

Fixed & Fixed Indexed Annuities: PO Box 5420, Cincinnati OH 45201 / 800-854-3649 / 800-482-8126 Fax
Registered Index-Linked Annuities: PO Box 5423, Cincinnati OH 45201 / 800-789-6771 / 800-807-9777 Fax
Variable Annuities: PO Box 5423, Cincinnati OH 45201 / 800-789-6771 / 513-768-5115 Fax
Overnight Address: 191 Rosa Parks St, Cincinnati OH 45202

Important Notice Concerning Partial Exchanges of Non-Qualified Annuity Contracts

Internal Revenue Code Section 1035 permits the tax-free exchange of one nonqualified annuity contract for another nonqualified annuity contract. You have requested a partial exchange – an exchange of *part* of one annuity contract (the “original contract”) into another annuity contract (the “new contract”). We have processed your request, but want to notify you of possible adverse tax consequences that may arise if you take certain actions during the next six months.

Conditions Imposed

In Revenue Procedure 2011-38, the Internal Revenue Service indicated that it would recognize a partial exchange as a tax-free exchange under Section 1035 if:

1. during the 180-day period beginning on the date of the transfer, no amount is received from the **original contract** unless it is received as an annuity for life or for a fixed period of 10 years or more; and
2. during the 180-day period beginning on the date that the funds are applied to the new contract, no amount is received from the **new contract** unless it is received as an annuity for life or for a fixed period of 10 years or more.

Possible Adverse Tax Consequences if Conditions Not Met

If these conditions are not satisfied, then the Internal Revenue Service may apply general tax principles to determine the substance, and hence the tax treatment, of the transfer and the withdrawal, surrender, or annuitization. For example, a withdrawal from either the original contract or from the new contract during the 180-day period may be characterized as a taxable distribution (“boot”) in a tax-free exchange, or the transfer itself may be treated as a taxable withdrawal from the original contract, followed by a payment for a new contract. As a result, you may be liable for additional federal and state income taxes, penalties, and interest.

Your Responsibility

MassMutual Ascend and Affiliates and its agents and representatives cannot provide legal or tax advice related to your specific circumstances. If, within the 180-day period, you are going to take a withdrawal from or surrender either the original contract or new contract, or you are going to annuitize it for a fixed period of fewer than 10 years, then you should consult with your independent legal or tax advisor. You are responsible for the tax consequences of the transfer and any such withdrawal, surrender, or annuitization.