

# Historical Dividend Results for Participating Whole Life Insurance

From Massachusetts Mutual Life Insurance Company (MassMutual®)

The following is an overview of the historical dividend results for a whole life insurance policy issued by MassMutual to a hypothetical insured in 1995.<sup>1</sup> The policy was a Life Paid-Up at 65 with a \$250,000 face amount, issued on a woman who was age 35 and a Preferred Nonsmoker. The guaranteed annual premium for the policy is \$3,450, and is payable until age 65.

The policy provides a guaranteed amount of life insurance (\$250,000) and a schedule of guaranteed cash values that increase each year and grow to equal the face amount at the insured's age 100. In addition, the policy is participating, which means that it is eligible to receive policy dividends. However, dividends are not guaranteed. The policy was issued with the dividend being used to purchase paid-up additional life insurance or paid-up additions. This is the most common dividend option selected by MassMutual whole life policyowners. Paid-up additions provide additional life insurance protection, accumulate additional cash value and are also eligible to receive dividends. As a result, they have the potential to increase the policy death benefit significantly over a period of many years.

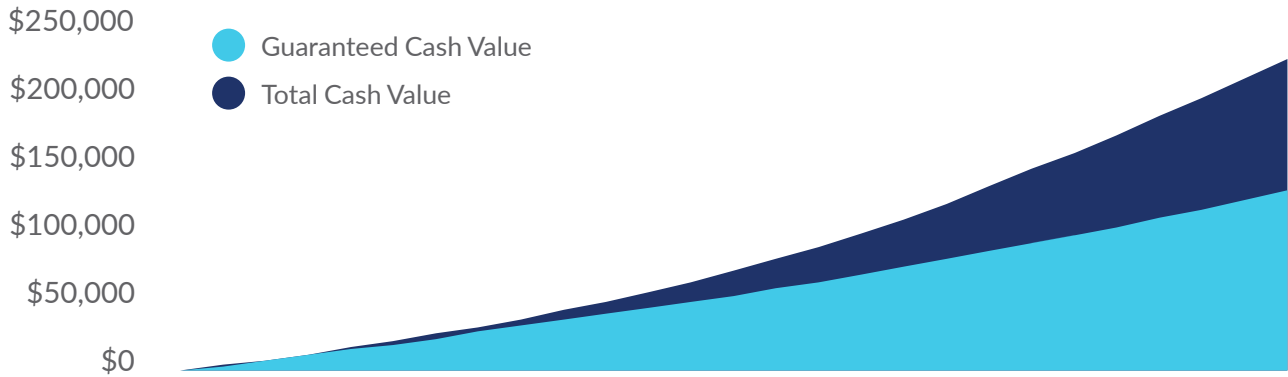
The charts that follow compare the policy values that were guaranteed in 1995 to the actual results with dividends paid through 2024. This includes:

- The total policy cash value, which includes the base policy cash value and the cash value of accumulated paid-up additions.
- The total policy death benefit, which includes the base policy death benefit and the death benefit of accumulated paid-up additions.

The results shown reflect the actual experience of the company over this time period, primarily with respect to investment results, mortality and expenses. Dividends paid in future years will be lower or higher than illustrated, depending on MassMutual's operating experience over time.

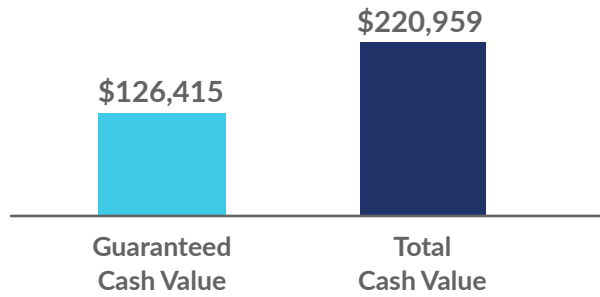
<sup>1</sup> This policy was issued by MassMutual prior to the merger with the former Connecticut Mutual Life Insurance Company in 1996. Policies in this block of business are no longer available for purchase. The policy was issued with an adjustable loan rate.

### Guaranteed and Actual Total Cash Value (1995-2024)

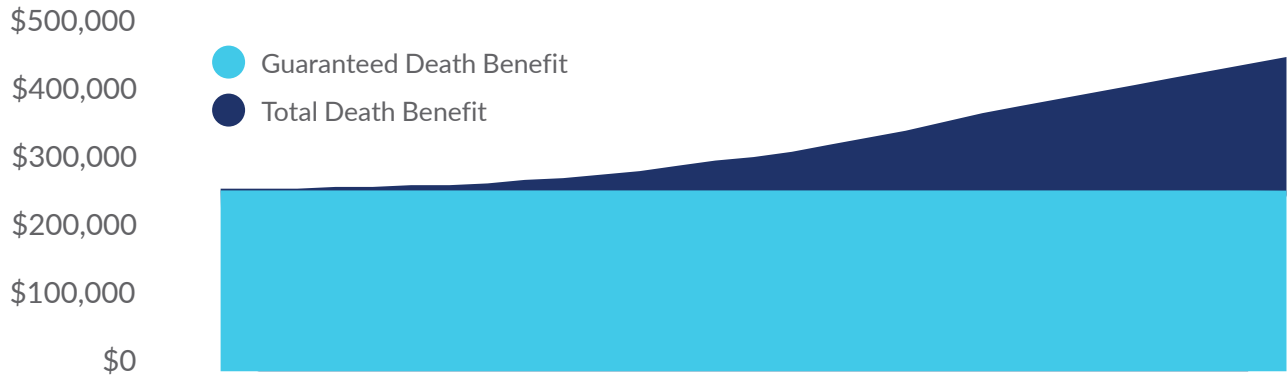


The guaranteed cash value for 2024 is \$126,415. The total cash value is \$220,959, which is almost **75%** higher. This represents an internal rate of return<sup>2</sup> of **4.88%** on the premiums paid through age 64, which totaled \$100,050 (\$3,450 X 29 years).

#### Guaranteed vs. Actual Total Cash Value (2024)

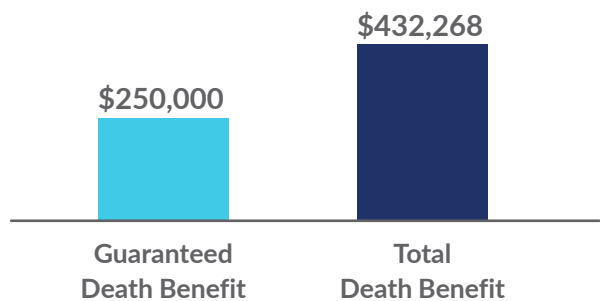


### Guaranteed and Actual Total Death Benefit (1995-2024)



The guaranteed death benefit is \$250,000. The total death benefit is \$432,268, which is almost **73%** higher. If the policy death benefit is paid in 2024, this will represent an internal rate of return<sup>2</sup> of **8.59%** on the premiums paid. The death benefit is generally paid income tax free.

#### Guaranteed vs. Actual Total Death Benefit (2024)



<sup>2</sup> The internal rate of return (IRR) is the rate at which premiums paid up to that year would need to be compounded each year to generate the Total Cash Value or Total Death Benefit.

Participating whole life insurance policies issued by Massachusetts Mutual Life Insurance Company (MassMutual), Springfield, MA 01111-0001 and its subsidiary, C.M. Life Insurance Company, Enfield, CT 06082.

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