.4898 = \$615.58<br><br><b>Monthly annuity: \$615.58</b> |
| 4 years  | 41.9347 |  |
| 5 years  | 50.7617 |  |
| 6 years  | 59.0112 |  |
| 7 years  | 66.7210 |  |
| 8 years  | 73.9264 |  |
| 9 years  | 80.6605 |  |
| 10 years | 86.9540 |  |

## Option Worksheets

If you are considering an option, use these worksheets to estimate your own reduced retirement benefit, or Modified Benefit, using the Age Factor and Option Factor tables. You can also get a benefit estimate at [CalSTRS.com/calculators](http://CalSTRS.com/calculators).

These examples are based on factors taken from the Option Factor Tables later in this section and applied to the Member-Only Benefit calculated on page 70. Minor differences may occur when actual calculations are performed as your age and the age of your option beneficiary are based on the nearest quarter year of age.

These examples show reduced retirement benefits based on both you and your option beneficiary being age 60 on the effective date of retirement under the CalSTRS 2% at 60 benefit structure. (You designate the percentage of your Member-Only benefit to be allotted to each option beneficiary.)

### 100% Beneficiary Option

Under the 100% Beneficiary Option, upon your death, your option beneficiary will continue to receive the same reduced benefit you were receiving for your lifetime. If your option beneficiary predeceases you, your benefit will rise to the Member-Only amount.

| Example   | Your Estimate |
|---|---------------|
| \$1,886.11<br><i>(payable to you upon the death of your option beneficiary)</i> | \$            |
| x Option Factor* .8906  | \$1,679.77 x  |
| = 100% Beneficiary Option Benefit to you<br>or your option beneficiary          | \$1,679.77 \$ |

### 75% Beneficiary Option

Under the 75% Beneficiary Option, upon your death, your option beneficiary will receive 75 percent of the reduced benefit you were receiving for your lifetime. If your option beneficiary predeceases you, your benefit will rise to the Member-Only amount.

| Example   | Your Estimate |
|---|---------------|
| \$1,886.11<br><i>(payable to you upon the death of your option beneficiary)</i> | \$            |
| x Option Factor* .9232  | x             |
| = 75% Beneficiary Option Benefit to you   | \$1,741.26 \$ |
| 75% to your option beneficiary  | \$1,305.94 \$ |

### 50% Beneficiary Option

Under the 50% Beneficiary Option, upon your death, your option beneficiary will receive 50 percent of the reduced benefit you were receiving for your lifetime. If your option beneficiary predeceases you, your benefit will rise to the Member-Only amount.

| Example   | Your Estimate |
|---|---------------|
| \$1,886.11<br><i>(payable to you upon the death of your option beneficiary)</i> | \$            |
| x Option Factor* .9513  | x             |
| = 50% Beneficiary Option Benefit to you   | \$1,794.26 \$ |
| 50% to your option beneficiary  | \$ 897.13 \$  |

\* To find the option factor, find your age, your option beneficiary's age and option starting on page 78. Option factors are adjusted periodically.

**Note:** After retirement, you may elect a new option and option beneficiary only under very limited circumstances. See pages 64–67.

## Compound Option Worksheet

Under the Compound Option, you will receive a reduced retirement benefit. When you die, your option beneficiaries will each receive a benefit as provided by the formula used depending on the option elected. You designate the percentage of your Member-Only Benefit to allot to each option beneficiary. You may elect two or more beneficiaries under the Compound Option, or you may elect at least one beneficiary or one or more beneficiaries and retain a portion as a Member-Only Benefit.

Following the example below, use the worksheet to estimate how much you and your option beneficiaries will receive if you elect this option.

Use additional worksheets if electing more than two option beneficiaries.

| Compound Option Example   |            |   |                        |
|---|------------|---|------------------------|
|   | Member     | Beneficiary 1                               | Beneficiary 2          |
| 1. Your Member-Only Benefit   | \$1,886.11 |   |                        |
| 2. Percentages of Member-Only Benefit allotted as Member-Only to you (if any) and to each beneficiary                 | 40%        | 40%   | 20%                    |
| 3. Amount of Member-Only Benefit allotted to you and each beneficiary (multiply #1 by #2)                             | \$754.44   | \$754.44                                    | \$377.22               |
| 4. Option selected for each beneficiary   |            | 50% Beneficiary Option                      | 75% Beneficiary Option |
| 5. Age  | 60         | 60  | 45                     |
| 6. Option factor (using the Option Factor Tables, locate factor based on your age, your beneficiary's age and option) |            | .9513                                       | .8755                  |
| 7. Reduced benefit to member (multiply amounts in #3, columns 2 and 3, by #6, columns 2 and 3, respectively)          |            | \$717.70                                    | \$330.26               |
| 8. Benefit to each option beneficiary upon your death (multiply #7 by #4)   |            | \$358.85                                    | \$247.70               |
| 9. Your reduced benefit (add amounts in #7 to column 1 of #3)   |            | \$754.44 + \$717.70 + \$330.26 = \$1,802.40 |                        |

