

MassMutual Disability Income Insurance Product '07 Overview

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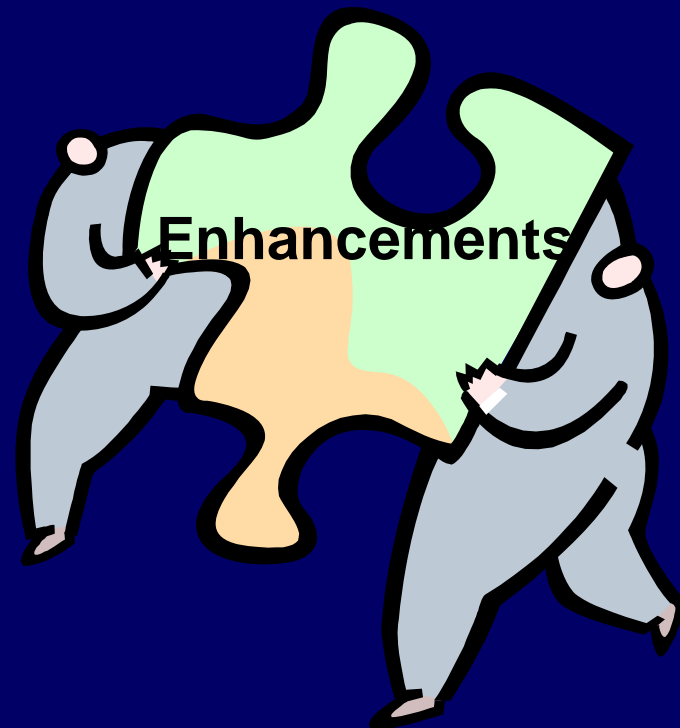
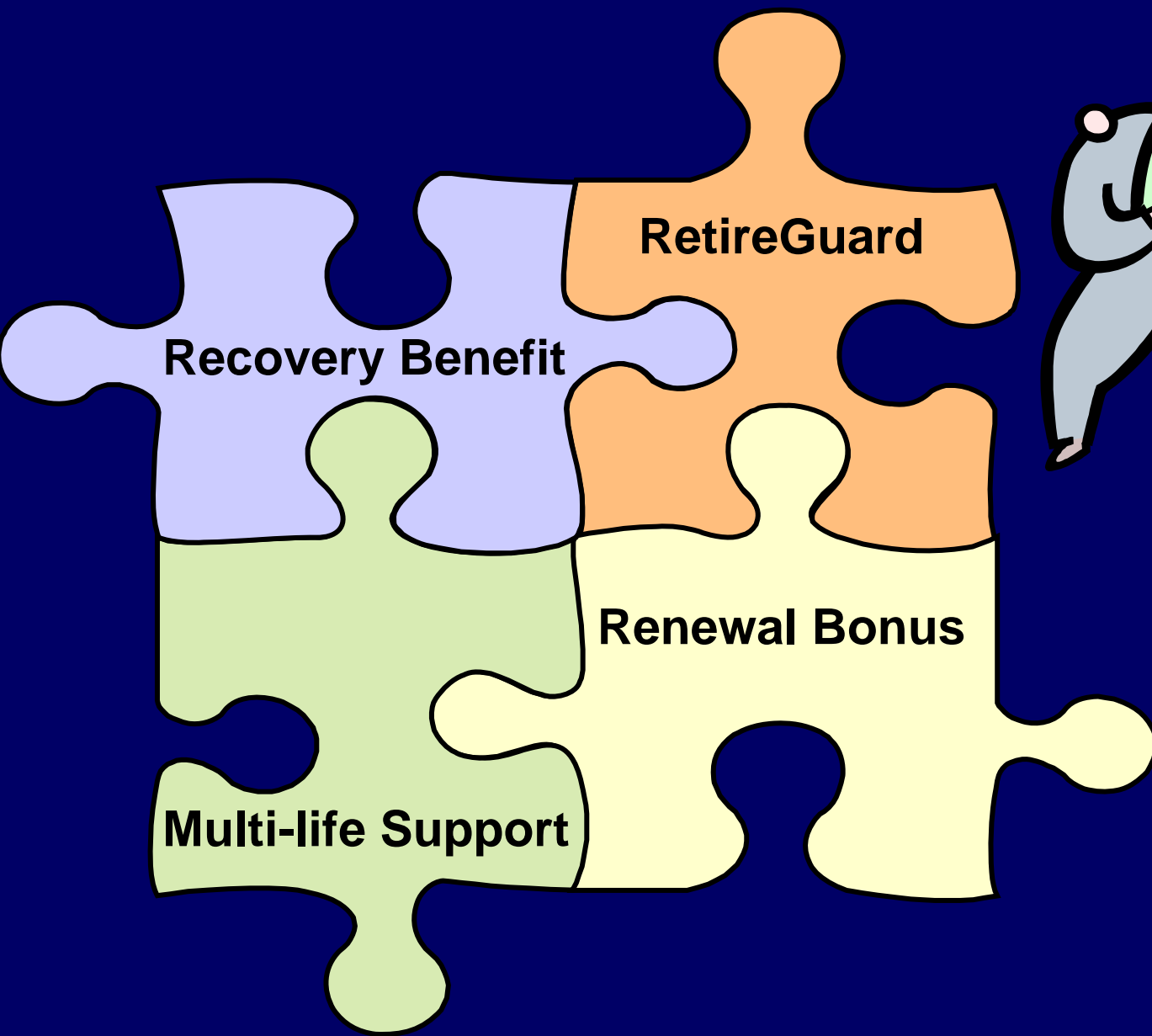
We'll help you get there.™

