

Foreign Nationals Underwriting Overview

A reference guide for financial professionals

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Who are Foreign Nationals?

- **Non-U.S. citizens residing outside of the United States; OR**
- **U.S. citizens residing outside the U.S. for an extended time (3 to 6 months, depending upon the country.)**

MassMutual® offers whole life products and competitive underwriting that meet the needs of an increasingly mobile and globalized world

Foreign underwriting encompasses three broad categories, each with its own set of concerns and guidelines:

- **Foreign nationals:** U.S. citizens or foreign citizens who live outside the U.S. for an extended time (3 to 6 months, depending upon the country.)
- **Foreign travel:** any individual who travels outside the U.S.
- **Foreign citizens living in the U.S. :** (“non-citizen U.S. residents”): foreign citizens living in the U.S. full time or nearly full time are handled as permanent or temporary residents of the U.S. They typically have a green card, temporary visa, or Employment Authorization Document (EAD)/Adjustment of Status documentation.



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Overview of the foreign nationals market

The growth of international commerce means that more individuals—either U.S. citizens or foreign citizens—live outside the U.S. while maintaining financial, business or personal interests in the U.S.

Individuals living full time or nearly full time outside the U.S., however, present different underwriting concerns than those living in the U.S. *This brochure focuses on adult foreign nationals underwriting.*

FieldNet page

Please refer to [FieldNet](#) for information on foreign travel, foreign citizens living in the U.S., and juvenile foreign risk.

Opportunities in the foreign nationals market

U.S.-based life insurance can be an important part of an eligible foreign national's long-term financial planning when there is both a U.S. connection and financial justification for the amount of life insurance requested.

Current and future needs could include:

- **Wealth Preservation** — Foreign nationals may need U.S. life insurance to protect U.S. assets.
- **Estate Tax Funding and Other Liabilities at Death** — Foreign nationals may have a U.S. estate or inheritance tax liability, and U.S.-based life insurance may be an effective way to fund this liability.
- **Business Planning** — Foreign nationals with business interests in the U.S. may need life insurance as a critical part of succession planning.
- **Income Protection** — Foreign nationals often have substantial income. U.S.-based life insurance may be an effective way to protect earning power and protect dependents.

Reasons for considering U.S.-based life insurance

Foreign nationals might prefer U.S. life insurance for a number of reasons:

- Financial assets and beneficiaries may be located in the U.S.
- Amount of coverage needed may not be available in their country of residence
- Cash value and death benefit are paid in U.S. dollars
- Availability of more-suitable life insurance products, premium rates or underwriting
- Income and estate tax advantages
- Funding U.S. tax liabilities

Why MassMutual?

MassMutual offers advantages that appeal to prospects in the international markets:

Stable and Reliable

- Highly rated and ranked among the top U.S. life insurance companies based on financial strength and stability.¹
- MassMutual is ranked in the top 100 of the *FORTUNE*® 500² and one of the largest mutual life insurance companies in America.
- Received the “World’s Most Ethical Companies” award from Ethisphere in 2018.³

Attractive Product Offering

- We offer a suite of high-quality whole life insurance products. Our participating whole life policies are extremely competitive among U.S. mutual companies.
- MassMutual was ranked #1 in whole life sales in 2016, 2017 and 2018.⁴
- We have paid dividends on participating whole life policies every year since 1869, demonstrating a commitment to providing long-term value to policyowners. Dividends are not guaranteed.

Expertise and Support

- Advanced Sales support is available to help you and your clients navigate legal and financial planning concerns.
- A dedicated team of experienced underwriters handles our High Net Worth Foreign Nationals applications, so you can be assured of accurate handling and the best possible underwriting decisions based on information received.
- Proven ability to package high face amount cases leveraging our strong Reinsurance relationships.

¹ Ratings apply to Massachusetts Mutual Life Insurance Company and its subsidiaries, C.M. Life Insurance Company and MML Bay State Life Insurance Company. Ratings are as of 7/1/2019 and are subject to change. A.M. Best Company: A++ (Superior; top category of 15); Fitch Ratings: AA+ (Very Strong; second category of 21); Moody’s Investors Service: Aa3 (High Quality; fourth category of 21); Standard & Poor’s: AA+ (Very Strong, second category of 21)

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³ Source: ethisphere.com, Worlds Most Ethical Companies, 2018

⁴ LIMRA International, U.S. Individual Life Insurance Sales Surveys (2012–2018).