| Compound Option Worksheet  |        |               |               |
|--|--------|---------------|---------------|
| Your Estimate  | Member | Beneficiary 1 | Beneficiary 2 |
| 1. Your Member-Only Benefit  | \$     |               |               |
| 2. Percentages of Member-Only Benefit allotted as Member-Only to you (if any) and to each beneficiary*                             |        | %             | %             |
| 3. Amount of Member-Only Benefit allotted to you and each beneficiary (multiply #1 by #2)  | \$     | \$            | \$            |
| 4. Option selected for each beneficiary  |        |               |               |
| 5. Age**   |        |               |               |
| 6. Option factor (using the Option Factor Tables, locate factor based on your age, your beneficiary's age and option) <sup>†</sup> |        |               |               |
| 7. Reduced benefit to member (multiply amounts in #3, columns 2 and 3, by #6, columns 2 and 3, respectively)                       |        | \$            | \$            |
| 8. Benefit to each option beneficiary upon your death (multiply #7 by #4)  |        | \$            | \$            |
| 9. Your reduced benefit (add amounts in #7 to column 1 of #3)  | \$     |               |               |

\*Percentages assigned to all option beneficiaries and the percentage, if any, retained as Member-Only must equal 100 percent.

\*\*See page 65 for age restrictions for nonspouse option beneficiaries.

<sup>†</sup>To find the option factor, find your age, your option beneficiary's age and option election on pages 78-79.

## Defined Benefit Supplement Annuity Calculation Estimates

### Member-Only Annuity

This provides a lifetime monthly payment. Any balance remaining upon your death will be paid to your one-time death benefit recipients.

| Defined Benefit Supplement Account Balance | Your Age at Retirement |       |       |       |
|--|------------------------|-------|-------|-------|
|  | 50                     | 55    | 60    | 65    |
| \$3,500                                    | \$22                   | \$22  | \$23  | \$25  |
| \$5,000                                    | \$31                   | \$32  | \$33  | \$35  |
| \$7,500                                    | \$47                   | \$48  | \$50  | \$53  |
| \$10,000                                   | \$62                   | \$64  | \$67  | \$71  |
| \$15,000                                   | \$93                   | \$96  | \$100 | \$106 |
| \$20,000                                   | \$125                  | \$128 | \$134 | \$141 |
| \$25,000                                   | \$156                  | \$161 | \$167 | \$177 |
| \$30,000                                   | \$187                  | \$193 | \$201 | \$212 |
| \$40,000                                   | \$249                  | \$257 | \$268 | \$283 |
| \$50,000                                   | \$311                  | \$321 | \$335 | \$354 |

### Defined Benefit Supplement 100% Beneficiary Annuity Estimates

This choice provides a monthly annuity payment for your lifetime and the lifetime of your annuity beneficiary. One hundred percent of your monthly annuity payment will be paid to your annuity beneficiary upon your death. If your beneficiary dies first, your payment will rise to the Member-Only annuity amount.

