



# Palladium Horizon<sup>SM</sup>

pal·la·di·um ho·ri·zon (pə'ladēəm he'rīzen)

A product overview guide



# Protecting your BOLI purchase

Palladium Horizon is Massachusetts Mutual Life Insurance Company's (MassMutual®) General Account Bank-Owned Life Insurance (BOLI) New Money Rate product.

MassMutual has long been a leader in the General Account BOLI market, and with Palladium Horizon we

continue to innovate and provide a product solution tailored to the current market environment.



## Background

Since our entry into the BOLI market more than 30 years ago, MassMutual has offered an array of BOLI products that provide insurance protection enabling organizations to informally fund benefit liabilities. Our BOLI solutions are designed to meet the unique and evolving needs of banking institutions. We believe that no one funding mechanism is right for all financial institutions, and that balance and diversification in BOLI products are critical to maximizing the effectiveness of these funding instruments.

Palladium Horizon is MassMutual's General Account BOLI New Money Rate product. Palladium Horizon is designed for sophisticated clients looking for a simple BOLI solution that capitalizes on MassMutual's excellent investment expertise while providing meaningful guarantees covering interest crediting rates, policy expenses, and cost of insurance rates. Key characteristics of the Palladium Horizon product are summarized on the next page.



## Key product differentiators

### Competitive yields:

Despite volatile rate environments, BOLI purchases should continue to be viewed, and evaluated, over the long-term. BOLI consumers have become increasingly more interested in new money rate yields, given the current interest rate environment. Palladium Horizon addresses this market need.

### Crediting Rate Methodology:

The crediting rate at the time of purchase is based on new money rate yields on assets then available for investment at the time of purchase. Subsequent crediting rates are based on the reinvestment returns over time on those available assets. After all of the newly purchased assets have rolled over, the crediting rate will be based off the portfolio yield.

### A simple solution for sophisticated clients:

Palladium Horizon provides performance generated by MassMutual's highly experienced investment management team, as well as stability without mark-to-market accounting volatility, with a guaranteed minimum rate of return.

### Favorable terms for existing clients:

For new BOLI purchases, current owners of MassMutual General Account BOLI products will receive recognition for prior single premium purchases that are still in-force, in the determination of the applicable case tier and associated crediting rate. For details, please contact your MassMutual BOLI consultant.

### Charges on cash surrenders:

There are no charges assessed on a cash surrender of the Palladium Horizon policy. Advance notice and future purchase restrictions may apply.

### Exchange charges:

Greater of a percent of premium charge and an interest rate-based exchange charge for the first 5 years. The interest rate-based exchange charge applies for 20 years. State variations may apply.

## Crediting rates

Palladium Horizon's gross crediting rates will be determined following an investment generation approach which takes into consideration factors such as current and projected yields on assets available for investment, management expenses and hedging costs to support product guarantees. The same gross crediting rate will apply to all purchases made within a given calendar period, a "tranche," reflecting the new money yields available on newly purchased assets during that window. Over time, the returns on assets purchased during that window will be realized and reinvested at yields then available. When none of a tranche's initial assets remain, that tranche's gross crediting rate will essentially be the same as the rate for older tranches, which is effectively a portfolio rate.

Levelized interest margins are netted against the investment generation gross rates and applied to all Palladium Horizon policies. By utilizing interest spreads that are not expected to vary by policy duration, Palladium Horizon provides the long-term benefits of a General Account product while also addressing institutions' needs for levelized margins in the current interest rate environment.

Crediting rates are also determined by case tiers defined by aggregate single premiums:

Tier 1:	< \$5 million
Tier 2:	≥ \$5 million and < \$10 million
Tier 3:	≥ \$10 million and ≤ \$25 million
Tier 4:	> \$25 million and < \$150 million
Tier 5:	>= 150 million and < \$300 million
Tier 6:	>= \$300 million

For purposes of determining the case size band (tier) and associated crediting rate applicable for a new purchase, in-force MassMutual General Account BOLI policies held by the policyowner will be taken into account. For details, please contact your MassMutual BOLI consultant.

## Investment management

When you purchase the Palladium Horizon General Account BOLI New Money Rate product, you will benefit from the services of MassMutual's widely respected, highly experienced investment professionals. As a result, your organization benefits from the excellent analytical and investment management capabilities that have long distinguished MassMutual within the financial services industry.

### Noteworthy characteristics of our General Investment Account (GIA) investment strategy include:

- Oversight by highly sophisticated and experienced investment professionals, each working on behalf of the General Investment Account to identify value within and between markets, based on bottom-up analysis of individual investments and sectors.
- Access to a broader array of investment opportunities (including non-bank-eligible), meaning the General Investment Account can offer the potential for higher returns for similar levels of risk.
- Prudent diversification, which helps insulate the portfolio from large losses arising from adverse events in an industry sector, company, or asset class.

## Guarantees

Palladium Horizon features a 1.00% guaranteed minimum crediting rate. This means that the daily interest credit on Palladium Horizon non-loaned account values will never be less than the annual equivalent of 1.00% – regardless of market conditions or the performance of the investments in the General Investment Account.



# MassMutual

For over 170 years, MassMutual and its affiliated financial professionals have helped guide our policyowners toward greater security and financial freedom.

One measure of a company’s value to its customers is its financial strength. MassMutual’s exceptional financial strength is underscored by ratings that are among the highest of any company in any industry:

FINANCIAL STRENGTH RATINGS <sup>1</sup>	
A.M. Best Company	A++
Fitch Ratings	AA+
Moody’s Investors Service	Aa3
Standard & Poor’s	AA+

# Why MassMutual

- Best practices developed during our more than thirty years of experience in meeting the diverse needs of BOLI clients.
- Unparalleled accessibility to MassMutual BOLI sales, service, product and investment personnel.
- Extensive reinsurance network to help mitigate risk concentration issues.
- Current owners of MassMutual General Account BOLI products will receive recognition for prior single premium purchases that are still in-force, towards the application of the applicable case tier and associated crediting rate. For details, please contact your MassMutual BOLI consultant.
- Diversification: MassMutual’s investment management expertise, which is integral to the success of our company and our products, is drawn from our investment subsidiary, Barings, a fixed income, equity, and real estate manager with global investment expertise and reach.

<sup>1</sup> Financial strength ratings are for MassMutual and its subsidiaries: C.M. Life Insurance Company and MML Bay State Life Insurance Company. Ratings are as of 12/15/2022 and are subject to change.



Built on a foundation of integrity, strength, and reliability, MassMutual can help you get there.

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**For more information please contact your  
BOLI consultant by calling 1-800-665-2654  
or emailing [BOLI@MassMutual.com](mailto:BOLI@MassMutual.com).**

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Palladium Horizon (policy form SL19 and SL19(NC) in North Carolina) is a single premium adjustable life insurance policy issued by Massachusetts Mutual Life Insurance Company, Springfield, MA 01111-0001.

Palladium Horizon is a limited flexible premium insurance policy in Massachusetts.