ELIGIBILITY REQUIREMENTS/GUIDELINES FOR FOREIGN NATIONALS (NON-HIGH NET WORTH)

All application-related activity must occur in the U.S.

Insurance Age	18–70 for non-U.S. citizens; 0 – 70 for U.S. citizens. Juveniles who are U.S. citizens may be considered if one parent is a U.S. citizen or holds a 10-year green card.
Minimum Face / Premium Amount	<ul style="list-style-type: none"> • \$1,000,000 OR • \$500,000 face with a minimum premium of \$15,000
Eligible Countries	Residents of A and B countries are eligible, with the exception of Japan, Spain and France due to national laws. Argentina and Panama require a signed disclosure form. Please refer to the country classification chart on FieldNet.
U.S. Connection	Must own real estate or a business in the U.S., or work for a U.S. company. Verification is required.
Identification, SSN or Tax ID	SSN, tax ID, National ID, passport. A national identification number is required for foreign citizens. A W8 BEN form is generally acceptable. A W-8IMY form may be needed.
Passport	U.S. and foreign citizens: Copy of all pages of resident country passport is needed. Copies of other passports may be requested by underwriting.
Visa	Copy of visa if available. An approved I-797 may be accepted in lieu of visa.
Plans and Riders	<ul style="list-style-type: none"> • Individual whole life products only (UL Guard excluded) • Riders: Life Insurance Supplement Rider (LISR) and Additional Life Insurance Rider (ALIR) may be available. • U.S. citizens are eligible for all products (term/perm) and riders.
All published U98 Life Underwriting Requirements for Age/Amount, plus:	<ul style="list-style-type: none"> • An APS is required regardless of age/amount. A letter from the doctor is not sufficient. • For age 40+, a “comprehensive” APS is required.* • Current lab work completed for MassMutual.***
Best Class	Ultra Preferred for “A” countries and Select Preferred for “B” countries. Best ratings are at underwriter’s discretion; if unable to obtain key requirements, best case may be Standard.
Table Ratings	Maximum rating of medical Table D.
Aviation and Avocations	Aviation: A private aviation exclusion rider is required for private pilots and flight crews flying to other than “A” countries. Avocations: individual consideration

ELIGIBILITY REQUIREMENTS/GUIDELINES FOR FOREIGN NATIONALS (NON-HIGH NET WORTH) continued

All application-related activity must occur in the U.S.

Occupation Exclusions	We cannot consider politicians, public figures, government employees, judicial leaders, law enforcement, trade union officials, religious leaders, missionaries, journalists, security consultants, humanitarian aid workers, field engineers, archeologists, geologists.
Politically Exposed Persons (PEP)	We cannot consider PEPs. A Politically Exposed Person (PEP) means a current or former senior foreign political figure, their immediate family, and their close associates. Please refer to the full definition as needed**. Contact underwriting for questions.
Policy Ownership	<ul style="list-style-type: none"> Preferred policy ownership for an adult is a U.S. individual resident, a U.S. business, a U.S. trust with at least one U.S. trustee, or a U.S. L.L.C. However, a policy may be owned by an adult insured or spouse with a U.S. residential mailing address for all transactions (not a P.O. Box) and who meet our requirements for U.S. insurance. For insureds residing in European Union countries (including United Kingdom), Argentina, and Panama, policies must be owned by a U.S. individual or entity. U.S. citizen juvenile ownership options are Uniform Transfers to Minors Act (UTMA) with parent as custodian if there is a U.S. resident mailing address, or a U.S. entity such as a U.S. trust.
Pre-paid Applications	No pre-paid (TLIR) applications are accepted.
Premium Financing	May be considered. Minimum face amount \$2,500,000. A copy of the tax return is required.****
Foreign Supplement	A fully completed F6290 Foreign Supplement is required.
Translations	<ul style="list-style-type: none"> The language-appropriate FR1119 Acknowledgment Regarding English Language Materials and Translation form is required if the applicant/proposed insured is not fluent in English. APS and other medical results must be provided in English. We will reimburse a maximum of \$250 for translations done by an approved vendor only. (Exception: we are able to translate Spanish records.) Please refer to the vendor document on FieldNet.
Additional Requirements	<p>A cover letter (written or email) is required. Please include the country of primary residence. A written statement is required, stating:</p> <ul style="list-style-type: none"> All solicitation activity occurred in the U.S. An explanation of the need for U.S.-based life insurance. The PI's identity verified from a current passport (typically from the country of residence): copy of all pages, the passport number, expiration date, and country of issue (if not provided elsewhere on the application). This letter fulfills a legal requirement and cannot be waived.