| Defined Benefit Supplement Account Balance | Your Age at Retirement                   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|--|--|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
|  | 50                                       |      |      |      | 55   |      |      |      | 60   |      |      |      | 65   |      |      |      |
|  | Age of Annuity Beneficiary at Retirement |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|  | 50                                       | 55   | 60   | 65   | 50   | 55   | 60   | 65   | 50   | 55   | 60   | 65   | 50   | 55   | 60   | 65   |
| \$3,500                                    | \$21                                     | \$21 | \$21 | \$21 | \$21 | \$21 | \$21 | \$21 | \$22 | \$21 | \$21 | \$22 | \$22 | \$21 | \$21 | \$22 |
| \$5,000                                    | 30                                       | 30   | 30   | 30   | 30   | 30   | 31   | 31   | 30   | 30   | 31   | 32   | 30   | 31   | 31   | 32   |
| \$7,500                                    | 44                                       | 45   | 45   | 45   | 45   | 45   | 46   | 46   | 45   | 46   | 46   | 47   | 45   | 46   | 47   | 48   |
| \$10,000                                   | 59                                       | 60   | 60   | 61   | 60   | 60   | 61   | 62   | 60   | 61   | 62   | 63   | 60   | 61   | 63   | 64   |
| \$15,000                                   | 89                                       | 90   | 90   | 91   | 89   | 90   | 92   | 93   | 90   | 91   | 93   | 95   | 90   | 92   | 94   | 96   |
| \$20,000                                   | 118                                      | 119  | 120  | 121  | 119  | 121  | 122  | 123  | 120  | 122  | 124  | 126  | 120  | 123  | 125  | 128  |
| \$25,000                                   | 148                                      | 149  | 151  | 152  | 149  | 151  | 153  | 154  | 150  | 152  | 155  | 158  | 150  | 153  | 157  | 161  |
| \$30,000                                   | 178                                      | 179  | 181  | 182  | 179  | 181  | 183  | 185  | 180  | 183  | 186  | 189  | 180  | 184  | 188  | 193  |
| \$40,000                                   | 237                                      | 239  | 241  | 243  | 238  | 241  | 244  | 247  | 239  | 243  | 248  | 252  | 240  | 245  | 251  | 257  |
| \$50,000                                   | 296                                      | 299  | 301  | 303  | 298  | 302  | 305  | 309  | 299  | 304  | 310  | 315  | 300  | 306  | 313  | 321  |

Note: The Defined Benefit Supplement annuity estimates above are not valid for CalSTRS disability benefit recipients. Option factors are adjusted periodically.

## Defined Benefit Supplement 75% Beneficiary Annuity Estimates

This choice provides a monthly annuity payment for your lifetime and the lifetime of your annuity beneficiary. Seventy-five percent of your monthly annuity payment will be paid to your annuity beneficiary upon your death. If your beneficiary dies first, your payment will rise to the Member-Only annuity amount.

| Defined Benefit Supplement Account Balance | Your Age at Retirement                   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|--|--|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
|  | 50                                       |      |      |      | 55   |      |      |      | 60   |      |      |      | 65   |      |      |      |
|  | Age of Annuity Beneficiary at Retirement |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|  | 50                                       | 55   | 60   | 65   | 50   | 55   | 60   | 65   | 50   | 55   | 60   | 65   | 50   | 55   | 60   | 65   |
| \$3,500                                    | \$21                                     | \$21 | \$21 | \$22 | \$21 | \$22 | \$22 | \$22 | \$22 | \$22 | \$22 | \$22 | \$23 | \$22 | \$23 | \$23 |
| \$5,000                                    | 30                                       | 30   | 31   | 31   | 31   | 31   | 31   | 31   | 31   | 31   | 32   | 32   | 32   | 32   | 32   | 33   |
| \$7,500                                    | 45                                       | 46   | 46   | 46   | 46   | 46   | 47   | 47   | 47   | 47   | 48   | 48   | 49   | 48   | 48   | 50   |
| \$10,000                                   | 60                                       | 61   | 61   | 61   | 61   | 62   | 62   | 63   | 62   | 63   | 64   | 65   | 64   | 65   | 66   | 67   |
| \$15,000                                   | 91                                       | 91   | 92   | 92   | 92   | 93   | 94   | 94   | 93   | 95   | 96   | 97   | 95   | 97   | 99   | 100  |
| \$20,000                                   | 121                                      | 122  | 122  | 123  | 122  | 124  | 125  | 126  | 125  | 126  | 128  | 129  | 127  | 129  | 131  | 134  |
| \$25,000                                   | 151                                      | 152  | 153  | 154  | 153  | 155  | 156  | 157  | 156  | 158  | 160  | 162  | 159  | 161  | 164  | 167  |
| \$30,000                                   | 181                                      | 182  | 183  | 184  | 184  | 185  | 187  | 189  | 187  | 189  | 192  | 194  | 191  | 194  | 197  | 201  |
| \$40,000                                   | 241                                      | 243  | 244  | 246  | 245  | 247  | 250  | 252  | 249  | 252  | 256  | 259  | 254  | 258  | 263  | 268  |
| \$50,000                                   | 302                                      | 304  | 306  | 307  | 306  | 309  | 312  | 315  | 311  | 315  | 320  | 324  | 318  | 323  | 328  | 335  |

