

Additional Life Insurance Rider Premium Flexibility

Available with whole life insurance policies issued by Massachusetts Mutual Life Insurance Company (MassMutual®)

The Additional Life Insurance Rider (ALIR) allows policyowners to purchase additional participating paid-up whole life insurance, also called paid-up additions (PUAs). Purchasing PUAs increases the death benefit and accelerates the cash value growth.

Scheduled ALIR payments are elected at issue for a certain duration, up to a maximum of age 90, and are paid on the same premium mode as the base policy. ALIR offers a certain amount of premium flexibility. Scheduled ALIR payments may be increased within certain limits, decreased, or skipped. In addition, certain unscheduled “catch-up” payments are allowed. However, increases in the amount and/or duration of scheduled ALIR payments may be subject to satisfactory evidence of insurability if certain criteria are not met.

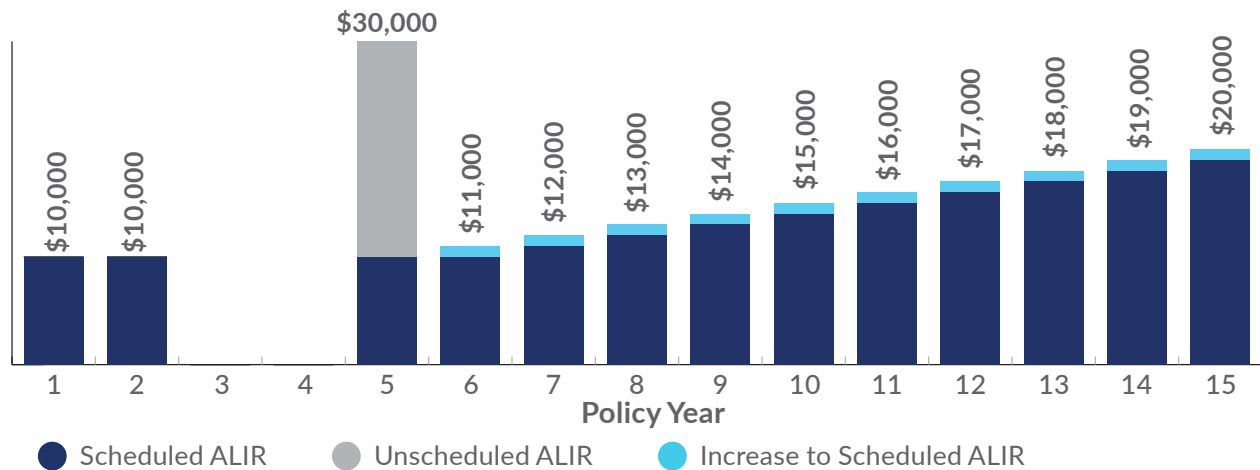


ALIR Premium Payment Example

The following example demonstrates how ALIR premium flexibility can accommodate the policyowner’s ability to pay more or less than their scheduled ALIR premiums over time. For a complete overview of the ALIR rider provisions and rules regarding premium payment flexibility, refer to the MassMutual Whole Life Insurance Producer Guide.

Assume your client Rick is a 45-year-old man who qualified for Select Preferred Non-Tobacco and purchased a Whole Life 100 policy with a \$20,000 annual premium (face amount of \$1,029,943). Rick also elected a \$10,000 scheduled ALIR premium for 20 years when he applied for the policy. The following chart illustrates the ALIR premium payments that Rick was able to make over the first 15 policy years, without providing additional evidence of insurability.

RICK'S ALIR PREMIUM PAYMENTS (POLICY YEARS 1-15) \$10,000 INITIAL SCHEDULED ALIR PREMIUM



In **Years 1 and 2** Rick paid his scheduled ALIR premium of \$10,000.

In **Years 3 and 4** Rick incurred some unexpected business expenditures. He paid his base policy premium but decided to skip his scheduled ALIR premiums in these two years.

In **Year 5** Rick's finances improved. He was able to resume paying \$10,000 of scheduled ALIR premium since his scheduled premium in that year will be based on the ALIR premium that he paid in each of the last three years. In addition, Rick was able to pay \$20,000 of unscheduled ALIR premium to "catch-up" on the \$10,000 scheduled ALIR premium payments that he missed in years 3 and 4.

In **Year 6** Rick paid his \$10,000 scheduled ALIR premium and decided to pay an additional \$1,000 of ALIR premium as a 10% increase to his scheduled ALIR premium. Increases are allowed after the third policy year and until the policy anniversary that the insured is age 65.

In **Years 7 through 15** Rick continued to pay his full scheduled ALIR premium plus a \$1,000 increase to his scheduled ALIR premium each year. In year 15, the total increases reached the maximum amount allowed of \$10,000 – 100% of his initial scheduled ALIR premium. He could continue to pay his scheduled ALIR premium of (up to) \$20,000 per year for the remaining 5 years of his 20-year scheduled payment period.

This example illustrates how ALIR premium flexibility gave Rick the ability to pay more or less than his scheduled ALIR premiums as his financial circumstances changed.



Planned Additional Life Insurance Rider (PALIR)

PALIR is a version of ALIR that provides additional flexibility. All the provisions of ALIR apply to PALIR, except as outlined below.

Unlike ALIR, PALIR Premium Payments are not required to coincide with the base policy Premium Payments. PALIR premiums may be paid anytime during the policy year, over a specific number of years. The maximum PALIR payments allowed during the first two policy years must be approved at issue. Beginning in policy years three and later, the maximum annual PALIR payments allowed will be the greater of the total PALIR payments received during either of the previous two policy years. The catch-up provision and flexibility of scheduled ALIR are not available with PALIR.

Both ALIR and PALIR give whole life policyowners the ability to increase their life insurance protection and accelerate their cash value accumulation over time. In addition, these riders give them the flexibility to increase, decrease and skip rider payments as their financial situations change over time.

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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.

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Products and riders are available only in approved states. State variations will apply. Availability of the ALIRs varies based on the Whole Life policy selected.

The Additional Life Insurance Riders are available with Whole Life Legacy series policies ((Policy Forms: MMWL-2018 and ICC18-MMWL in certain states, including North Carolina)/ (MMWLA-2018 and ICC18-MMWLA in certain states, including North Carolina)) and MassMutual Whole Life series policies on the digital platform (Policy Forms: WL-2018 and ICC18WL in certain states, including North Carolina) are level-premium, participating, permanent life insurance policies issued by Massachusetts Mutual Life Insurance Company (MassMutual), Springfield, MA 01111-0001.

