Protect and Build Your Future

With participating whole life insurance from Massachusetts Mutual Life Insurance Company (MassMutual®)

Meet Jill

In 1995, Jill started investing $3,500 at the beginning of each year in a bond index mutual fund[1] as a conservative part of her overall investment strategy. She was 35 at that time, and planned to continue investing the same amount each year until she turned 65. Her fund returns have been identical to the Bloomberg U.S. Aggregate Bond Index less an annual expense charge of 0.25%. She paid taxes due each year out of the fund balance at a rate of 28%.

At the same time, Jill purchased a $250,000 whole life insurance policy from Massachusetts Mutual Life Insurance Company (MassMutual).[2] Her annual premium was $3,450 and her policy was guaranteed to be paid-up when she turned 65. Jill's policy was also eligible to earn dividends, which were not guaranteed. She used the dividends she received each year to increase her coverage by purchasing additional paid-up whole life insurance.

Jill bought the policy because she needed life insurance to help protect her family. In addition, it would accumulate cash value on a tax-deferred basis.

The following table shows Jill's bond fund and whole life policy through 2024:

BOND FUND				WHOLE LIFE POLICY[2]		
Year	Jill's Age	Total Invested	Bond Fund Balance[1]	Total Premiums	Total Cash Value	Total Death Benefit
2005	45	$35,000	$45,522	$34,500	$34,785	$266,060
2015	55	$70,000	$103,441	$69,000	$111,183	$343,178
2024	64	$101,500	$180,071	$100,050	$220,959	$432,268

This a hypothetical case study only and does not depict a real person or testimony.

[1] Hypothetical no-load bond fund based on the historical annual returns of the Bloomberg U.S. Aggregate Bond Index (formerly Lehman Aggregate Bond Index prior to 11/1/2008). The Index does not represent the performance of a specific fund. You cannot invest directly in an index.

[2] This example is based on an actual policy that was offered by MassMutual in 1995 prior to the merger with the former Connecticut Mutual Life Insurance Company in 1996 and is no longer available for sale. Policy values shown are based on a hypothetical insured assuming the policy was originally issued with an adjustable loan rate and the Preferred Nonsmoker risk rating, which is no longer available.

Jill's Whole Life Policy

Over the same period, Jill's whole life policy provided an increasing amount of life insurance protection and cash value. By 2024, she had $432,268 of paid up life insurance and a cash value of $220,959.

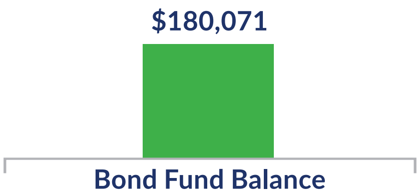
If she decides to surrender[4] her policy for the cash value and pay income taxes on the gain at a rate of 28%, she would still have over $187,000. Or, she could keep the coverage in place and her cash value will continue to accumulate tax deferred for the latter part of her retirement. Since her policy cash value is guaranteed to increase each year, it may be a good alternative source of funds when her other retirement assets have declined in value due to market conditions.

Jill's Bond Fund

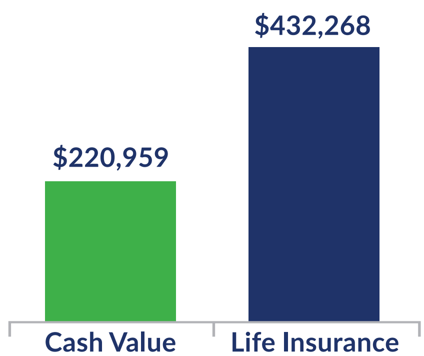
The average annual return for Jill's bond fund from 1995 to 2024 was 6.70%. After taxes, expenses and variations in returns, however, the actual internal rate of return[3] realized over this period was 3.60%.

Throughout Jill's working years, her bond fund provided fairly consistent growth and a reliable source of funds. In retirement, she could use it as an additional source of income. Her fund balance of $180,071 is after taxes, so it may help her manage her taxable income during retirement.

BOND FUND IN 2024



WHOLE LIFE POLICY IN 2024



Investing in a bond fund and purchasing whole life insurance were very different financial decisions that Jill made many years ago. Both helped her to realize her long term financial goals and are allowing her to enjoy a more secure and comfortable retirement today.

[3] The internal rate of return is the level interest rate at which the amounts invested must be compounded at each year to generate the ending fund balance.

[4] Distributions under the policy (including cash dividends and partial/full surrenders) are not subject to taxation up to the amount paid into the policy (cost basis). If the policy is a Modified Endowment Contract, policy loans and/or distributions are taxable to the extent of gain and are subject to a 10% tax penalty if the policyowner is under age 59½.

Access to cash values through borrowing or partial surrenders will reduce the policy's cash value and death benefit, increase the chance the policy will lapse, and may result in a tax liability if the policy terminates before the death of the insured.

MassMutual

Helping you secure what matters most.

Since 1851, MassMutual has been building a reputation for financial strength and integrity. At MassMutual, we operate for the benefit of our customers. Our business decisions are based on a single guiding principle: to help people secure their future and protect the ones they love.

Any guarantees explicitly referenced herein are based on the claims-paying ability of the issuing insurance company.

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. While the policy allows for loans, you should know that there may be little to no cash value available for loans in the policy's early years.

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.

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

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