

John Hancock

LIFE INSURANCE

Simple. Versatile. Guaranteed.
Protection Whole Life



Protection Whole Life

Performance and Features¹

- Affordable death benefit guarantees²
- Strong, guaranteed cash values
- Competitive guaranteed premiums
- Comprehensive premium payment options:
 - Full-Pay
 - Limited-Pay
 - 10-Pay, 15-Pay, 20-Pay
 - Single-Pay
- Loan capability, including Automatic Premium Loan
- Total Disability Waiver rider
- Long-Term Care (LTC) rider³
- Four Non Smoker risk classes including Standard Plus

John Hancock's Protection Whole Life is a unique whole life product that combines competitive lifetime death benefit protection with guaranteed cash values. In addition to offering competitive premiums, Protection Whole Life often provides younger clients with guaranteed cash values that eventually equal premiums paid after 10+ years.

This easy-to-understand life insurance product allows clients the flexibility to fund their policy as they see fit through a range of premium payment options. Clients can choose to fund their policy with options ranging from full-pay to single-pay premiums.

Optional features are also available such as John Hancock's Long-Term Care (LTC) rider. This rider is available for clients who want the option to access their policy values to help pay for their long-term care expenses. Combine the Long-Term Care (LTC) Continuation rider with the LTC rider, and payments for long-term care expenses may continue even after the policy death benefit has been fully accelerated.

Additionally, Protection Whole Life offers the Total Disability Waiver rider, which waives required premiums should the insured become disabled.

1. Insurance policies and/or associated riders may not be available in all states. Some riders may have additional fees and costs associated with them.
2. Guaranteed product features are dependent upon minimum premium requirements and the claims-paying ability of the issuer.
3. The Long-Term Care (LTC) and Long-Term Care (LTC) Continuation riders are accelerated death benefits and may not be available in all states. Maximum face amount: \$5 million with the LTC rider; \$1 million with LTC Continuation rider. The LTC riders are not considered long-term care insurance in some states. When the policy death benefit is accelerated for long-term care expenses, the death benefit is reduced dollar for dollar, and the cash value is reduced proportionately. There are additional costs associated with these riders. The LTC Continuation rider is not available in some states including New York. Please go to www.jhsalesnet.com for a complete list of up-to-date state approvals. **For prospective policyholders in New York, this product is a life insurance policy that accelerates the death benefit for qualified long-term care services and is not a health insurance policy providing long-term care insurance subject to the minimum requirements of New York law; it does not qualify for the New York State Partnership for Long-Term Care program and is not a Medicare supplement policy.**

Meeting Client Needs

Protection Whole Life is designed for clients who want competitive, guaranteed death benefit protection and guaranteed cash values. Protection Whole Life is competitive at all ages, but it is especially attractive at ages 70 and below for clients who wish to fund their policies with less than lifetime premiums, and is ideally suited to a variety of market applications, including qualified plans, wealth transfer, and business continuity.

NEED

Financial and business plans

SOLUTION

Guaranteed cash values: Protection Whole Life's guaranteed cash values allow clients to make solid financial and business plans with the assurance that guaranteed cash value will be available in the future. This is a particularly effective feature in instances where a client might otherwise be hesitant about purchasing permanent life insurance.

NEED

Wealth transfer planning without gift taxes

SOLUTION

Making lifetime gifts to purchase life insurance: Making lifetime gifts to an Irrevocable Life Insurance Trust (ILIT)⁴ is one of the best ways to use annual exclusion gifts. But what if the premiums go up? They might exceed the available annual gift exclusions and create gift taxes. Protection Whole Life is an ideal choice for avoiding this problem. Because the fully guaranteed premiums never increase, your clients will never have to worry that the premium will exceed the available annual exclusion gifts and generate gift taxes.

NEED

Help pay for long-term care³ expenses

SOLUTION

When the LTC rider³ is added to Protection Whole Life: all, some, or none of the death benefit can be used to pay for long-term care expenses. Any portion not used will be paid to the heirs on a tax-favored basis.

4. Trusts should be drafted by an attorney familiar with such matters in order to take into account income and estate tax laws (including the generation-skipping transfer tax). Failure to do so could result in adverse tax treatment of trust proceeds.

