

## Information sheet “Cohabitation / lump sum payable at death / additional lump sum payable at death”

### Articles 25–30 of the Pension Fund Regulations

For our forms, information sheets and pension fund regulations, please visit our website at [www.profond.ch](http://www.profond.ch).

#### 1. General information

An insured person who wants to provide for a cohabiting partner or who wishes to deviate in some other way from the order of beneficiaries set down in the Pension Fund Regulations should note that a separate notification is required for each type of benefit. For example, if the Pension Fund receives notification from an insured person that he/she has a cohabiting partner, it is not allowed to draw any conclusions from that as regards a change in the order of beneficiaries for the lump sum payable at death. Any benefits falling due for which the Pension Fund has not received any separate notification to the contrary will always be paid out in accordance with the order of beneficiaries set down in the Pension Fund Regulations and applicable laws.

Profond cannot review a specific claim to benefits until after the death of the insured person. The claimants must furnish proof within three months of the insured person's death that they fulfil the prerequisites for entitlement.

Payment of both the surviving partner's pension and the lump sum or additional lump sum payable at death are governed by the provisions of the Pension Fund Regulations and the laws in force when the insured person dies. We reserve the right to make changes.

#### 2. Surviving partner's pension

##### 2.1 Prerequisites for a claim

Under Article 27 of Profond Regulations, the surviving partner of an insured person is entitled to a surviving partner's pension on the latter's death provided that all of the following conditions are met:

- The insured person and the beneficiary are unmarried and are not living in a registered partnership;
- There is evidence that, prior to his/her death, the insured person and his/her partner had lived together in the same household and in a stable and exclusive partnership for an uninterrupted period of at least five years, or the partner has to support at least one common child;

- At the time the pension entitlement commences, the surviving partner is not receiving any other survivor's benefits (such as a surviving spouse's or surviving partner's pension) and/or has not received any corresponding lump sum payment in the past;
- The insured person furnished Profond with a written declaration prior to his/her death, or a will was submitted after the insured person's death, either of which named the cohabiting partner as beneficiary. The will must contain an unequivocal reference to the occupational pension.

The surviving partner's pension may be drawn as follows:

- a) as a pension, or
- b) as a lump sum payment (current value of the entire spouse's pension which may be reduced due to overpayment of benefits)
- c) partially as a pension and partially as a lump sum payment (current value of the pension which has not been drawn and which may be reduced due to overpayment of benefits)

##### 2.2 Documents and deadlines

A prerequisite for payment of the surviving partner's pension is that Profond was notified of the existence of the partnership during the insured person's lifetime. For this purpose, please use our “Notification of cohabitation” form. The cohabiting partner can also be named as a beneficiary in a will provided the relevant clause explicitly refers to occupational pension arrangements. The will must be submitted to Profond no later than three months after the insured person's death.

We advise beneficiaries to submit the following documents as evidence of their entitlement:

- Evidence that the two partners had been living together without interruption for the past five years (proof of residence of both persons); and/or
- Evidence that the deceased insured person had a maintenance obligation towards a common child.

### 3. Lump sum payable at death / additional lump sum payable at death

#### 3.1 Prerequisites for a claim

Under Art. 30 of the Pension Fund Regulations of Profond, if an insured person dies before drawing a retirement pension or before reaching the reference age, the accrued retirement capital is payable in the form of a lump sum payable at death. The pension plan can also provide for an additional lump sum payable on death.

The law allows pension funds to name further beneficiaries in their pension fund regulations in addition to the normal beneficiaries. Profond avails itself of this option as follows:

- a) Beneficiary group 1:  
Spouse (Art. 25) or cohabiting partner (Art. 27) if none
- b) Beneficiary group 2:  
Natural persons supported to a considerable extent by the insured at the time of his/her death; if none,
- c) Beneficiary group 3:  
the children of the insured; if none,
- d) Beneficiary group 4:  
the parents of the insured; if none,
- e) Beneficiary group 5:  
the siblings of the insured.

You can change the order of beneficiary groups 3, 4 and 5.