## Defined Benefit Supplement 50% Beneficiary Annuity Estimates

This choice provides a monthly annuity payment for your lifetime and the lifetime of your annuity beneficiary. Fifty percent of your monthly annuity payment will be paid to your annuity beneficiary upon your death. If your beneficiary dies first, your payment will rise to the Member-Only annuity amount.

| Defined Benefit Supplement Account Balance | Your Age at Retirement                   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|--|--|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
|  | 50                                       |      |      |      | 55   |      |      |      | 60   |      |      |      | 65   |      |      |      |
|  | Age of Annuity Beneficiary at Retirement |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|  | 50                                       | 55   | 60   | 65   | 50   | 55   | 60   | 65   | 50   | 55   | 60   | 65   | 50   | 55   | 60   | 65   |
| \$3,500                                    | \$21                                     | \$22 | \$22 | \$22 | \$22 | \$22 | \$22 | \$22 | \$23 | \$23 | \$23 | \$23 | \$23 | \$24 | \$24 | \$24 |
| \$5,000                                    | 31                                       | 31   | 31   | 31   | 31   | 32   | 32   | 32   | 32   | 32   | 33   | 33   | 33   | 34   | 34   | 35   |
| \$7,500                                    | 46                                       | 46   | 46   | 47   | 47   | 47   | 48   | 48   | 48   | 49   | 49   | 50   | 50   | 51   | 51   | 52   |
| \$10,000                                   | 61                                       | 62   | 62   | 62   | 63   | 63   | 63   | 64   | 64   | 65   | 66   | 66   | 67   | 67   | 68   | 69   |
| \$15,000                                   | 92                                       | 92   | 93   | 93   | 94   | 95   | 95   | 96   | 97   | 97   | 98   | 99   | 100  | 101  | 102  | 104  |
| \$20,000                                   | 123                                      | 123  | 124  | 124  | 125  | 126  | 127  | 128  | 129  | 130  | 131  | 132  | 133  | 135  | 136  | 138  |
| \$25,000                                   | 153                                      | 154  | 155  | 155  | 157  | 158  | 159  | 159  | 161  | 162  | 164  | 165  | 167  | 168  | 171  | 173  |
| \$30,000                                   | 184                                      | 185  | 185  | 186  | 188  | 189  | 190  | 191  | 193  | 195  | 197  | 198  | 200  | 202  | 205  | 207  |
| \$40,000                                   | 245                                      | 246  | 247  | 248  | 251  | 252  | 254  | 255  | 258  | 260  | 262  | 264  | 267  | 270  | 273  | 276  |
| \$50,000                                   | 307                                      | 308  | 309  | 310  | 313  | 315  | 317  | 319  | 322  | 325  | 328  | 330  | 333  | 337  | 341  | 345  |

Note: The Defined Benefit Supplement annuity estimates above are not valid for CalSTRS disability benefit recipients. Option factors are adjusted periodically.

## Service Retirement Option Factor Tables

| MBR Age | BEN Age | 100% Option | 75% Option | 50% Option |
|---------|---------|-------------|------------|------------|
| 55      | 5       | 0.8157      | 0.8607     | 0.9060     |
| 55      | 10      | 0.8188      | 0.8633     | 0.9079     |
| 55      | 15      | 0.8227      | 0.8667     | 0.9104     |
| 55      | 20      | 0.8278      | 0.8708     | 0.9135     |
| 55      | 25      | 0.8342      | 0.8761     | 0.9174     |
| 55      | 30      | 0.8423      | 0.8828     | 0.9223     |
| 55      | 35      | 0.8523      | 0.8909     | 0.9283     |
| 55      | 40      | 0.8644      | 0.9008     | 0.9353     |
| 55      | 45      | 0.8785      | 0.9121     | 0.9433     |
| 55      | 50      | 0.8941      | 0.9245     | 0.9519     |
| 55      | 55      | 0.9103      | 0.9371     | 0.9604     |
| 55      | 60      | 0.9258      | 0.9491     | 0.9683     |
| 55      | 65      | 0.9397      | 0.9597     | 0.9751     |
| 55      | 70      | 0.9516      | 0.9686     | 0.9808     |