As always, underwriters may order other requirements as deemed appropriate.

ELIGIBILITY REQUIREMENTS/GUIDELINES FOR FOREIGN NATIONALS (NON-HIGH NET WORTH) continued

All application-related activity must occur in the U.S.

Disclosure Form	For Argentina and Panama: a fully completed and signed Foreign National Disclosure Form U1011 is required.
Retention Guidelines	Internal retention: \$7.5 million for A countries \$5 million for B countries Autobind: \$35 million for A countries, \$25 million for B countries Jumbo: \$35 million for both A and B countries
Other than A and B Countries	Coverage for residents of certain other countries (C, D and U countries) may be available through Mass Advantage (\$5 million maximum), or through reinsurance. Consult your underwriter.

High Net Worth Foreign Nationals Program

MassMutual has a separate program for foreign nationals with a global net worth of at least \$5 million and a need for U.S.-based life insurance of at least \$10 million. Please refer to the **U1015 High Net Worth Foreign National Advisor Guide** or **FieldNet** for full details, including a list of required nexus/connections to the U.S.

Submit specific questions to your underwriting team's Quick Quote email board.

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Underwriting guidelines and requirements are subject to change without notice as world conditions change.

Premiums must be paid through wire transfer, automatic debit or by check from a U.S. financial institution from an account where the applicant is listed as an owner. Cash payments are NOT acceptable.

All application-related activity must occur in the U.S.

*** Comprehensive APS definition:**

An APS is required for all foreign national applicants. The APS for the following ages must meet the listed criteria.

- **Ages ≥ 40 years:** the comprehensive APS should include 3 years of medical records AND a full physical exam within the last 12 months.
- **Ages 60-70 years:** no exceptions to the comprehensive APS requirement of 3 years of medical records AND a full physical exam within the last 12 months.
- **A letter from the doctor is not sufficient. Without this comprehensive APS, we may need to limit the final decision to no better than Standard class, IF we can consider at all.**

**** Politically Exposed Persons (PEPs) definition:**

- A “senior foreign political figure” is a senior official in the executive, legislative, administrative, military or judicial branches of a foreign government (whether elected or not), a senior official of a major foreign political party, or a senior executive of a foreign government-owned corporation. In addition, a senior foreign political figure includes any corporation, business, or other entity that has been formed by, or for the benefit of, a senior foreign political figure.
- The “immediate family” of a senior foreign political figure typically includes the figure’s parents, siblings, spouse, children, and in-laws.
- A “close associate” of a senior foreign political figure is a person who is widely and publicly known to maintain an unusually close relationship with the senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of the senior foreign political figure.

***** Current lab work**

No exceptions to the “current” lab requirement because MassMutual orders additional testing. Labs must be current in order to do this.

****** Premium Financing**

Premium financing is acceptable in certain circumstances, just as it is in certain circumstances for U.S. residents.

Requirements for premium financing for high net worth foreign nationals:

- Residents of A or B countries only.
- Whole life products only (non-MEC), LISR and ALIR are available. The design requires approval from Advanced Concept Design Group. Paid-Up Additions cannot exceed base policy premium.
- Lender must be U.S. licensed and fully operate within the U.S.
- All financing must be signed off by Advanced Sales, with a separate certification for the trusts or ownership prior to issue. As a minimum, the loan must require current interest be paid at least annually, and the financial design must provide significant long-term death benefit in excess of loans.
- No use of enhanced cash riders.
- A copy of tax returns is required.

