



## Growth, income and stability

Not every conservative savings product is the same. Multi-Year Guarantee Annuities (also called MYGAs), offer many of the same features that make other conservative products so popular. In addition, annuities offer other unique features that may be beneficial to you.

Your financial professional can help you choose the product that best suits your needs.

### What is a Multi-Year Guarantee Annuity?

Multi-Year Guarantee Annuities are a type of fixed annuity (typically single premium) that provides a predetermined and contractually guaranteed interest rate for a specified period of time.

As an annuity, they offer you the ability to have a guaranteed stream of income at a future point in time – like when you retire.

Because MYGA's offer multiple guarantee periods, they are often compared to other conservative savings products, like Certificates of Deposits or CDs. Which high-quality product is right for you depends on your own personal situation and goals. To help you with your decision, we've compiled a helpful comparison.

## A COMPARISON OF MYGAs AND CDs

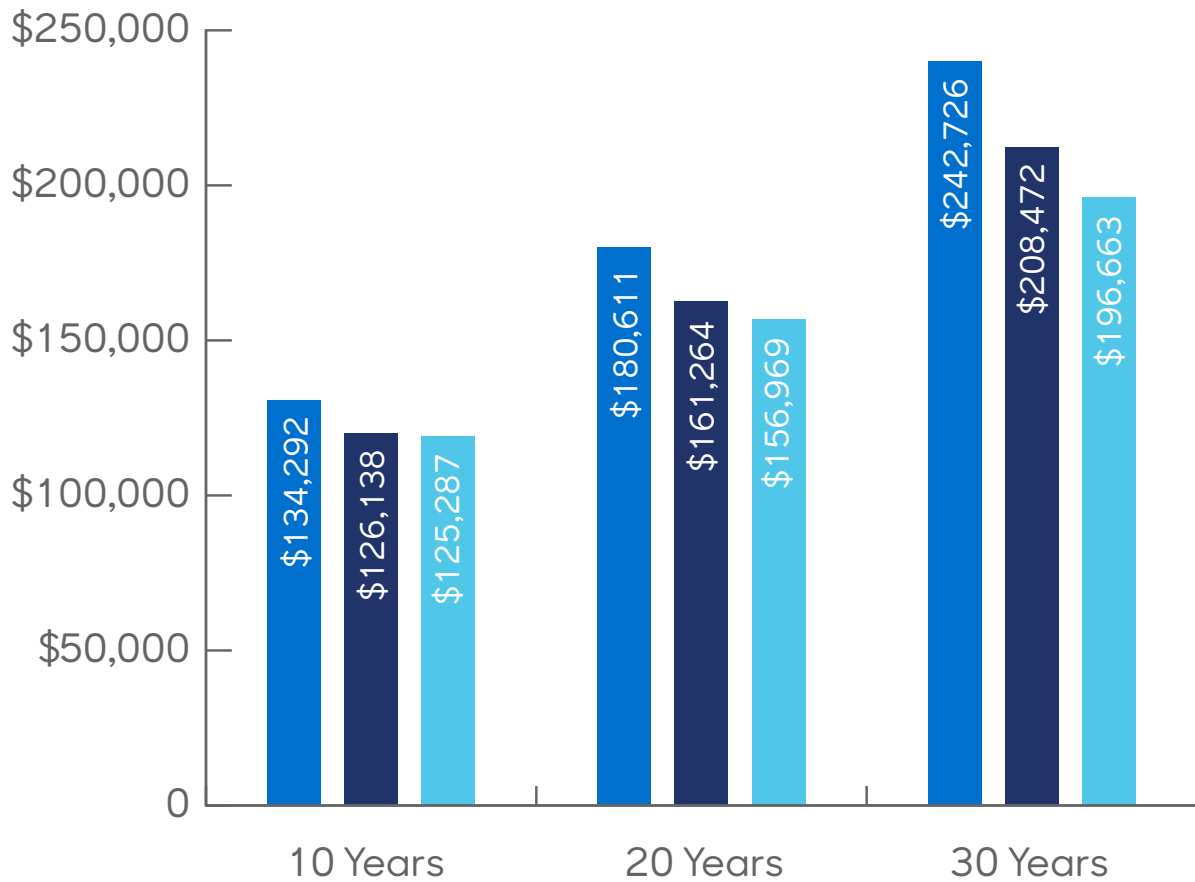
	<b>Multi-Year Guarantee Annuities</b>	<b>Certificates of Deposit</b>
<b>Guaranteed interest<sup>1</sup></b>	Yes	Yes
<b>FDIC-insured</b>	No <ul style="list-style-type: none"> <li>• Backed by the claim-paying ability of the insurer that issues the fixed annuity (see <a href="#">MassMutual's Financial strength ratings on our website</a>)</li> </ul>	Yes <ul style="list-style-type: none"> <li>• Insured only up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA)</li> </ul>
<b>Withdrawals Allowed<sup>2</sup></b>	Usually Permitted <ul style="list-style-type: none"> <li>• Many allow withdrawals of a certain percentage of contract value each year, typically around 10% or accumulated interest, free of any annuity surrender charges</li> <li>• Excess withdrawals are usually subject to surrender charges and/or market value adjustments (MVAs)</li> <li>• Surrender charges generally decline each contract year and expire at the end of a specified number of years</li> <li>• MVAs may result in a positive or negative adjustment</li> </ul>	Usually Not Permitted <ul style="list-style-type: none"> <li>• Generally charge a penalty if funds are withdrawn prior to maturity</li> <li>• Some CDs may offer the ability to withdraw interest</li> <li>• No-Penalty CDs usually refer to CDs that allow you to withdraw only if you commit to another higher rate CD</li> </ul>
<b>Guaranteed Term Periods</b>	Yes <ul style="list-style-type: none"> <li>• Typically will offer multiple guaranteed periods to select from, ranging from 1 to 10 years</li> <li>• Some MYGAs may allow you to renew into different periods without having to terminate the contract</li> </ul>	Yes <ul style="list-style-type: none"> <li>• Guaranteed rate term choices can range from 90 days to multiple year guarantees, however, they usually are not greater than 5 years at most banks</li> </ul>
<b>Provide lifetime income</b>	Yes <ul style="list-style-type: none"> <li>• All types of annuities offer lifetime income options<sup>1</sup></li> </ul>	No <ul style="list-style-type: none"> <li>• Some CDs may allow the systematic withdrawal of interest and may be used as income upon maturity but none can guarantee an income for life</li> </ul>
<b>Tax deferral<sup>2</sup></b>	Yes <ul style="list-style-type: none"> <li>• Earnings on individually owned annuities are generally tax deferred until they are withdrawn, allowing your money to take full advantage of compounding interest</li> <li>• Qualified plans, like IRAs, already provide tax deferral so annuities do not provide any additional tax advantage when used to fund a qualified plan</li> </ul>	No <ul style="list-style-type: none"> <li>• Earned interest is taxable for the current year on an annual basis</li> </ul>

