

John Hancock

LIFE INSURANCE

PRODUCER GUIDE



ACCUMULATION

ACCUMULATION UL

Reaching new goals

EXCELLENT CASH ACCUMULATION POTENTIAL

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Accumulation UL

Performance and Features¹

- Very competitive high early cash values
- Consistent cash value growth potential in all years
- Excellent source of supplemental retirement income
- Supplemental Face Amount for added flexibility
- Return of Premium rider
- Long-Term Care (LTC) rider²
- Quit Smoking Incentive
- Zero net cost loans

John Hancock's Accumulation Universal Life (UL) combines comprehensive death benefit protection with strong cash values. Overall, it offers high cash accumulation potential, especially in limited-pay scenarios.

Because there is significant cash value accumulation in all years, the policy is very attractive for individual and business clients who are looking to meet wealth transfer or business planning needs, especially those who are seeking supplemental retirement income or asset preservation.

Meeting Client Needs

Accumulation UL is designed for high-net-worth individuals and business owners who have limited liquidity and a need for comprehensive death benefit protection and strong cash accumulation potential to provide supplemental retirement income, or for a premium financing arrangement. Accumulation UL performs especially well in limited-pay, highly funded cash value accumulation situations.

NEED

Premium Financing

SOLUTION

Return of Premium (ROP) rider: Provides the policy owner with an additional insurance amount equal to a percentage of the premium paid, up to 100%. Particularly useful in premium financing cases, this rider can help ensure that there is sufficient death benefit coverage to repay the loan as well as to provide for the insured's heirs.

NEED

*Supplemental Retirement
Income*

SOLUTION

Highly competitive cash values: Offers accumulation potential that can serve as an excellent source of supplemental retirement income for your clients.

Overloan Protection rider:⁴ Creates a paid-up policy in situations where the policy is heavily loaned, freezing the death benefit to prevent additional charges from causing the policy to lapse. Your clients can feel confident in taking loans and withdrawals to supplement their retirement income without concern that they might lose their life insurance protection.

FEATURES ¹	ACCUMULATION UL												
Product Design	Flexible Premium Universal Life												
Issue Ages	3 months–90												
Risk Classes/Issue Ages Non Smoker Smoker	<p>Fully-Underwritten</p> <table border="0"> <tr> <td>Super Preferred</td> <td>20–80</td> </tr> <tr> <td>Preferred</td> <td>20–90</td> </tr> <tr> <td>Standard Plus</td> <td>20–90</td> </tr> <tr> <td>Standard</td> <td>3 months–90</td> </tr> <tr> <td>Preferred</td> <td>20–90</td> </tr> <tr> <td>Standard</td> <td>20–90</td> </tr> </table>	Super Preferred	20–80	Preferred	20–90	Standard Plus	20–90	Standard	3 months–90	Preferred	20–90	Standard	20–90
Super Preferred	20–80												
Preferred	20–90												
Standard Plus	20–90												
Standard	3 months–90												
Preferred	20–90												
Standard	20–90												
Flat Extras	Flat Extras (temporary and permanent) are allowed on all fully underwritten risk classes with the exception of Super Preferred												
Available Coverage	<ul style="list-style-type: none"> • Base Face Amount (BFA) • Supplemental Face Amount (SFA) 												
Minimum Total Face Amount	\$50,000												
Minimum Base Face Amount (BFA)	\$50,000												
Maximum Supplemental Face Amount (SFA) at Issue	<ul style="list-style-type: none"> • Up to four times the Base Face Amount is allowed • Maximum coverage is subject to underwriting and retention limits 												
Definition of Life Insurance	<ul style="list-style-type: none"> • Cash Value Accumulation Test (CVAT) • Guideline Premium Test (GPT) 												
Maximum First-Year Premium	<ul style="list-style-type: none"> • First-year premiums on MEC policies are limited to a maximum of \$3 million • First-year premiums on all policies are limited to maximum of 20 times the Basic Target Premium 												
Minimum Initial Premium (MIP) Requirement	<ul style="list-style-type: none"> • ½ of the Annual No-Lapse Guarantee (NLG) Premium <p>Note: A greater amount is required if the policy is backdated or if a rider is added.</p>												
Face Amount Increases BFA SFA	<ul style="list-style-type: none"> • Base Face Amount increases are not permitted • Scheduled SFA increases are available up to attained age 90 • Subject to underwriting approval • Total increases may not exceed four times the Total Face Amount at issue • Increases in one policy year may not exceed 25% of the Total Face Amount • Not allowed with Term Conversions, Return of Premium, LTC, or Waiver of Monthly Deductions riders 												
Face Amount Decreases	<ul style="list-style-type: none"> • Allowed after first policy anniversary • Minimum requested Face Amount decrease is \$10,000 • Face Amount may not be decreased below Minimum Total Face Amount • Pro rata surrender charges will apply during the surrender charge period • Requests to reduce the Face Amount or stop previously scheduled increases will terminate all future scheduled increases • A 10% Base Face Amount decrease is permitted without a surrender charge at the time of decrease 												