|    |    |        |        |        |
|----|----|--------|--------|--------|
| 56 | 5  | 0.8066 | 0.8535 | 0.9008 |
| 56 | 10 | 0.8098 | 0.8562 | 0.9028 |
| 56 | 15 | 0.8137 | 0.8595 | 0.9053 |
| 56 | 20 | 0.8187 | 0.8637 | 0.9084 |
| 56 | 25 | 0.8252 | 0.8690 | 0.9124 |
| 56 | 30 | 0.8333 | 0.8757 | 0.9173 |
| 56 | 35 | 0.8434 | 0.8840 | 0.9234 |
| 56 | 40 | 0.8557 | 0.8940 | 0.9306 |
| 56 | 45 | 0.8701 | 0.9057 | 0.9389 |
| 56 | 50 | 0.8863 | 0.9186 | 0.9479 |
| 56 | 55 | 0.9033 | 0.9319 | 0.9570 |
| 56 | 60 | 0.9199 | 0.9448 | 0.9655 |
| 56 | 65 | 0.9350 | 0.9563 | 0.9730 |
| 56 | 70 | 0.9479 | 0.9661 | 0.9792 |

|    |    |        |        |        |
|----|----|--------|--------|--------|
| 57 | 5  | 0.7972 | 0.8460 | 0.8953 |
| 57 | 10 | 0.8003 | 0.8486 | 0.8973 |
| 57 | 15 | 0.8043 | 0.8519 | 0.8998 |
| 57 | 20 | 0.8093 | 0.8561 | 0.9030 |
| 57 | 25 | 0.8157 | 0.8615 | 0.9070 |
| 57 | 30 | 0.8238 | 0.8682 | 0.9120 |
| 57 | 35 | 0.8340 | 0.8766 | 0.9182 |
| 57 | 40 | 0.8465 | 0.8868 | 0.9256 |
| 57 | 45 | 0.8612 | 0.8988 | 0.9342 |
| 57 | 50 | 0.8780 | 0.9122 | 0.9436 |
| 57 | 55 | 0.8958 | 0.9263 | 0.9533 |
| 57 | 60 | 0.9135 | 0.9401 | 0.9625 |
| 57 | 65 | 0.9298 | 0.9526 | 0.9706 |
| 57 | 70 | 0.9439 | 0.9633 | 0.9774 |

|    |    |        |        |        |
|----|----|--------|--------|--------|
| 58 | 5  | 0.7874 | 0.8380 | 0.8895 |
| 58 | 10 | 0.7905 | 0.8407 | 0.8915 |
| 58 | 15 | 0.7944 | 0.8440 | 0.8941 |
| 58 | 20 | 0.7994 | 0.8482 | 0.8973 |
| 58 | 25 | 0.8058 | 0.8536 | 0.9013 |
| 58 | 30 | 0.8140 | 0.8604 | 0.9064 |
| 58 | 35 | 0.8242 | 0.8689 | 0.9127 |
| 58 | 40 | 0.8367 | 0.8792 | 0.9203 |
| 58 | 45 | 0.8518 | 0.8915 | 0.9291 |
| 58 | 50 | 0.8690 | 0.9054 | 0.9389 |
| 58 | 55 | 0.8877 | 0.9203 | 0.9492 |
| 58 | 60 | 0.9065 | 0.9350 | 0.9591 |
| 58 | 65 | 0.9241 | 0.9486 | 0.9680 |
| 58 | 70 | 0.9394 | 0.9602 | 0.9755 |

| MBR Age | BEN Age | 100% Option | 75% Option | 50% Option |
|---------|---------|-------------|------------|------------|
| 59      | 5       | 0.7771      | 0.8297     | 0.8834     |
| 59      | 10      | 0.7801      | 0.8323     | 0.8854     |
| 59      | 15      | 0.7840      | 0.8356     | 0.8880     |
| 59      | 20      | 0.7890      | 0.8399     | 0.8912     |
| 59      | 25      | 0.7954      | 0.8453     | 0.8953     |
| 59      | 30      | 0.8036      | 0.8521     | 0.9005     |
| 59      | 35      | 0.8138      | 0.8607     | 0.9068     |
| 59      | 40      | 0.8265      | 0.8712     | 0.9146     |
| 59      | 45      | 0.8418      | 0.8837     | 0.9237     |
| 59      | 50      | 0.8595      | 0.8981     | 0.9339     |
| 59      | 55      | 0.8789      | 0.9137     | 0.9447     |
| 59      | 60      | 0.8989      | 0.9294     | 0.9554     |
| 59      | 65      | 0.9178      | 0.9440     | 0.9651     |
| 59      | 70      | 0.9344      | 0.9568     | 0.9733     |