FEATURES	PROTECTION WHOLE LIFE
Product Design	Non-participating Whole Life
Issue Ages	0–90
Risk Classes/Issue Ages Non Smoker Smoker	Fully Underwritten Super Preferred 20–80 Preferred 20–80 Standard Plus 20–80 Standard 0–90 Substandard 0–90 Preferred 20–80 Standard 20–90 Substandard 20–90
Flat Extras	<ul style="list-style-type: none"> Flat Extras (temporary and permanent) are allowed on all fully underwritten risk classes <i>with the exception of Super Preferred</i>
Minimum Total Face Amount	\$50,000
Maximum Total Face Amount⁵	\$20,000,000 per insured, subject to underwriting and retention limits
Definition of Life Insurance	Cash Value Accumulation Test (CVAT) only
Premium Payment Options Full-Pay Life Coverage 10-Pay Life Coverage 15-Pay Life Coverage 20-Pay Life Coverage Limited-Pay Life Coverage Single-Pay Life Coverage Combination Coverage	<i>All coverage durations last from policy issue to the insured's lifetime</i> <ul style="list-style-type: none"> Level premium payments are required each year until the policy anniversary nearest the insured's 121st birthday Level premium payments are required each year for the first 10 policy years Level premium payments are required each year for the first 15 policy years Level premium payments are required each year for the first 20 policy years Level premium payments are required each year for the greater of: <ul style="list-style-type: none"> – the first five policy years; or – until the anniversary nearest the insured's 65th birthday One single premium is required. The policy will not be issued until single premium is received. Single-Pay Life Coverage may be elected on its own, or in combination with one of the other coverage options. No other coverage options may be combined. A combination policy will not be issued until the single premium and the first modal premium are received.
Premium Modal Factors Semi-Annual Quarterly Monthly	Premiums may be paid annually, semi-annually, quarterly, or monthly. For premium paid other than annually, the following modal factors apply: Annual rate per thousand x .5150 Annual rate per thousand x .2650 Annual rate per thousand x .0875 Note: Monthly payment mode requires electronic funds transfer

5. Maximum coverage available reduces by age, mortality assessment, aviation, foreign risks, and sports figures. Subject to underwriting and retention limits.

FEATURES (Continued)**PROTECTION WHOLE LIFE****Automatic Premium Loan (APL)**

- The Automatic Premium Loan (APL) option can be requested on the application, or by written request while the policy is in force.
- While in effect, any premium due and not paid by the end of the grace period will be paid automatically in the form of a loan.
 - If Policy Debt will not exceed the maximum Loan Value at the end of the premium period, then we will loan the entire premium due for the current premium payment interval.
 - If the amount available to loan is less than the premium due for the current interval, then the premium interval will be changed to the next shorter interval, if any, for which premiums may be paid and which the amount available to loan is sufficient.
 - If the amount available to loan is not sufficient to pay a premium for any shorter interval, then the policy will terminate.

Face Amount Increases

Face Amount increases are not permitted

**Partial Surrenders/
Face Amount Decreases**

- May be requested once per month after the first policy anniversary.
- Each partial surrender must be a minimum of \$500 of the Net Cash Surrender Value.
- Partial surrenders will result in a reduction to the coverage face amount as well as the policy cash value.
- Partial surrenders will reduce the Single Premium Face Amount first (if elected) and then the Face Amount.
- We will not allow a partial surrender which causes the Total Face Amount to fall below the lesser of the Total Face Amount at issue or \$50,000.

Guaranteed Options

If a premium is missed and the policy has a Net Cash Surrender Value, the policy owner can choose a guaranteed option instead of resuming premium payments.

Paid-Up Insurance

- Under this option, policy owners maintain coverage for a reduced death benefit. The Net Cash Surrender Value of the policy is used to purchase a paid-up policy for a lesser death benefit. Any existing loans are paid off, unless the policy owner makes a special request for the loan to remain on the policy. If the paid up amount is less than \$500, the policy must be surrendered. If clients do not choose a guaranteed option before the end of the grace period, and do not request Automatic Premium Loan, we will apply this option.

Surrender of the Policy

- Clients can surrender the policy for its Net Cash Surrender Value at any date prior to the death of the insured.

Coverage Beyond Age 121

Policy does not mature; provided that funding is sufficient, the policy will remain in force until insured's death. At age 121:

- Premiums are not required or permitted.
- Interest may continue to accumulate on the policy's cash value; however this is not guaranteed.
- Interest continues to be charged on outstanding loans until a death claim is made (the policy may lapse if debt ever equals or exceeds the policy value).

RIDERS**PROTECTION WHOLE LIFE****Total Disability Waiver (TDW)**

- This rider provides for a waiver of required premiums should:
 - the insured become totally disabled while the benefit is in force and before the policy anniversary nearest 65th birthday, and
 - the total disability lasts without interruption at least six months during the insured's lifetime.
- There are limited benefits for insureds with a disability that begins between the ages 60–65.
- Issue ages 20–60.
- Not available with an annualized premium of \$60,000 or greater. Also not available with Single-Pay Life Coverage.
- A separate premium is required if this optional rider is elected. The premium is based on an amount per \$1,000 of Face Amount.

