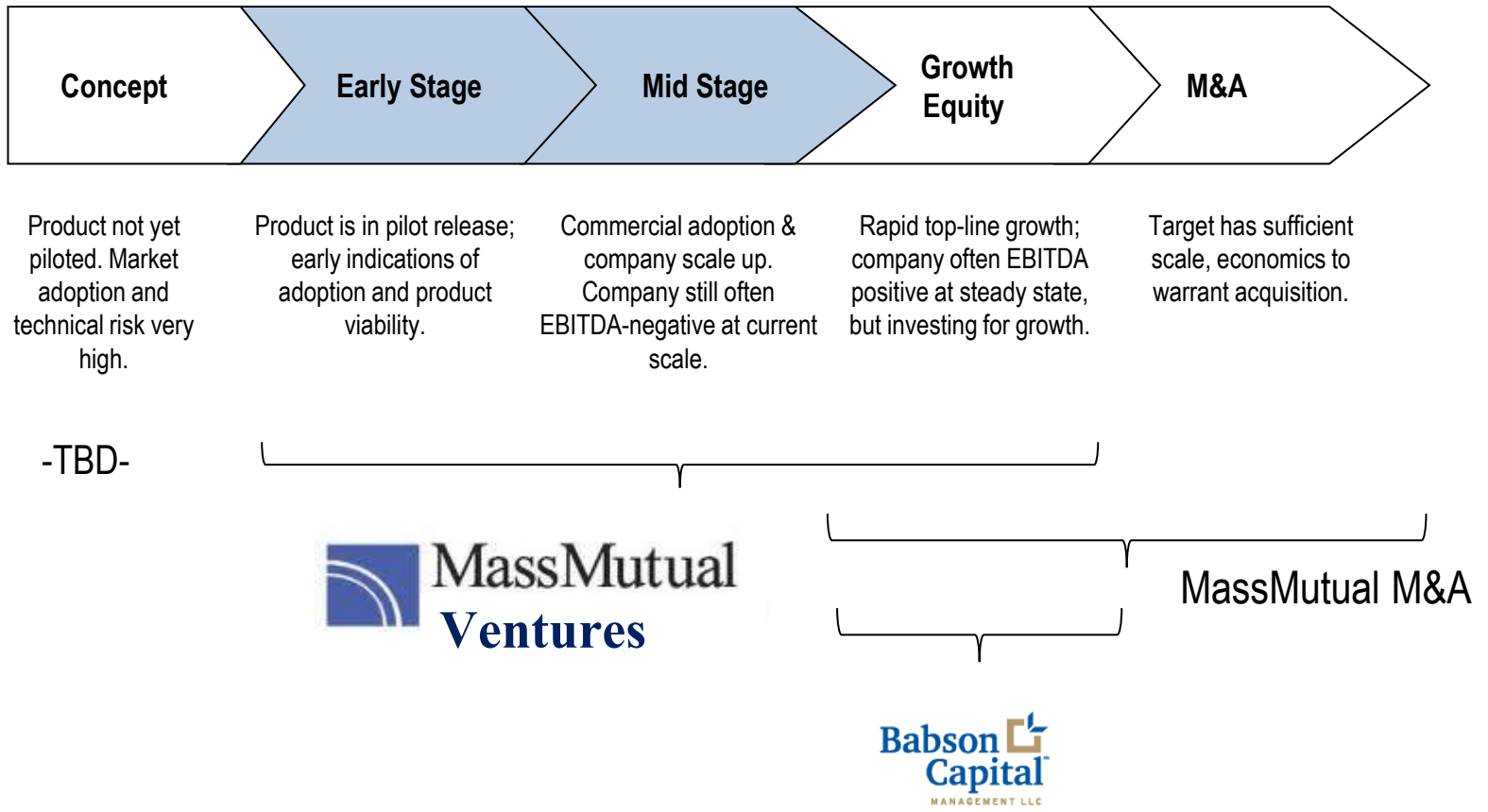


MassMutual Ventures

MassMutual Ventures will allow MassMutual to participate in disruptive innovation emerging in the early- and mid-stage private company market



= Primary focus of MMV

MassMutual Ventures

MMV Strategic Benefits

- **Advanced market insight:**
 - Proactive discovery, investment, and monitoring of start-up companies developing new technologies & business models that could disrupt or benefit MassMutual's existing businesses
 - Regularly briefing BU management; introduction of target companies to assess cooperation opportunities
- **Long-term monitoring:**
 - Depending on stage, \$2-3M average equity investment may give MassMutual board access, market insight
 - Allows multi-year exploration of new technologies or business models with minimal investment
- **Financial return**
 - MMV realizes return when portfolio companies exit through trade sale or IPO
 - Preferred stock structure, portfolio design, and active management offset early company investment risk

MMV Investment Structure

- **Investment structure**
 - Minority (<30%) equity investment, often in the form of convertible preferred stock.
 - MMV will adhere to standard VC financing structures to align incentives with management and other investors
 - Financial risk is usually spread over investment syndicate consisting of other financial VCs
 - MMV will generally seek Director or observer seat on company's board, in order to influence strategic direction and guide profitable operation.
- **Portfolio structure**
 - \$100M fund allows for broad and diversified selection of portfolio companies
 - Mix of early- and mid-stage investments
 - Capital reserved for follow-on investments
 - Expected 3-7 year holding period

MassMutual Ventures: Sample investment areas with strategic relevance

Investment Area	Description	Representative Companies
Consumer Decision Support	Platforms or services that influence decision process of potential subscribers	
Advanced Data Analytics	Improved customer acquisition and upsell through improved data mining	
Field Operations Efficiency	Reduced distribution costs through improved field & remote office productivity	
Underwriting Process Software	Back office platform software to accelerate and reduce cost of underwriting	
Consumer Health Data	Use of new health and activity data sets to improve or accelerate underwriting	
Chronic Disease Management	Reduce hospital readmissions through improved disease management	
Employer Health Management	Employers programs to reduce morbidity, early mortality of covered populations	



We'll help you get there.®

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