|    |    |        |        |        |
|----|----|--------|--------|--------|
| 60 | 5  | 0.7663 | 0.8209 | 0.8769 |
| 60 | 10 | 0.7693 | 0.8235 | 0.8790 |
| 60 | 15 | 0.7732 | 0.8269 | 0.8815 |
| 60 | 20 | 0.7782 | 0.8311 | 0.8848 |
| 60 | 25 | 0.7845 | 0.8365 | 0.8889 |
| 60 | 30 | 0.7927 | 0.8434 | 0.8941 |
| 60 | 35 | 0.8029 | 0.8520 | 0.9006 |
| 60 | 40 | 0.8157 | 0.8627 | 0.9085 |
| 60 | 45 | 0.8312 | 0.8755 | 0.9179 |
| 60 | 50 | 0.8493 | 0.8903 | 0.9285 |
| 60 | 55 | 0.8695 | 0.9065 | 0.9399 |
| 60 | 60 | 0.8906 | 0.9232 | 0.9513 |
| 60 | 65 | 0.9108 | 0.9390 | 0.9618 |
| 60 | 70 | 0.9289 | 0.9529 | 0.9708 |

|    |    |        |        |        |
|----|----|--------|--------|--------|
| 61 | 5  | 0.7550 | 0.8117 | 0.8701 |
| 61 | 10 | 0.7580 | 0.8143 | 0.8721 |
| 61 | 15 | 0.7619 | 0.8177 | 0.8747 |
| 61 | 20 | 0.7668 | 0.8219 | 0.8780 |
| 61 | 25 | 0.7731 | 0.8273 | 0.8822 |
| 61 | 30 | 0.7813 | 0.8342 | 0.8874 |
| 61 | 35 | 0.7915 | 0.8429 | 0.8940 |
| 61 | 40 | 0.8043 | 0.8537 | 0.9021 |
| 61 | 45 | 0.8200 | 0.8667 | 0.9117 |
| 61 | 50 | 0.8385 | 0.8819 | 0.9227 |
| 61 | 55 | 0.8594 | 0.8988 | 0.9346 |
| 61 | 60 | 0.8815 | 0.9165 | 0.9468 |
| 61 | 65 | 0.9032 | 0.9335 | 0.9582 |
| 61 | 70 | 0.9228 | 0.9486 | 0.9680 |

|    |    |        |        |        |
|----|----|--------|--------|--------|
| 62 | 5  | 0.7432 | 0.8021 | 0.8629 |
| 62 | 10 | 0.7462 | 0.8047 | 0.8649 |
| 62 | 15 | 0.7500 | 0.8080 | 0.8675 |
| 62 | 20 | 0.7549 | 0.8122 | 0.8708 |
| 62 | 25 | 0.7612 | 0.8177 | 0.8750 |
| 62 | 30 | 0.7693 | 0.8246 | 0.8804 |
| 62 | 35 | 0.7796 | 0.8333 | 0.8870 |
| 62 | 40 | 0.7924 | 0.8442 | 0.8952 |
| 62 | 45 | 0.8082 | 0.8574 | 0.9050 |
| 62 | 50 | 0.8270 | 0.8730 | 0.9164 |
| 62 | 55 | 0.8485 | 0.8906 | 0.9289 |
| 62 | 60 | 0.8717 | 0.9092 | 0.9419 |
| 62 | 65 | 0.8948 | 0.9274 | 0.9541 |
| 62 | 70 | 0.9160 | 0.9438 | 0.9649 |

*\*Option factors are adjusted periodically. This listing is an extract of option factors for selected member and beneficiary ages.*

## Service Retirement Option Factor Tables

| MBR Age | BEN Age | 100% Option | 75% Option | 50% Option |
|---------|---------|-------------|------------|------------|
| 63      | 5       | 0.7309      | 0.7920     | 0.8552     |
| 63      | 10      | 0.7339      | 0.7946     | 0.8573     |
| 63      | 15      | 0.7377      | 0.7979     | 0.8599     |
| 63      | 20      | 0.7425      | 0.8021     | 0.8632     |
| 63      | 25      | 0.7488      | 0.8075     | 0.8675     |
| 63      | 30      | 0.7568      | 0.8145     | 0.8729     |
| 63      | 35      | 0.7670      | 0.8232     | 0.8796     |
| 63      | 40      | 0.7799      | 0.8342     | 0.8879     |
| 63      | 45      | 0.7957      | 0.8476     | 0.8980     |
| 63      | 50      | 0.8148      | 0.8635     | 0.9097     |
| 63      | 55      | 0.8370      | 0.8817     | 0.9228     |
| 63      | 60      | 0.8611      | 0.9013     | 0.9365     |
| 63      | 65      | 0.8856      | 0.9207     | 0.9497     |
| 63      | 70      | 0.9084      | 0.9385     | 0.9615     |