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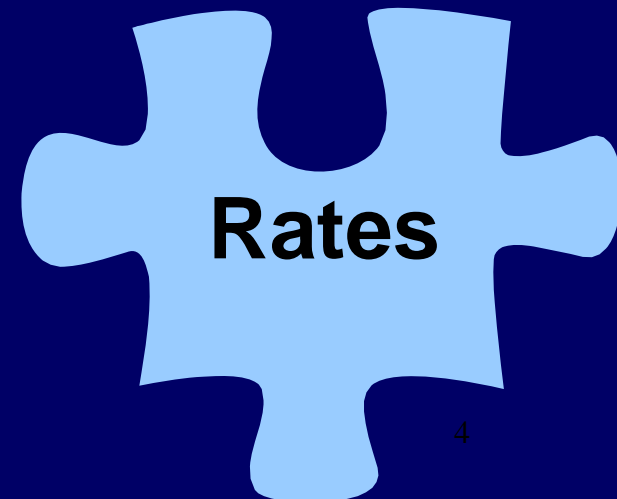
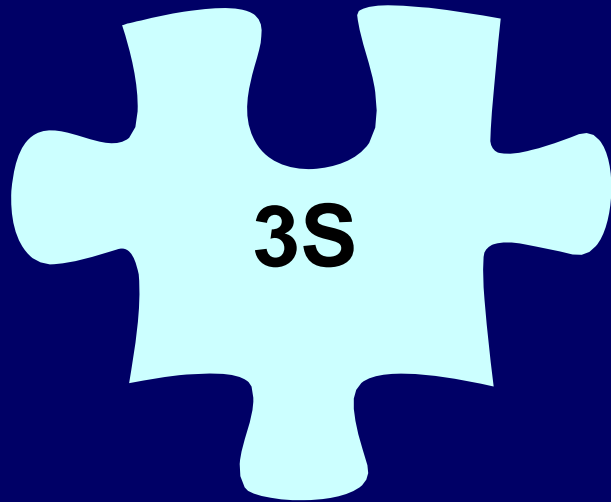
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Why Disability Income Insurance?

- ▶ A core component to a complete financial strategy
- ▶ Protect your client's most important asset: Their ability to earn a living
- ▶ A 35 year old client who earns \$80,000 a year (without pay increases) will earn \$2.4M by the time s/he is 65!



Product '07 Enhancements



Optional Own Occupation Benefit Rider

- ▶ Provides additional protection to the base policy when the insured:
 - ▶ Is unable due to sickness or injury to perform main duties of his/her occupation;
 - ▶ Is working in another occupation; and
 - ▶ Is under a doctor's care

Optional Own Occupation Benefit Rider

Type of Claim	MM Contract with Extended Partial Rider & Own Occ Rider	MM Contract with Extended Partial Rider Only
<u>TOTAL</u> Disability: Not working in ANY occupation	100% of benefits payable	100% of benefits payable
<u>PARTIAL</u> Disability: Back To Work in <u>YOUR</u> occupation with a loss of earnings	Proportionate percentage of benefit payable. (e.g.: if you are losing 50% of your income, you will receive 50% of your benefit: if you are losing more than 75% of your income, you will receive 100% of your benefit)	Proportionate percentage of benefit payable. (e.g.: if you are losing 50% of your income, you will receive 50% of your benefit: if you are losing more than 75% of your income, you will receive 100% of your benefit)
<u>PARTIAL</u> Disability: <u>UNABLE to perform YOUR occupation</u> , but Back To Work in a different occupation	100% of benefits payable	Proportionate percentage of benefit payable. (e.g.: if you are losing 50% of your income, you will receive 50% of your benefit: if you are losing more than 75% of your income, you will receive 100% of your benefit)

