

Guidelines for Annuity Suitability/Best Interest

MassMutual Ascend offers a wide array of annuities to help your clients meet their financial goals. Helping clients achieve their goals begins with suitability/best interest. Below are factors we consider during our review. Thresholds are intended to illustrate cases that would generally be accepted, but it's important to keep in mind that all applications are reviewed on a case-by-case basis.

General Guidelines

Factors & Thresholds	Additional Considerations
<p>Annuity ownership</p> <ul style="list-style-type: none"> The percentage of net worth invested in annuities is less than 50%. 	<ul style="list-style-type: none"> We do not accept veterans' benefit planning cases. Funds will not be accepted from applicants who own a reverse mortgage. Other considerations: <ul style="list-style-type: none"> Free-withdrawal privileges Length of early withdrawal charges Ability to annuitize Diversification of investment portfolio
<p>Liquidity</p> <ul style="list-style-type: none"> At least 10% of net worth in liquid funds after the purchase. No expected increase in living expenses or decrease in income. <p><i>Elderly applicants:</i> Applicants approaching or in retirement tend to have a higher liquidity need. Generally, these applicants should have at least 20% of net worth in liquid assets.</p>	
<p>Net worth</p> <ul style="list-style-type: none"> Household net worth of at least \$100,000. Purchase payment is not more than 50% of net worth. 	
<p>Source of funds</p> <ul style="list-style-type: none"> Source of funds does not include proceeds from a loan product. 	

Replacement Transactions

Factors & Thresholds	Additional Considerations
<p>Guaranteed benefits</p> <ul style="list-style-type: none"> Guaranteed minimum interest rate of the MassMutual Ascend annuity is equal to or higher than the product it will replace. No other guaranteed benefits will be lost. For example, cash value life insurance replacements involving the loss of a death benefit are generally not accepted. Please call our suitability desk to review prior to submission. 	<ul style="list-style-type: none"> Due to the potential loss of benefit, life insurance replacements should be pre-reviewed prior to submission. Please contact us for more information. Special consideration is given when there is a reasonable basis to believe the applicant will benefit from the features of our annuity.
<p>Surrender charges</p> <ul style="list-style-type: none"> Applicant will not be subject to a surrender charge or penalty for making the exchange. 	
<p>Other exchanges and replacements</p> <ul style="list-style-type: none"> No exchanges or replacements in the preceding five years. 	

Please remember, a Client Financial Disclosure Information (CFD) must be completed for all IRA and non-qualified sales.

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