|    |    |        |        |        |
|----|----|--------|--------|--------|
| 64 | 5  | 0.7181 | 0.7813 | 0.8472 |
| 64 | 10 | 0.7211 | 0.7839 | 0.8492 |
| 64 | 15 | 0.7248 | 0.7872 | 0.8519 |
| 64 | 20 | 0.7296 | 0.7914 | 0.8552 |
| 64 | 25 | 0.7358 | 0.7969 | 0.8595 |
| 64 | 30 | 0.7438 | 0.8038 | 0.8649 |
| 64 | 35 | 0.7540 | 0.8126 | 0.8717 |
| 64 | 40 | 0.7668 | 0.8237 | 0.8802 |
| 64 | 45 | 0.7827 | 0.8372 | 0.8904 |
| 64 | 50 | 0.8020 | 0.8534 | 0.9025 |
| 64 | 55 | 0.8246 | 0.8722 | 0.9161 |
| 64 | 60 | 0.8498 | 0.8927 | 0.9306 |
| 64 | 65 | 0.8756 | 0.9134 | 0.9448 |
| 64 | 70 | 0.9002 | 0.9326 | 0.9576 |

|    |    |        |        |        |
|----|----|--------|--------|--------|
| 65 | 5  | 0.7046 | 0.7702 | 0.8386 |
| 65 | 10 | 0.7075 | 0.7728 | 0.8407 |
| 65 | 15 | 0.7112 | 0.7761 | 0.8433 |
| 65 | 20 | 0.7160 | 0.7803 | 0.8467 |
| 65 | 25 | 0.7221 | 0.7857 | 0.8510 |
| 65 | 30 | 0.7300 | 0.7926 | 0.8565 |
| 65 | 35 | 0.7401 | 0.8015 | 0.8634 |
| 65 | 40 | 0.7529 | 0.8125 | 0.8720 |
| 65 | 45 | 0.7689 | 0.8262 | 0.8824 |
| 65 | 50 | 0.7883 | 0.8427 | 0.8948 |
| 65 | 55 | 0.8114 | 0.8620 | 0.9089 |
| 65 | 60 | 0.8374 | 0.8834 | 0.9241 |
| 65 | 65 | 0.8646 | 0.9053 | 0.9394 |
| 65 | 70 | 0.8909 | 0.9261 | 0.9533 |

|    |    |        |        |        |
|----|----|--------|--------|--------|
| 66 | 5  | 0.6907 | 0.7586 | 0.8296 |
| 66 | 10 | 0.6935 | 0.7612 | 0.8317 |
| 66 | 15 | 0.6972 | 0.7644 | 0.8344 |
| 66 | 20 | 0.7018 | 0.7686 | 0.8377 |
| 66 | 25 | 0.7079 | 0.7740 | 0.8421 |
| 66 | 30 | 0.7158 | 0.7809 | 0.8476 |
| 66 | 35 | 0.7258 | 0.7898 | 0.8546 |
| 66 | 40 | 0.7385 | 0.8009 | 0.8632 |
| 66 | 45 | 0.7544 | 0.8147 | 0.8739 |
| 66 | 50 | 0.7740 | 0.8314 | 0.8865 |
| 66 | 55 | 0.7974 | 0.8512 | 0.9012 |
| 66 | 60 | 0.8242 | 0.8734 | 0.9172 |
| 66 | 65 | 0.8527 | 0.8966 | 0.9334 |
| 66 | 70 | 0.8808 | 0.9189 | 0.9486 |