Own Occupation Rider - Availability

- ▶ New Radius and MaxElect Policies – '07 Series
- ▶ In-force policies – all Radius series back to '98 & MaxElect '04
- ▶ Occupation Classes 5A, 4A, 3A, 3P, new 3S occupation class for select Physician and Dental Specialists
- ▶ Will issue to age 60 for 5A, 4A, 3A for Radius
- ▶ Will issue to age 64 for 5A, 4A, 3A for MaxElect
- ▶ Will issue to age 49 on 3P and 3S Occupation Classes
- ▶ For the full benefit period of the policy
- ▶ Not available to 3D, 2P and 2A/A occupation classes

Own Occupation Rider – Underwriting

- ▶ Full underwriting will be required for all new or in force policies which would include full age & amount requirements. i.e. Radius, MaxElect
- ▶ For healthcare occupations (3S & 3P), Blood Profile/Urine is required if requesting the Own-Occ Rider
- ▶ Since this benefit is being offered as an optional rider, the rider may be removed in order to offer some level of coverage in lieu of what would have been a decline otherwise

Own Occupation Rider – U/W Guidelines

- ▶ Own Occ Optional Benefit Rider Must Match
 - ▶ The waiting period
 - ▶ The benefit period
 - ▶ Amount (Base + SIR)
- ▶ Available on rated cases with an extra sub-standard rating applied to cover additional risk
- ▶ Alternate offers will be available
- ▶ Available with exclusion rider (s)
 - ▶ An extra rating may be charged contingent upon exclusion rider (s) and/or occupation (30% - 50%)
- ▶ Own Occ will not be available with limited condition riders (LCR)

Own Occupation Rider – Contract Change

- ▶ Can add the optional rider
 - ▶ Fully completed F200 will be required
 - ▶ Age and amount requirements apply
- ▶ Can be added with a Right to Apply
 - ▶ Fully completed F26 will be required
 - ▶ Age and amount requirements apply
- ▶ Cannot be added to in-force policy with:
 - ▶ An existing rating
 - ▶ An existing LCR
 - ▶ A change in health history
 - ▶ A Short term Rider, GSRB/Conversion Option, or Managerial Duties Endorsement present
 - ▶ An over insurance issue based on insured's current income

Optional Own Occupation Benefit – Cost

Occ Class	Additional Cost for Own Occ Rider
5A	13%
4A	18%
3A	25%
3P/3S	28%
2A/2P/3D	N/A

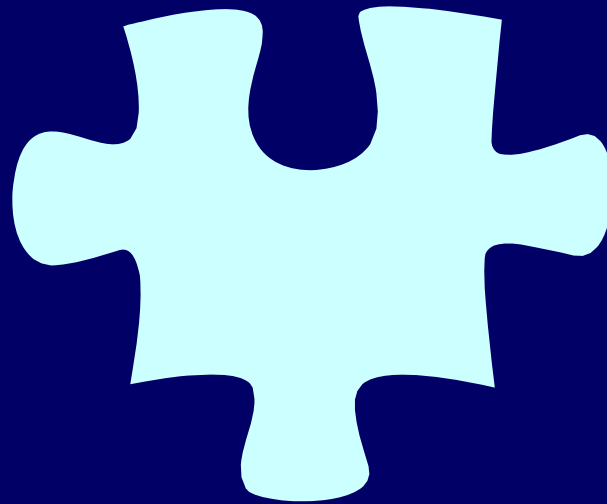
- Cost equals a % of total plus extended partial
- % applies to all ages and gender

Own Occupation Rider Pamphlet

- ▶ Explains how specialties will be handled
- ▶ Must be presented to the client with any illustration that has the Own Occ Rider selected
- ▶ The client will also receive a copy of the pamphlet with his/her policy



New 3S Occupation Class



New 3S Occupation Class

- ▶ New class to recognize best risk performing Physicians and Dental Specialists
- ▶ Higher limits for occupations in this segment
- ▶ Select Physicians limits will increase*:
 - ▶ From \$10,000 issue to \$15,000 issue
 - ▶ From \$15,000 participation to \$20,000 participation
- ▶ Dental Specialists will be segmented from General Dentists and limits will increase*:
 - ▶ From \$7,500 issue to \$15,000 issue
 - ▶ From \$10,000 participation to \$20,000 participation