RIDERS (Continued)**PROTECTION WHOLE LIFE****Accelerated Benefit**

Provides a “living benefit” if the insured is certified to be terminally ill with a life expectancy of one year or less. This provision allows the policy owner to receive 50% of the eligible death benefit to a maximum of \$1 million.

- The remaining death benefit is reduced by one year’s interest at current loan rates on the benefit paid.
- Benefits may be taxable under current tax law. Policy owners should consult their personal tax advisors regarding the tax implications of benefits received under the Accelerated Benefit.

Long-Term Care (LTC)³

Provides funds to help pay for qualified long-term care expenses by accelerating the death benefit. Maximum monthly benefit based on 1%, 2%, or 4% of the policy death benefit elected at issue.

- In New York, the LTC rider is only available when the Accelerated Benefit rider has also been elected.
- An additional premium is charged if this rider is selected.
- Note: If the LTC rider is selected, the maximum death benefit is the amount that would result in \$50,000 of maximum monthly benefit per insured, but can never be greater than \$5,000,000 of Face Amount at issue.

Long-Term Care (LTC) Continuation³

Available as an additional rider with the LTC rider, LTC Continuation continues to help pay for qualified long-term care expenses after the policy death benefit at issue has been fully accelerated under the LTC rider. The total amount that can be continued under LTC Continuation is equal to the initial death benefit (as long as the insured is alive and in need of long-term care).

- An additional premium is charged if this rider is selected. Once the base policy death benefit is fully accelerated, this premium ceases.

Note: If the LTC Continuation rider is selected, the maximum death benefit at issue is \$1,000,000. In addition, a residual death benefit is available equal to the lesser of \$25,000 or 10% of the total Face Amount in effect just prior to claim.

POLICY VALUES**PROTECTION WHOLE LIFE****Guaranteed Cash Values**

The policy has a Cash Value that is reflected in the as-sold illustration, and shown as a dollar value per \$1,000 of Death Benefit in the policy contract. The Cash Value is guaranteed.

Policy Loans

- Policy loans are available at any time after the policy is in force.
- Minimum loan amount is \$500.

Policy Loan Rates
Current and Guaranteed

The loan interest rate charge is variable, and set at each Policy Anniversary. It does not change during a given policy year.

The loan interest rate charge will never exceed the greater of:

- 6% (annual), and
- the Moody’s Corporate Bond Yield Average-Monthly Average Corporates for the calendar month ending two months before the beginning of the month in which the Policy Anniversary falls.

(For example; if the policy anniversary falls sometime in April, we use the Moody’s average for January.)

OTHER INFORMATION**PROTECTION WHOLE LIFE****Target Commissionable Premium (TCP)**

As with John Hancock’s UL and VUL products, the compensation on Protection Whole Life is based on a target premium. TCP is the amount of premium that is fully commissionable.

- Generally Full-Pay targets are equal to the Full-Pay monthly annualized premium, and all other payment options targets are higher.
- Targets for payments other than Full-Pay cases are not the entire premium.

Strength. Stability. **John Hancock.**

With over 100 years of experience, John Hancock Life Insurance Company (U.S.A.) is among the highest-rated insurance companies in the United States, as judged by the major rating agencies. This is important because these financial ratings reflect the life insurance company's ability to pay claims in the future. John Hancock offers clients a diverse range of financial protection products and wealth management services through its extensive network of employees, agents, and distribution partners.

Financial Ratings⁶

A.M. BEST	A+ (2nd highest of 15 ratings) Superior ability to meet ongoing obligations.
FITCH RATINGS	AA (3rd highest of 21 ratings) Very strong capacity to meet policyholder and contract obligations.
STANDARD & POOR'S	AA+ (2nd highest of 21 ratings) Very strong financial security characteristics.
MOODY'S	Aa3 (4th highest of 21 ratings) Excellent in financial strength.

6. Financial ratings, which are current as of February 1, 2010, and subject to change, apply to John Hancock Life Insurance Company (U.S.A.) and John Hancock Life Insurance Company of New York as a measure of the company's ability to honor the death benefit and life annuitization guarantees, but not specifically to its products, the performance of these products, the value of any investment in these products upon withdrawals, or to individual securities held in any portfolio. Financial ratings do not apply to the safety and performance of separate accounts.

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