



Information sheet

Lump sum payable on death / Benefits in the case of cohabiting partners

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When does SVE pay a capital sum payable on death?

A capital sum payable on death is paid to the entitled beneficiaries in the event of the death of an insured member or a member receiving a retirement or disability pension.

How much is the capital sum payable on death?

Death of an active insured member

The amount and conditions for the lump-sum payable on death are laid down in the Pension Plan.

Death of a member receiving a retirement or disability pension

Once the insured member has started drawing a retirement or disability pension, the capital sum payable on death will amount to 150% of the insured annual disability pension at the time of retirement, or 150% of the annual disability pension currently being paid, reduced by 1/20 for each month since the commencement of pension payments (commencement of entitlement to the pension) until the month of the insured member's death

Who are the beneficiaries entitled to a capital sum payable on death?

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

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

- b) the surviving spouse; in her absence, the children of the deceased insured person who are entitled to orphan's pensions;
- b) 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 BVG);
- b) the other children; in their absence: the parents; in their absence: the siblings.

Persons listed under b)

are only entitled if they were registered in writing with the pension fund during the insured member's lifetime.

Is it possible to modify this order of beneficiaries?

The insured member may submit a written notification to the pension fund at any time to make the following changes to the groups of beneficiaries laid down in these rules. However, such notification must be received by the pension fund during the insured member's lifetime. To do so, please use the form in "Appendix 2b" to the pension fund rules, which is also available on our website at www.sve.ch. If SVE has not received such notification, the order of beneficiaries set out in the rules will apply (SVE Pension Fund Regulations, art. 40, para. 2):

- The entitlement of the beneficiaries within a given group can be freely determined.
- If there are any beneficiaries under par. b), they can be combined with the beneficiaries under par. a), and the order of beneficiaries within this group can be freely selected.
- If there are no beneficiaries under par. b), the beneficiaries under par. a) and c) can be combined, and the order of beneficiaries within this group can be freely selected.
- It is not possible to combine beneficiaries under par. b) and c).
- The order of the beneficiaries under point c) may be changed or the beneficiaries under point c) can be summarised.

Examples

A widowed insured member has two children under 18 from his first marriage and has been living in a domestic partnership with his partner for three years. The insured member combines his beneficiaries under categories a) and b) and specifies the following distribution formula:

Date of birth	Surname/First name	Beneficiary	Cat.	Share in %
06.03.2007	Anna	Child	a	25
30.04.2009	Lisa	Child	a	25
15.06.1973	Claudia	Partner	b	50
Total				100

The partner is only entitled to the capital sum payable on death if the insured member named her as a beneficiary during his lifetime and if he had either supported her to a considerable extent (e.g. by paying the living expenses of the supported person or by contributing to their joint living expenses) or if their domestic partnership had been in existence for at least five years at the time of the insured member's death.

A widowed insured member has two children under 18 from his first marriage and has been living in a domestic partnership with his partner for three years. The insured member combines his beneficiaries under categories a) and b) and specifies the following distribution formula:

Date of birth	Surname/First name	Beneficiary	Cat.	Share in %
06.03.2007	Anna	Child	a	0
30.04.2009	Lisa	Child	a	0
15.06.1973	Claudia	Partner	b	100
Total				100

A divorced insured member has three children. Two are aged between 18 and 25 and are still in education or training and one is over 25. The insured member combines her beneficiaries under categories a) and c) and specifies the following distribution formula:

Date of birth	Surname/First name	Beneficiary	Cat.	Share in %
10.10.2002	Laura	Child	a	20
15.12.2000	Sarah	Child	a	30
10.01.1996	Tim	Child	c	50
Total				100

If the beneficiaries were not specified in this way, the adult child no longer entitled to an orphan's pension (cat. c) would receive nothing in the event of the insured member's death.

What happens if there are no beneficiaries?

If there are no eligible beneficiaries the capital sum payable on death will pass to the pension fund.

Tips

The pension fund can only check after the death of the insured member whether the preconditions for disbursement of the capital sum payable on death in accordance with the desired order of beneficiaries are fulfilled. The burden of proof is on the person named as a beneficiary. If it is not possible to comply with the desired order of beneficiaries, SVE will disburse the capital sum payable on death in accordance with the order laid down by the pension fund rules.

It is essential that the insured person should periodically review the order of beneficiaries, particularly if his or her family circumstances change over time (change of marital status, birth/death of a child, children reaching the age when they are no longer entitled to an orphan's pension, commencement or ending of a relationship with a partner or of a duty to provide persons with support etc.).

Entitlement to an orphan's pension ceases once the child in question reaches age 18, or at the latest once the child reaches age 25 if he or she is still in education or training. Children who are not entitled to an orphan's pension are not placed on an equal footing with children who are entitled to such a pension. This means that if the beneficiaries you name include children entitled to an orphan's pension, you should submit to the SVE a new order of beneficiaries once such entitlement ceases, or from the outset draw up your order of beneficiaries for before and after cessation of such entitlement.

Whenever an insured member makes a new change in the order of beneficiaries, this has the effect of revoking all previous changes to the order of beneficiaries.

An order of beneficiaries in the event of death submitted by the insured member is only valid until he or she leaves the SVE, with reservation as to any continuing cover.

Insured members of the Johann Jakob Sulzer Foundation (JJS) are requested to submit a separate copy of their order of beneficiaries in the event of death to the JJS.

Support contract

Unmarried insured members have the option of using the support contract to nominate partners, who must also be unmarried and must not be related to the member, for entitlement to the same survivors' benefits as would be received by a surviving spouse.

Preconditions:

- 1.) Evidence of uninterrupted cohabitation in the same household for the five years preceding the death of the insured member. In addition, the cohabiting partner of the insured member must have been supported by the insured member either completely or to a substantial extent.
- 2.) The support contract (see Appendix 2a of the Rules) must have been completed correctly and submitted to the pension fund while the insured member was still alive.
- 3.) In the same way as a married spouse, the cohabiting partner must also meet the following requirements:
 - he or she must be responsible for the maintenance of one or more children, or
 - have reached the age of 45, or
 - be receiving a pension from the Swiss disability insurance scheme (IV).

If after the death of the insured member the cohabiting partner satisfies the requirements under number 1) and 2) but not those under number 3), he will be entitled to a one-off lump-sum settlement equal to three times the annual amount of the cohabiting partner's pension.

If the surviving cohabiting partner is more than ten years younger than the deceased insured, then the surviving partner's pension will be cut by 3% for each full year by which the age difference exceeds ten years. The cut will be reduced by 1/20 for each full year of the cohabiting partnership.

In the case of relationships similar to marriage, it is in principle advisable to draw up a cohabitation agreement which defines the terms of this relationship and the consequences of any termination of the relationship. It is sufficient for such a contract simply to be in writing; however, if the contract contains stipulations relating to the law of succession, notarization is required.

Contact your customer advisor for more information.

The name of the person in charge of your affairs is given in your personal insurance certificate.

Visit our website: www.sve.ch

This website contains interesting information on the SVE.

Sulzer Pension Plan (SVE)

Your customer advisor team

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