**3S available in PR but not the higher limits; 3S and limits not available in CA*

**Increased limits not available on BOE and Buy-Sell*

New 3S Occupation Class

Physicians Specialties

- ▶ Acupuncturist – MD
- ▶ Allergist
- ▶ Endocrinologist
- ▶ Cardiologist – non-surgical
- ▶ Hematologist
- ▶ Immunologist
- ▶ Internal Medical Practice
- ▶ Nephrologists
- ▶ Obstetrician/Gynecologist
- ▶ Oncologist
- ▶ Optometrist
- ▶ Pathologist
- ▶ Pediatrician
- ▶ Podiatrist
- ▶ Psychiatrist
- ▶ Psychologist (Ph.D.)
- ▶ Radiologist
- ▶ Rheumatologist
- ▶ Urologist

Dental Specialties

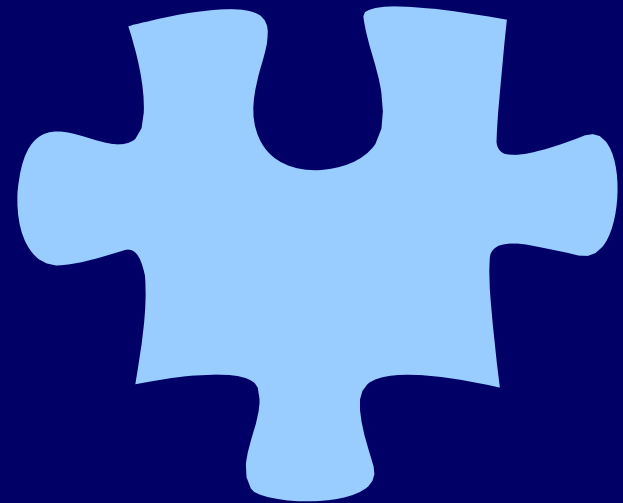
- ▶ Endodontist
- ▶ Oral Surgeon
- ▶ Maxillofacial Surgeon
- ▶ Orthodontist
- ▶ Pediatric Dentist
- ▶ Periodontist
- ▶ Prosthodontist

New 3S Occupation Class – Availability

- ▶ 3S Occupation Class can be used on all products
 - ▶ Radius '98, Radius '01, Radius '04
 - ▶ MaxElect
 - ▶ FlexElect Individual
 - ▶ FlexElect Multi-Life
 - ▶ BOE/Buy-Sell/RetireGuard
- ▶ Additional coverage added via a Right to Apply to in-force policies can be at a 3S Occ Class*:
 - ▶ The original coverage would remain at the original occ class

*normal underwriting rules apply

Rate Adjustments Overview



Rate Adjustments Overview - Individual

- ▶ Significantly reduced our rates on 5A occupations in the fully underwritten Individual and Small Business Markets

Occ Class	Radius '07 vs. '04
5A	-12%
4A	0%
3P/3D/3S	0%
3A/2A/2P	7%

- % applies to all ages and gender

Rate Adjustments Overview – 3+ Lives/Radius 15% Discount

- ▶ Focus still on 5A & 4A occupations

Occ Class	Radius '07 vs. '04
5A	-10%
4A	2%
3P/3D/3S	0%
3A/2A/2P	7%

- % applies to all ages and gender

Rate Adjustments Overview

- ▶ Dividends now illustrated at 10%*
- ▶ FlexElect rates adjusted to maintain appropriate rate relationship to Radius & MaxElect
- ▶ FlexElect smoker surcharge increased to 35%

**For each dividend class, the original policy premiums are calculated with assumed levels of pricing assumptions (policy factors) and a dividend scale, expressed as a percentage of premium which varies by policy duration, to meet contribution to surplus and return on investment (ROI) objectives. To the extent that the actual experience is better or worse than the policy factors, the dividend scale is increased or decreased to meet surplus and ROI objectives. Dividends are illustrated beginning at the end of year five. They are not guaranteed.*

Multi-life GSI

Own Occupation Rider – MaxElect '07

- ▶ GSI available on select employer-paid cases only
- ▶ Available with full underwriting on MaxElect policies
 - ▶ Full underwriting will be required for all new or in force policies which would include full age & amount requirements. i.e. Radius, MaxElect '04
 - ▶ Adding Own Occ to a sub-standard policy will need to be discussed on an individual basis with your underwriter
- ▶ 3S Available on MaxElect '07 and in force MaxElect '04

