MassMutual

Massachusetts Mutual Life Insurance Company

Worksite Better.

Group Whole Life Insurance: The power of the dividend

Today, more than 6 in 10 workers (63%) with children under age 18 count on their workplace life insurance coverage to protect their loved ones.[1] For employees depending on coverage they purchase at work there are two reasons why Group Whole Life insurance can provide a combination of protection and growth they may want.

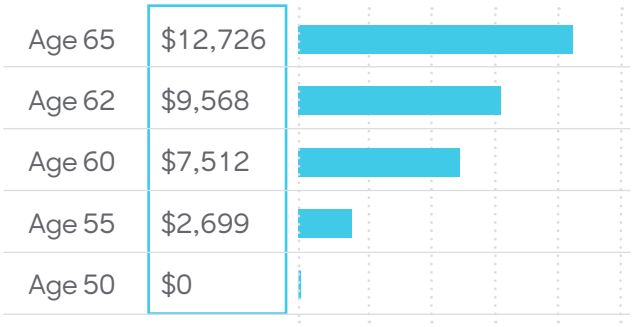
[1] 2023 Workforce Benefits Study, LIMRA, LL Global,Inc.

MassMutual's Group Whole Life insurance provides a death benefit, along with guaranteed cash value accumulation. Additionally this coverage is also participating, which means that certificate owners are eligible to receive a dividend each year beginning on the certificate's second anniversary.

Guaranteed cash value accumulation

- The cash value in a whole life certificate is guaranteed to increase every year.
- For example, a 50-year-old non-smoker who bought a $50,000 Group Whole Life certificate in 2015 and paid a $116 monthly premium would have accumulated guaranteed cash value of $12,726 in the certificate by attained age 65.
- Certificate owner can borrow a portion of this money to use for any reason.[2]

GUARANTEED CASH VALUE GROWTH ATTAINED AGE 50-65



Dividends

- The potential for dividends, while not guaranteed, is an added benefit to an employee's whole life certificate on top of the protection it provides.
- Compared to a non-participating certificate, a participating whole life certificate could yield hundreds of dollars in dividends over time, receivable in a number of ways.
- For example, if the same 50-year-old non-smoker who purchased a $50,000 certificate in 2015 elected the PUA dividend option, his certificate's cash value would increase by $327 and his death benefit would increase by $793 in 2024. This additional coverage is also eligible to receive dividends in the future.[3]

DIVIDENDS PAYABLE IN 2024

- $50,000 Face Amount
- 50-year-old, non-smoker
- No additional riders included

Year Purchased	Value of Paid-Up Additions Added to Cash Value	Paid-Up Additions Added to Death Benefit
2023	$0	$0
2022	$75	$224
2021	$225	$698
2020	$283	$962
2019	$177	$490
2018	$215	$575
2017	$252	$653
2016	$290	$725
2015	327	$793

Participating whole life insurance certificate owners are eligible to receive dividends beginning on the second anniversary, and while dividends are not guaranteed, have the potential to grow in years to come. Non-participating products don't offer this added benefit.

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

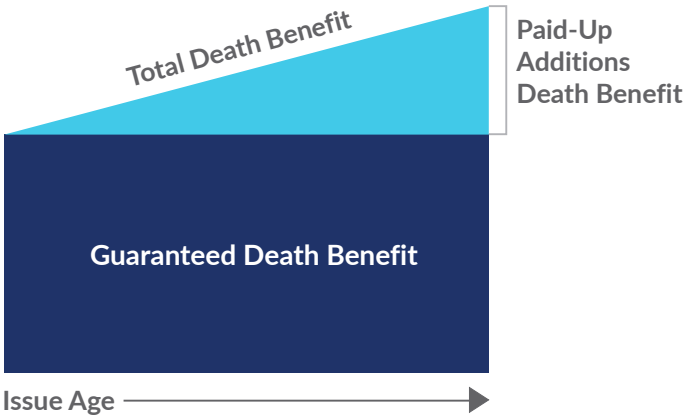
Dividend options

MassMutual group whole life certificate owners may choose one of four dividend options:

- Purchase paid-up additional whole life insurance (PUAs)
- Receive in cash
- Leave on deposit to accumulate interest
- Reduce future premiums (only available after porting)

The PUA dividend option is by far the most common among MassMutual's certificate owners. Using dividends to purchase paid-up additional whole life insurance will increase the total death benefit and cash value over time. The additional insurance will also be eligible to receive dividends. Additionally, if employees leave the company and take the certificate with them, they can change their dividend option and choose to have their dividend payments reduce their premiums.

WHOLE LIFE CERTIFICATE WITH PAID-UP ADDITIONS



More about dividends

MassMutual's eligible participating certificates can receive an equitable share of the company's divisible surplus as a dividend each year. Divisible surplus is primarily the result of the Company's favorable operating experience with respect to claim payments, investment results and expenses. It's important to understand that divisible surplus must be achieved in order to pay dividends. This is why the payment of dividends on any particular product is not guaranteed. Generally, dividends are declared and paid annually. However, since we do not know what our experience will be in future years, we cannot guarantee the payment of dividends.

MassMutual Group Whole Life certificates are eligible to receive dividends beginning on the second anniversary. For example, if the certificate were purchased in calendar year 2022, the first year the certificate owner would be eligible to receive a dividend is 2024 on the certificate anniversary. Dividends are determined annually, subject to change and are not guaranteed. Dividends in future years may be lower or higher depending on the company's actual experience.

[3] The chart reflects the dividend paid in 2024 based on the MassMutual Group Whole Life certificate purchased in the calendar year noted on the chart's legend. This information represents an actual dividend paid in 2024. Actual dividend amounts received will vary based on the dividend schedule at the time of receipt, and certain certificate criteria such as underwriting class, face amount, premium amount and length of time the certificate is inforce. The premium, cash values and dividends paid for certificates issued in 2020 or later reflect the 2017 CSO Mortality Tables. The premium, cash values and dividends paid for certificates issued before 2020 reflect the 2001 CSO Mortality Tables. The dividends for 2020 issue are higher as the premium was increased and the guarantees decreased. Dividends are not guaranteed in the future.

The power of the dividend could be an important factor in deciding the best benefit option to offer your employees.

For more information and to learn more about MassMutual's Worksite benefits, contact your financial professional or visit **MassMutual.com/retirement/worksite-benefits** or call **1-855-877-6161**.

Group Whole Life Insurance (GPWL), (policy/certificate forms MM-GPWL-2014 and MM-GCWL-2014, and MM-GPWL-2014 (NC) and MM-GCWL-2014 (NC) in North Carolina), is level-premium, participating permanent life insurance. The GPWL policy and GCWL certificates are issued by Massachusetts Mutual Life Insurance Company, Springfield, MA 01111-0001.

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