| MBR Age | BEN Age | 100% Option | 75% Option | 50% Option |
|---------|---------|-------------|------------|------------|
| 67      | 5       | 0.6762      | 0.7464     | 0.8202     |
| 67      | 10      | 0.6790      | 0.7490     | 0.8223     |
| 67      | 15      | 0.6826      | 0.7522     | 0.8249     |
| 67      | 20      | 0.6872      | 0.7564     | 0.8283     |
| 67      | 25      | 0.6932      | 0.7618     | 0.8326     |
| 67      | 30      | 0.7009      | 0.7687     | 0.8382     |
| 67      | 35      | 0.7109      | 0.7775     | 0.8453     |
| 67      | 40      | 0.7235      | 0.7887     | 0.8540     |
| 67      | 45      | 0.7394      | 0.8025     | 0.8648     |
| 67      | 50      | 0.7590      | 0.8195     | 0.8778     |
| 67      | 55      | 0.7827      | 0.8397     | 0.8929     |
| 67      | 60      | 0.8102      | 0.8627     | 0.9097     |
| 67      | 65      | 0.8400      | 0.8871     | 0.9269     |
| 67      | 70      | 0.8698      | 0.9110     | 0.9433     |

|    |    |        |        |        |
|----|----|--------|--------|--------|
| 68 | 5  | 0.6612 | 0.7338 | 0.8102 |
| 68 | 10 | 0.6640 | 0.7363 | 0.8123 |
| 68 | 15 | 0.6675 | 0.7395 | 0.8150 |
| 68 | 20 | 0.6720 | 0.7436 | 0.8183 |
| 68 | 25 | 0.6779 | 0.7490 | 0.8227 |
| 68 | 30 | 0.6855 | 0.7559 | 0.8283 |
| 68 | 35 | 0.6954 | 0.7647 | 0.8354 |
| 68 | 40 | 0.7079 | 0.7758 | 0.8443 |
| 68 | 45 | 0.7237 | 0.7898 | 0.8552 |
| 68 | 50 | 0.7433 | 0.8069 | 0.8685 |
| 68 | 55 | 0.7672 | 0.8275 | 0.8840 |
| 68 | 60 | 0.7953 | 0.8512 | 0.9015 |
| 68 | 65 | 0.8263 | 0.8768 | 0.9198 |
| 68 | 70 | 0.8578 | 0.9023 | 0.9375 |

|    |    |        |        |        |
|----|----|--------|--------|--------|
| 69 | 5  | 0.6456 | 0.7205 | 0.7997 |
| 69 | 10 | 0.6483 | 0.7230 | 0.8018 |
| 69 | 15 | 0.6518 | 0.7262 | 0.8045 |
| 69 | 20 | 0.6562 | 0.7303 | 0.8078 |
| 69 | 25 | 0.6620 | 0.7356 | 0.8122 |
| 69 | 30 | 0.6696 | 0.7425 | 0.8179 |
| 69 | 35 | 0.6793 | 0.7513 | 0.8250 |
| 69 | 40 | 0.6916 | 0.7624 | 0.8340 |
| 69 | 45 | 0.7073 | 0.7764 | 0.8451 |
| 69 | 50 | 0.7269 | 0.7936 | 0.8585 |
| 69 | 55 | 0.7509 | 0.8145 | 0.8745 |
| 69 | 60 | 0.7795 | 0.8389 | 0.8927 |
| 69 | 65 | 0.8115 | 0.8657 | 0.9121 |
| 69 | 70 | 0.8447 | 0.8928 | 0.9310 |

|    |    |        |        |        |
|----|----|--------|--------|--------|
| 70 | 5  | 0.6294 | 0.7067 | 0.7886 |
| 70 | 10 | 0.6321 | 0.7092 | 0.7907 |
| 70 | 15 | 0.6355 | 0.7124 | 0.7934 |
| 70 | 20 | 0.6398 | 0.7164 | 0.7968 |
| 70 | 25 | 0.6455 | 0.7216 | 0.8011 |
| 70 | 30 | 0.6529 | 0.7285 | 0.8068 |
| 70 | 35 | 0.6625 | 0.7372 | 0.8140 |
| 70 | 40 | 0.6747 | 0.7483 | 0.8231 |
| 70 | 45 | 0.6902 | 0.7623 | 0.8343 |
| 70 | 50 | 0.7096 | 0.7796 | 0.8480 |
| 70 | 55 | 0.7338 | 0.8008 | 0.8644 |
| 70 | 60 | 0.7627 | 0.8258 | 0.8832 |
| 70 | 65 | 0.7957 | 0.8537 | 0.9036 |
| 70 | 70 | 0.8305 | 0.8824 | 0.9239 |

\*Option factors are adjusted periodically. This listing is an extract of option factors for selected member and beneficiary ages.