MaxElect Employer – Paid Discount

- ▶ MaxElect GSI 7% employer-paid discount now extended to all employer-paid business
 - ▶ PECL no longer required
 - ▶ Applies to new cases
 - ▶ Applies to new MaxElect '07 policies on existing cases
 - ▶ Applies to right-to-apply increase on existing policies

Rate Adjustments Overview – Multi-life GSI

- ▶ Modest increase to GSI Worksite rates to continue to be one of the industry leaders in the level of GSI offers and application support.

Occ Class	MaxElect '07 vs. '04
5A	3%
4A	9%
3A	5%
3P/3D/3S	9%
2A/2P	7%

- % applies to all ages and gender

Competitive Positioning

New Competitive Advantages

- ▶ Own Occupation Benefit as an Optional Rider
- ▶ Own Occupation available for the full benefit period of the policy for more occupation classes
- ▶ Very competitive rates in the individual 5A executive marketplace
- ▶ Enhance issue & participation limits for select dental and physician specialties (3S occ class)

Existing Competitive Advantages

- ▶ Very competitive return to work benefits
- ▶ Recovery Benefit – for the full benefit duration
- ▶ Group Supplement Riders
 - ▶ Pay extra partial benefits
 - ▶ Pay additional return to work incentive benefits
- ▶ Participating Contract
- ▶ RetireGuard*
 - ▶ No fee trust
 - ▶ Employee choice of investments
 - ▶ As a rider or stand-alone
- ▶ PECL Options on Multi-life cases
- ▶ Multi-life on-line application capabilities
- ▶ Guidance Resources

* RetireGuard not available in NJ

Competitive Positioning



Fully-Underwritten Disability Income Insurance Industry Product Comparison

	MassMutual Radius	Berkshire Provider Plus	MetLife Omni Advantage	Northwestern Mutual RR Product	Principal HH750	Standard Protector +
Income Recovery Benefits When Insured Returns to F/T Work	●	●	◐	○	◐	○
Definition of Pre-Disability Income	●	◐	◐	◐	○	○
Benefits Payable if Totally Disabled in Own Occupation, Despite F/T or P/T Work in Another Occupation	●	●	●	●	●	●
Catastrophic Disability Benefits	●	●	●	—	●	●
Bridge Income that Supports Insured's Decision to Return to Work	●	—	—	—	—	—
Unique Coverage Options for High-Income Earners	●	—	—	—	—	—
Mental/Nervous Condition Benefits	◐	●	●	○	●	●
Retirement Savings Protection	●	●	—	—	●	—
Benefit Periods	◐	●	◐	◐	◐	○
Cost of Living Adjustment	◐	●	◐	◐	●	◐
Resource Network that Provides Expert Information, Services & Tools	●	—	◐	—	—	—
Consumer-Friendly Website that Provides Education & Needs Assessment Tools	●	◐	◐	●	●	○
Policyholders are "Owners" & May Share in Dividends	●	—	—	●	—	—

For producer use only. Not for use with clients.

This comparison represents some, but not all, contractual provisions. There may be products/features unique to the other carriers that have not been included in this comparison. A variety of sources we believe are accurate were used in compiling the summary, and in some cases, interpretation was required. Information is accurate as of April 1, 2007. Policies and riders, and their availability, may vary by state and class. (Compliance #XXXXX)

Don't Forget...

- ▶ **DI Renewal Production Bonus***
 - ▶ Multi-tier supplemental renewal commissions that start in year 3 and are payable for the life of the policy
 - ▶ Based on annual production, tiers pay:
 - ▶ 4% - 17% for years 3-7
 - ▶ 5% - 12% for years 8+
 - ▶ Paid in addition to aggregate agent allowance

**See blue memo for complete details.*

What if...

Over the next 5 years you sold:

- ▶ 20 DI policies a year,
- ▶ each equal to MassMutual's average annual premium of \$1,250

Your total commission earned over the next 5 years could be \$93,500!

