



## MassMutual's Financial Strength Drives Its Highest Retirement Plan Sales in History

Elaine Sarsynski, Executive Vice President, MassMutual Retirement Services Division



**PS:** Despite the tumultuous market environment of the past year, MassMutual was recognized in *PLANSPONSOR*'s 2009 Defined Contribution Survey as a consistent leader in the midst of a stormy market environment. What do you credit as the silver lining story for your firm this past year?

**Sarsynski:** MassMutual's retirement business has had a tremendous year by almost any measure possible but, overall, our "silver lining story" is that we have benefited from a "flight to quality" in our market. MassMutual's 158-year history of financial strength and our company's mutual structure and long-term focus have inspired confidence among retirement plan advisors and sponsors. Even in such a historically challenging year, we are on pace to achieve \$4.7 billion in retirement plan sales. This is a division record and represents the second consecutive year of 20%+ sales growth. We also achieved more than a 200% sales increase in the nonprofit and Taft-Hartley markets and strong sales of First Mercantile's collective trust product. In addition, our sponsor retention rate is very strong. These factors and others have contributed to more than \$2 billion in net cash flow for 2009. So, in summary, MassMutual's ability to perform at such an exceptional level is remarkable, and a credit to our company's financial strength, our strategy, our people, and our commitment to delivering world-class service.

**PS:** How did you leverage your firm's strong fundamentals to outperform your peers in 2009?

**Sarsynski:** We wouldn't be where we are today without a significant amount of capital. Unlike some of our publicly traded peer companies who struggled to stay afloat, MassMutual has the fifth highest capital level among more than 2,000 insurers in the United States\*. A company with MassMutual's long-standing financial strength is valued more than ever in this environment, and this gave advisors and plan sponsors reassurance and comfort. When we reflect on some of the other reasons that MassMutual is in such an enviable position, it boils down to several important factors.

First, we are focused on making it easy for advisors, plan sponsors, and participants to work with us, and we are committed to retaining these relationships. Our strong retention rates reflect our success in this regard. Second, we have a robust growth strategy that leverages our strong distribution relationships. Advisors and sponsors have identified MassMutual as a retirement plan provider of choice in a very competitive market. In fact, in Boston Research Group's 2009 DCP Retirement Advisor Satisfaction and Loyalty Study, MassMutual earned the #1 overall satisfaction rating for "Helping Participants Reach Their Retirement Goals." MassMutual scored 25 points above the industry average in this category and 11 points higher than our nearest competitor. MassMutual also scored 24 points higher than the industry average in "Making Fees Transparent and Easy to Explain to Sponsor." Lastly, we have a very strong supporting infrastructure—we continue to invest in people and technology to make the customer experience as successful as possible.

**PS:** How are you positioned to repeat the success of this year in 2010 and beyond?

**Sarsynski:** I'll conclude where I started, which is MassMutual's strength as a mutual company and having the capital levels to invest in the collective success of participants, plan sponsors, and retirement plan advisors. We have a very clear strategy and we have articulated that strategy to everyone in our organization. Our philosophy of operational excellence means we are consistently looking at ways to implement process efficiencies that we can pass along to our customers. The complex environment and fiduciary responsibilities of our plan sponsors drive them to seek the expertise of retirement plan advisors. So, our success in helping advisors deliver on their commitments to plan sponsors and participants is helping us to enjoy a very strong pipeline of new opportunities. I view our 2009 results as a very good indicator that MassMutual is extremely well positioned to continue this great momentum into 2010 and beyond.

\*Source: Highline, Q2 2009.

MassMutual Financial Group is a marketing name for Massachusetts Mutual Life Insurance Company (MassMutual) [of which Retirement Services is a division] and its affiliated companies and sales representatives.