

MassMutual Universal Life Guard (UL Guard) and Survivorship Universal Life Guard (SUL Guard)

Frequently Asked Questions

UL Guard and SUL Guard are flexible premium universal life insurance policies issued by Massachusetts Mutual Life Insurance Company. They are designed for individuals who need permanent life insurance with guaranteed premiums. For more information on market positioning, product specifications, charges and expenses, additional product details and policy riders, please refer to the [UL Guard Producer Guide](#) and the [SUL Guard Producer Guide](#).

How does the no lapse guarantee work?

In order to guarantee the policy death benefit, the Guaranteed Death Benefit Safety Test must be satisfied. The GDB Safety Test is based on the Guaranteed Death Benefit Measure (GDBM), also known as a shadow account. The GDBM “shadows” activity in the account value. However, the GDBM is calculated for the GDB Safety Test and is not the policy account value. Keeping the shadow account value positive means the GDB Safety Test is satisfied.

Policy transactions such as premium payments, withdrawals, loans, and other changes to the policy that affect the account value will also impact the shadow account. Any activity that reduces the shadow account will negatively impact the Guaranteed Death Benefit (GDB) Guarantee Period, and/or will cause an increase in the GDB Premium needed to maintain the guaranteed death benefit throughout the guaranteed period.

If the GDB Safety Test is satisfied, and the policy debt limit is not reached, the policy will remain in-force even if the policy has no account value.

What events negatively affect the GDB safety test?

Each of the following will negatively affect a policy's GDB Safety Test and could cause it to no longer be satisfied:

- Paying less premium than planned
- Late premium payments
- Surrender charges from face amount decreases (generally offset by lower "shadow charges" resulting from the lower coverage amount)
- Premium payment frequency changes
- Adding riders
- Taking withdrawals
- Taking loans

MassMutual® will notify the client in their annual statement if they have failed to meet the GDB Safety Test and the policy is in danger of lapsing.

What other factors could impact the shadow account?

UL Guard is designed to be a guaranteed death benefit product. Underfunding the policy at a premium that is significantly less than the lifetime guarantee premium will result in additional charges being taken from the shadow account. We refer to this as the GDMB offset threshold.

Can early premium payments negatively impact the Guaranteed Death Benefit Measure, also known as the shadow account?

There is no negative impact to the shadow account value as a result of early payments.

How do late payments impact the GDB Safety Test?

Late payments will negatively impact the GDB Safety Test.

To reduce the impact late premium payments can have on the GDB Safety Test, UL Guard and SUL Guard offer some flexibility. For the GDB Safety Test only, late premiums will be treated as received when due if received as follows:

- Up to 1 policy month late for out-of-pocket premiums
- Up to 6 policy months late for 1035 Exchange funds

Does the UL Guard/SUL Guard have rolling target premiums?

No, they do not have rolling target premiums. Only premiums paid in the first year are considered to be first year target premium.

If the annual premium is less than the target premium and the second premium is paid before the policy anniversary, is first-year compensation paid on the remaining target?

Yes, first-year compensation is paid on the remaining target paid in the first year.

Are the no lapse guarantee premiums banded by face amount?

Yes. The shadow account has the following face amount bands:

- Band 1 = \$50,000 – \$99,999
- Band 2 = \$100,000 – \$249,999
- Band 3 = \$250,000+

Note that these bands will only be applicable to the shadow account and will therefore only affect the premium requirements to fund the Guaranteed Death Benefit Safety Test. They will not affect the policy's account value.

What is the minimum initial premium?

The initial premium payment must be greater than or equal to the planned premium plus the required modal premiums to keep the policy in force to the next billing date.

What is the maximum premium?

For UL Guard and SUL Guard, the maximum premium limit is the greatest of:

- \$100 plus two times the annual target premium.
- The amount of premiums paid in the preceding policy year.
- The largest premium that does not increase the insurance risk.

Are face amount increases allowed?

Face amount increases are not allowed.

Are face amount decreases allowed?

Face amount decreases are allowed after the first policy year by the owner's written request. The face amount after the decrease must be at least \$50,000. The target premium and surrender charges are reduced as of the effective date of the decrease. Any surrender charge due upon a decrease in the face amount is deducted from the account value and shadow account value on the effective date of the decrease. If the face amount is decreased, the owner will receive any revised or additional policy specifications by mail for attachment to the policy.

How is the interest credited?

Interest is credited daily to the account value, including any loaned values. All credited interest rates are guaranteed to be at least 1% annually. The loaned value will be credited a fixed annual rate equal to the policy Loan Interest Rate (4%) less the Loan Interest Rate Expense Charge (current and maximum Loan Interest Rate Expense Charge is equal to 2%). The non-loaned portions of the account value earn interest at the current rates declared for each calendar month, with a minimum guaranteed rate of 1% annually.

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

The products and/or certain features may not be available in all states. State variations may apply.

Universal Life Guard (ULG-2018 and ICC18ULG in certain states, including North Carolina) is non-participating, flexible premium adjustable life insurance issued by Massachusetts Mutual Life Insurance Company, Springfield, MA 01111-0001.

Survivorship Universal Life Guard (SULG-2018 and ICC18SULG in certain states, including North Carolina) is non-participating survivorship flexible premium adjustable life insurance issued by Massachusetts Mutual Life Insurance Company, Springfield, MA 01111-0001.