Assuming no lapses or increases in your average level of sales, Radius, non New York, no discounts

Logistics

Supporting Material

- ▶ As of June 25, 2007 the Product '07 versions will be available in SI WEB and Discovery – MaxElect for GSI not available on Discovery system
- ▶ Own Occ Pamphlet
- ▶ FAQs
- ▶ '07 vs. Top Four Competitors – Individual
- ▶ '07 vs. Top Four Competitors – Multi-Life
- ▶ Producer Benefits Overview
- ▶ Transition Guidelines
- ▶ New Applications/Annotated Applications
- ▶ Updated Annotated Policies
- ▶ Updated DI Reference Manual – Available On FieldNet
- ▶ Supplement to Reference Manual – DI1075S
 - ▶ New I & P Limits
 - ▶ 3S Specific Occupations
 - ▶ Own Occ Rider
- ▶ Disability Underwriting Requirements Guide – DI1053
- ▶ New Limits Charts – DI1057

Effective Dates

- ▶ All new business quoted as of June 25th or later, as available by state, will use the '07 product versions and allow you to quote:
 - ▶ Own Occupation Rider where available
 - ▶ 3S Occupation Class
 - ▶ New Rates
- ▶ States not approved for initial roll-out include: CA, CT, FL, MS, PR, OR, NV, UT, VT
- ▶ Late state approvals will be communicated via The Word

Transition Guidelines

Recently Issued Business

- ▶ Producers can replace recently issued business with Radius rate reductions
- ▶ Grace period for policies issued and paid for on or after April 25, 2007*
- ▶ The following guidelines apply:
 - ▶ During this time, provided the entire policy is replaced, the producer will not be charged for a lapse on the old policy
 - ▶ Any premium overpayment will be refunded to the policy owner
 - ▶ The producer will be charged back commissions on the '04 policy series
 - ▶ When the new '07 policy is reported, the producer will be paid full commissions on the revised collected premium for the new '07 rates.
- ▶ Available until August 25, 2007, normal internal replacement and underwriting rules apply after 8/25/07

**States implemented after the initial roll-out will be given this same opportunity.*

Transition Guidelines – Individual & Non-GSI

(New and In Force Business)

June 24, 2007	<ul style="list-style-type: none">▶ Last day to quote business using the Radius 04 and Flex-Elect 01
June 25, 2007	<ul style="list-style-type: none">▶ Quote new business and in force Right to Apply increases using the Radius 07 and FlexElect 07▶ All illustrations will reflect the 07 products as of this date▶ Submit a fully completed F26-07 application (state specific where applicable)
Pre-June 25, 2007 illustrations and in force quotes	<ul style="list-style-type: none">▶ Are <u>valid until August 24, 2007</u>▶ There is a 60-day window to submit applications based on the pre-June 25, illustration/in force quote;▶ The Part 1 sign date on the application must be <u>prior to August 27, 2007</u>;▶ A copy of the illustration/in force quote dated on or before June 24, 2007, <u>must accompany the application</u> to qualify for illustrated rates; and▶ The F26-04 application must be used
August 27, 2007	<ul style="list-style-type: none">▶ Applications submitted on or after August 27, 2007 will automatically receive the 07 product and rates▶ The F26-07 application must be used

Transition Guidelines – New GSI

<p>June 24, 2007</p>	<ul style="list-style-type: none"> ▶ The last day to quote business using the MaxElect 04 and FlexElect 01 Multi-Life product
<p>June 25, 2007</p>	<ul style="list-style-type: none"> ▶ Quote new business using MaxElect 07 and FlexElect Multi-life 07 ▶ All (illustrations) premium and benefit summaries will reflect the MaxElect and FlexElect product as of this date ▶ The F4875-07 application (state specific where applicable) is required
<p>Pre-June 25, 2007 Offers</p>	<ul style="list-style-type: none"> ▶ Are <u>valid for acceptance until October 25, 2007</u> ▶ For offers dated 1-1-2007 to 6-22-2007, we will allow MaxElect 04 and FlexElect 01 Multi-Life to be included in the product offering as long as the offer letter is accepted and signed by October 25, 2007. Our offers are still valid for 90 days. <ul style="list-style-type: none"> ▶ There is a 120-day window to submit a signed acceptance of the offer, based on the pre-June 25th offer. Offers dated before, will <u>not</u> be accepted after October 25, 2007. ▶ Applications must be signed within 90 days of the offer acceptance date. ▶ For MaxElect 04 and FlexElect 01 Multi-Life, the F4875-04 application must be used.

What else will the summer bring?

- ▶ Whole Life Legacy 100
 - ▶ Legacy 100 will offer flexibility that was not available previously in any MassMutual whole life product
- ▶ Sales Made Simpler with MM Designs
 - ▶ Improved interface, enhanced sales concepts, redesigned illustration output



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