Once a beneficiary has been found, the entitlement of any lower-ranking groups of persons is always ruled out. If there are several persons within a given beneficiary group, the capital is generally paid out in equal shares. The insured person may submit written notification specifying differing shares for individual beneficiaries within the same group. However, it is not permissible to divide up claims across different groups (e.g. 50% for the children and 25% for the parents).

#### 3.2 Documents and deadlines

Please use the "Order of beneficiaries for lump sum payable at death / additional lump sum payable at death" form to notify us of your beneficiary arrangements. Beneficiaries can also be named in a will provided the relevant clause explicitly refers to occupational pension arrangements. Persons making a claim must notify Profond thereof in writing no later than three months after the death of the insured person.

We advise beneficiaries to submit the following additional documents as evidence of the legitimacy of their claim:

#### Surviving partner

- Confirmation of marital status from the municipality of residence;
- Evidence that the two partners had been living together without interruption for the past five years (proof of residence of both persons); and/or
- Evidence that the deceased insured person had a maintenance obligation towards a common child.

#### Other beneficiaries

Evidence that the deceased insured person had been providing them with substantial support.

### 4. Examples

1. Mr Huber is 52 years old and is insured with Profond. He has been living with Ms Meier in a common household for three years and would like to name his partner as beneficiary under his occupational pension plan.

Is this possible?

Yes, we can be notified of a partnership even if the conditions for naming the partner as a beneficiary have not yet been fulfilled. The sole decisive factor is whether the conditions are fulfilled for survivor benefits when the pension benefits are due for payment.

2. Ms Müller is 50 years old, divorced and has three children aged 16, 19 and 27. She has been cohabiting with Mr Hauser for an uninterrupted period of eight years. She is insured with Profond and has submitted the "Notification of cohabitation" form. Evidence has been provided that all children are still in education or training. The pension plan does not provide for any additional lump sum payable at death. Who is entitled to what benefits in the event that Ms Müller dies before reaching the reference age?

#### Pensions:

- Surviving partner's pension
- Orphans' pensions for the children aged 16 and 19.
- No orphan's pension for the 27-year-old child as he/she is already above the age limit (25).

#### Lump sum payable at death:

Current retirement assets of the deceased to the partner

3. Ms Disler is 47 years old, divorced and has three children aged 16, 19 and 27. She has had a boyfriend for three years, with whom she does not cohabit and who does not financially support her. Ms Disler also notified us that the lump sum payable at death was to be shared equally among her three children. So who is now entitled to what benefits?

#### Pensions:

- Orphans' pensions for the children aged 16 and 19.
- No orphan's pension for the 27-year-old child as he/she is already above the age limit (25).

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## Lump sum payable at death:

Current retirement assets, which, according to the written request submitted by Ms Disler, is to be divided among her three children.

4. Mr Hösli, a 58-year-old widower, has two children aged 26 and 30. He is insured with Profond and has submitted an "Order of beneficiaries for lump sum payable at death / additional lump sum payable at death". He specified in the form "Order of beneficiaries for lump sum payable at death / additional lump sum payable at death" that the younger child is to receive 60% of the lump sum payable at death and the older one 40%. In addition, Mr Hösli began cohabiting with Ms Maurer six years ago. In his will, Mr Hösli expressly stipulated that his partner should receive a surviving partner's pension from his occupational pension plan. The pension plan of the affiliated company provides for an additional lump sum payable at death. Who is entitled to what benefits in the event that Mr Hösli dies before reaching the reference age?

## Pensions:

- Surviving partner's pension
- No orphan's pensions for the children as they are already above the age limit (25).

## Lump sum payable at death:

Lump sum payable at death for the partner equal to the amount of the current retirement assets of the deceased is payable as the beneficiary is entitled to a surviving partner's pension.

## Additional lump sum payable at death:

The additional lump sum payable at death is paid to the life partner as she is equivalent to the spouse, provided that all prerequisites pursuant to Article 27 of the Pension Fund Regulations are fulfilled.