

INFORMATION SHEET

Lump-sum death benefits/ benefits for cohabiting couples

When does SVE pay out lump-sum death benefits?

If an insured person or recipient of a retirement or disability pension dies, a lump-sum death benefit will be paid to the beneficiaries.

How high is the lump sum on death?

Death of an active insured person

The level and requirements for payment of the lump sum on death are defined in the pension plan.

Who are the beneficiaries of lump-sum death benefits?

Regardless of inheritance law, the following persons are entitled in the following order

(SVE Pension Fund Regulations, art. 40 para. 2):

- a. the surviving spouse or, in their absence, the children of the deceased insured person who are entitled to an orphan's pension;
- b. in the absence of beneficiaries pursuant to lit. a) the persons supported by the insured person to a significant degree or the person who lived in a partnership with the insured person over the past five years before his/her death without interruption, or who must provide the maintenance of one or more joint children, provided that they do not draw a widower's or widow's pension (art. 20a para. 2 BVG1); in their absence
- c. the other children; in their absence, the parents; in their absence, the siblings.

Persons pursuant to lit. b)

are entitled to benefits only if the Pension Fund was informed of their existence in writing during the lifetime of the insured person.

Can these entitlements be altered?

The insured person can alter these beneficiary groups specified in the regulations at any time by notifying the Pension Fund in writing as follows, whereby the Pension Fund must receive such notification during the insured person's lifetime. Please use the 'Appendix 2b' form attached to the Pension Fund Regulations for this purpose (www.sve.ch/downloads). If the SVE has not received such notification, the order of entitlement stipulated in SVE Pension Fund Regulations (SVE Pension Fund Regulations art. 40 para. 2) will apply:

- The entitlements of the beneficiaries can be defined within a beneficiary group as desired.
- If there are beneficiaries under lit. b), they can be grouped together with the beneficiaries under lit. a), and the beneficiary can be freely selected from within this group.
- If there are no beneficiaries under lit. b), those under a) and c) can be grouped together and the beneficiary can be selected freely from within this group.
- Beneficiaries under b) and c) may not be combined.
- The order of the beneficiaries pursuant to lit. c) may be altered, or the beneficiaries pursuant to lit. c) may be combined.

Example

A widowed insured person has two children under the age of 18 from his first marriage and shares a household with his partner. The insured person combines the beneficiary groups a) and b) and defines the distribution key as follows:

Age	Name	Beneficiary	Cat.	Share
14	Anna	Child	a	25%
16	Lisa	Child	a	25%
40	Claudia	Partner	b	50%
Total				100%

A widowed insured person has two children under the age of 18 from his first marriage and shares a household with his partner. The insured person combines the beneficiary groups a) and b) and defines the distribution key as follows:

Age	Name	Beneficiary	Cat.	Share
14	Anna	Child	a	0%
16	Lisa	Child	a	0%
40	Claudia	Partner	b	100%
Total				100%

A divorced insured person has three children, two of whom are between the ages of 18 and 25 and still in education, and one of whom is older than 25. The insured person combines the beneficiary groups a) and c) and defines the distribution key as follows:

Age	Name	Beneficiary	Cat.	Share
19	Laura	Child	a	20%
21	Sarah	Child	a	30%
26	Tim	Child	c	50%
Total				100%

Without such an entitlement, the adult child who is no longer entitled to an orphan's pension (cat. c) would receive nothing in the event of the insured person's death.

What happens if there are no beneficiaries?

If the lump sum cannot be allocated to anyone in the event of death, it will be forfeited to the Pension Fund.

Notes

The Pension Fund can only verify at the time of death whether the requirements for payment of the lump-sum death benefit have been met within the framework of the desired order of entitlement. The burden of proof lies with the beneficiary. If the desired beneficiary status cannot be met, SVE will pay the lump-sum death benefit in accordance with the regulatory order of entitlement.

It is essential that the insured person periodically review the order of beneficiaries, particularly if family circumstances change over time (change in marital status, birth/death of a child, children reach an age at which they are no longer entitled to an orphan's pension, commencement/termination of a civil partnership or the obligation to support other persons, etc.).

Entitlement to an orphan's pension expires once the beneficiary reaches the age of 18 or, in the case of children who are still in education, no later than after reaching the age of 25. Children who are not entitled to an orphan's pension are not treated in the same way as children entitled to an orphan's pension. If you are a beneficiary of children entitled to an orphan's pension, you should therefore remember to submit a new beneficiary authorisation to the SVE after the orphan's pension entitlement ends or to draw up the beneficiary authorisation accordingly from the beginning until and after the end of any orphan's pension entitlement.

By amending the order of beneficiaries again, the insured person revokes all previously submitted amendments to the order of beneficiaries.

A beneficiary order submitted by the insured person in the event of death is valid only until the insured person leaves the SVE, subject to any subsequent cover.

Persons insured with the Johann Jakob Sulzer Foundation (JJS) should submit the application for beneficiary status in the event of death separately to the JJS.

Support contract

Unmarried insured persons have the option of entitling their unmarried and unrelated partner (also applies to the female form) to the same survivors' benefits as a surviving spouse by means of a support contract.

Prerequisites:

1. Proven uninterrupted cohabitation in the same household during the last five years prior to the death of the insured person. In addition, the life partner must have been supported or substantially supported by the insured person.
2. The support contract (see Appendix 2a, SVE Pension Fund Regulations) must have been correctly completed and submitted to the Pension Fund during the insured person's lifetime.
3. Like a married spouse, the partner must also fulfil the following requirements:
 - they are responsible for the maintenance of one or more children, or
 - they have completed their 45th year of age, or
 - they draw a pension from the Federal Disability Insurance.

If, after the death of the insured person, the life partner fulfils only the requirements under 1) and 2), but not those under 3), he/she will be entitled to a one-off settlement in the amount of three times the annual life partner's pension.

If the surviving partner is more than 10 years younger than the deceased insured person, the partner's pension will be reduced by 3% for each additional full year. The reduction will be diminished by 1/20 for each full year of the civil partnership.

In the case of cohabiting couples, it is generally advisable to draw up a cohabitation agreement that regulates the circumstances of the partnership and the consequences of dissolution. Simple written form is sufficient; however, if the contract contains dispositions under inheritance law, the contract must be notarised.

Do you have any questions?

Your personal contact will be pleased to assist you. Contact details can be found on your insurance certificate or at www.sve.ch/team.