<sup>1</sup> Any guarantees explicitly referenced herein are based on the claims-paying ability of the issuing insurance company.

<sup>2</sup> Liquidated earnings are subject to ordinary income tax and may be subject to a surrender charge and/or MVA. If taken prior to age 59½, an additional 10% federal income tax may apply.

## TAX-DEFERRED VS. CURRENTLY TAXABLE

<b>Assumptions:</b> Tax-deferred and currently taxable comparison	<b>Assumed initial purchase payment:</b> \$100,000	<b>Assumed annual rate of return:</b> 3%	<b>Assumed tax rate:</b> 24%
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- Fixed annuity (before taxes are payable)
- Fixed annuity (full surrender paying taxes at 24%)
- Certificate of Deposit (CD)

This hypothetical example is intended to illustrate the advantages of tax deferral. It does not represent the performance of any particular product. Taxes are assumed to be paid after the full time period has lapsed. Surrender charges and/or MVA are not included and had they been, results could be different. Please consider your personal retirement income horizon and income tax bracket, both current and anticipated, when making your financial decision as they may have an additional impact on the results of the comparison.

Please note that withdrawals from a tax-deferred annuity are subject to taxation and, if taken prior to age 59½, an additional 10% federal income tax may apply.

## Massachusetts Mutual Life Insurance Company

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