

MassMutual's Dividend Interest Rate

Consistently Strong Historical Results

Participating whole life insurance from Massachusetts Mutual Life Insurance Company (MassMutual®) offers a combination of life insurance protection, cash value accumulation, guarantees and income tax advantages. In addition, policies are eligible to receive annual dividends. While dividends are not guaranteed, MassMutual has paid them to eligible participating policyowners every year since 1869.

Policy Dividends

Whole life policy dividends have three components that reflect the company's operating experience with respect to:

- Mortality (Death Claims)
- Expenses
- Investment Results

The Dividend Interest Rate (DIR) is used to calculate the investment component of policy dividends. It is declared annually and may vary from one year to the next.

The investment component reflects the difference between the guaranteed interest rate used to calculate the policy cash value and the DIR. As an example, if the DIR is 6.40% and guaranteed interest rate is 3.75%, the investment component of the dividend is based on 2.65% (6.40%-3.75%).

Different life insurance companies may quote and apply DIRs differently. As a result, you cannot use the DIR as the sole basis for comparing one whole life policy to another.

The decision to purchase life insurance should be based on long-term financial goals and the need for a death benefit. Life insurance is not an appropriate vehicle for short-term savings or short-term investment strategies.

The information provided is not written or intended as specific tax or legal advice. MassMutual®, its subsidiaries, employees and representatives are not authorized to give tax or legal advice. Individuals are encouraged to seek advice from their own tax or legal counsel.

Consistently Strong Historical Results

The following comparison was designed to illustrate the strong and consistent historical results that MassMutual has delivered to whole life policyowners through the DIR. It compares MassMutual's DIR to historical results for investment options typically available in Variable Universal Life (VUL) and Indexed Universal Life (IUL) policies. While the overall mechanics of universal life products and whole life insurance are very different, both types of policies deliver investment results to policyowners.

VUL investment options allow policyowners to invest in equities, fixed-income investments and other assets. Most use a stock or bond index as a performance benchmark, and many are designed to replicate the performance of a specific index such as the Standard & Poor's 500 Index or the Bloomberg U.S. Aggregate Bond Index. Using these indices as proxies for VUL investment options, we can compare their historical results to MassMutual's DIR.¹

IUL policies allow policyowners to invest in fixed interest and index-linked (indexed) accounts. The indexed accounts credit interest based on the price performance of an index. The accounts do not actually invest in the securities in the index. Instead, a portion of the money allocated to the account is used to purchase options on the securities index to support the interest crediting rate. IUL indexed accounts have a minimum crediting rate, a maximum crediting rate or cap and a participation rate, which is the percentage of the index return used to determine the

crediting rate. As an example, a typical indexed account may be linked to the price performance (excluding dividends) of the Standard & Poor's 500 Index and have a minimum crediting rate of 0%, a cap rate of 10% and a 100% participation rate.

The investment results or DIR shown in the comparisons that follow are not the rate of return on the policies. The actual rate of return will be less due to the cost of the life insurance protection and other charges associated with each type of policy. There may be little or no cash, account or surrender value available in the early policy years, and it may take a number of years to realize a positive return on premiums paid into your policy. You should review a life insurance illustration based on your specific situation and needs to fully understand how the policy works and how investment results impact the long-term performance.

¹ The stock Index and bond Index used in this comparison do not reflect the fees and charges associated with an actual VUL investment option. Had fees and charges been reflected, the returns would be lower. Indices are used for informational purposes only. Individuals cannot invest directly in an index.

The following chart and table compare MassMutual’s DIR to the historical average annual results and standard deviations² for the following indices from 1980 through 12/31/2024:

Stock Index – The Standard & Poor’s 500 Index with dividends, which is often used to measure total performance of U.S. common stocks.

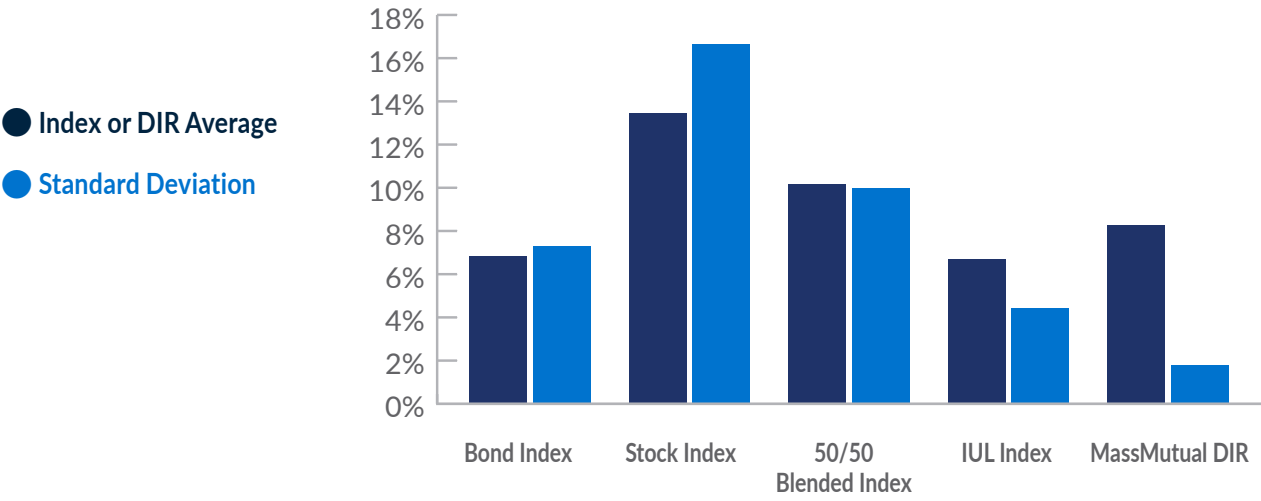
Bond Index – The Bloomberg U.S. Aggregate Bond Index which is often used to measure total performance of investment grade bonds being traded in the U.S.

50/50 Blended Index – A 50%/50% blend of the Stock Index and Bond Index, maintained year-over-year.

IUL Index – The Standard & Poor’s 500 Index excluding dividends assuming a cap rate of 10%, a minimum crediting rate of 0% and a 100% participation rate.

MassMutual’s DIR – This represents the Dividend Interest Rate for whole life insurance policies issued by MassMutual prior to the merger with Connecticut Mutual in 1996. These policies are no longer available for sale.

MASSMUTUAL DIR VS. HYPOTHETICAL INDEX INVESTMENT OPTIONS (1980-2024)



Index or DIR Average	6.84%	13.46%	10.15%	6.67%	8.27%
Standard Deviation	7.27%	16.65%	9.89%	4.44%	1.80%
Number of Negative Years	5	8	6	0	0
Largest Decrease	-13.01%	-37.00%	-15.88%	N/A	N/A

Historical results are not an indicator of future performance.

This comparison demonstrates that the investment component of our policy dividends, reflected in MassMutual’s DIR, comparatively has substantially less variability than the illustrative VUL and IUL investment options.

² Standard Deviation is a commonly used statistical measure of the variability of historical investment returns and is often used in comparing the risk versus average return of different types of investments. A higher standard deviation indicates greater variability in returns, and typically higher investment risk. To put it in perspective, if the average annual return is 6% and the standard deviation is 1%, there is a 68% probability that future returns will be between 5% and 7%.

MassMutual...

Helping you secure what matters most.

Since 1851, our business decisions have been guided by our customers' needs. Today, we offer a wide range of financial products and services to help people secure their future and protect the ones they love.

Participating whole life insurance policies are issued by Massachusetts Mutual Life Insurance Company (MassMutual), Springfield, MA 01111-0001.



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