FEATURES ¹ (continued)	ACCUMULATION UL
<p>Death Benefit Options</p> <ul style="list-style-type: none"> Option 1 Option 2 Option Change (2 to 1 only) 	<ul style="list-style-type: none"> • Total Face Amount (plus ROP, if elected) • Total Face Amount plus policy value (not available with ROP rider) • Available after first policy year. The change is effective on policy anniversary only.
<p>No-Lapse Guarantee (NLG)</p> <ul style="list-style-type: none"> BFA SFA ROP 	<p>Death Benefit Guaranteed for:</p> <ul style="list-style-type: none"> • 5 years • 2 years • 2 years
<p>Coverage at Age 100 and Beyond¹</p> <p>At Age 121</p>	<p>Policy does not mature; provided that funding is sufficient, the policy will remain in force until insured's death.</p> <p>At age 100:</p> <ul style="list-style-type: none"> • Policy and rider charges cease • Premiums are not required or permitted • Interest continues to accumulate on the policy value • Loan repayments continue to be accepted on existing loans • 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) • New loans and withdrawals are not permitted • SFA coverage will terminate
<p>Quit Smoking Incentive</p>	<p>The Quit Smoking Incentive (QSI) allows all Standard and Preferred Smokers to receive Standard Non Smoker policy charges for the first three policy years. To maintain Non Smoker policy charges beyond year three, the insured must provide satisfactory evidence* that he/she has quit smoking for at least 12 consecutive months and their microunalysis must be free of nicotine or metabolites. Please note the following:</p> <ul style="list-style-type: none"> • Available for issue ages 20–70 • Not available for substandard ratings • Term Conversions and internal replacements will require additional underwriting if the original policy (replaced or converted) was issued more than three years ago • Policies upgraded to Standard Smoker via the HealthStyles program will require additional underwriting • The earliest an insured can request a change to Non Smoker is on or after the first policy anniversary <p>*For more details on the underwriting evidence required, please refer to our smoking class change guidelines.</p>

RIDERS¹ (separate charges may apply) ACCUMULATION UL	
Waiver of Monthly Deductions (WMD)	<p>This rider provides for a waiver of monthly policy charges should the insured become totally disabled.</p> <ul style="list-style-type: none"> • The disability must have begun while the rider is in force, and before the policy anniversary nearest the insured's 65th birthday • The disability must last without interruption at least six months during the insured's lifetime • The benefit amount is limited for a disability that begins between ages 60–65 • The rider is not available with ROP rider or increasing SFA • Limited to issue ages 20–60; the maximum amount of deductions waived per month is \$5,000
Return of Premium (ROP)	<p>Provides an additional insurance amount equal to a percentage of premiums paid, up to 100%</p> <ul style="list-style-type: none"> • ROP increases cease at age 100, at which point the death benefit becomes level • Available only at issue with Death Benefit Option 1 • Not available in conjunction with increasing SFA, Waiver of Monthly Deductions, or LTC riders
Overloan Protection (OPR)	<p>Creates a paid-up policy in those situations where the policy has incurred excessive indebtedness. Waives future monthly deductions so that the policy does not lapse, thus possibly preventing a taxable event.</p> <ul style="list-style-type: none"> • Exercise of the rider must meet stipulated conditions, including: <ul style="list-style-type: none"> – Policy must have been in force at least 15 years – Insured must have attained age 75 or older – Policy debt must exceed Total Face Amount <p>There must be sufficient policy value to cover the rider charge. Additional conditions are described in the Accumulation UL Technical Guide and policy contract.</p>
Long-Term Care (LTC)²	<p>Provides funds to help pay for qualified long-term care expenses by accelerating the death benefit. The Maximum Monthly Benefit Amount is based on 1%, 2% or 4% of the policy death benefit elected at issue. The rider is available on level (Option 1) and increasing (Option 2) death benefit options.*</p> <ul style="list-style-type: none"> • Not available with increasing SFA or ROP rider • The Long-Term Care pool can differ from the Death Benefit (LTC pool can never be greater)* • In New York, the LTC rider is only available when the Accelerated Benefit rider has also been elected • A separate charge is deducted if this optional rider is selected <p>Note: If the LTC rider is selected, the maximum monthly benefit is \$50,000 per insured. *Not available in all states.</p>
Accelerated Benefit	<p>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.</p> <ul style="list-style-type: none"> • 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

POLICY VALUES		ACCUMULATION UL	
Interest Crediting Rate			
Current		As declared	
Guaranteed		2.00%	
Policy Loans³		<ul style="list-style-type: none"> • Policy loans are available at any time after the policy is in force until age 121 • Minimum loan amount is \$500 	
Policy Loan Spread			
Current		Years 1–10	1.25%
		Years 11+	0.00%
Guaranteed		Years 1–10	1.25% ⁵
		Years 11+	0.25%
Withdrawals		<ul style="list-style-type: none"> • Available after the first policy anniversary • Minimum withdrawal is \$500 • A partial surrender charge may apply 	
POLICY FEES AND CHARGES		ACCUMULATION UL	
Premium Charge			
Current and Guaranteed		All years: 6%	
Administrative Charge			
Current and Guaranteed		Months 1–12	\$30 per month
		Months 13+	\$10 per month
Per \$1,000 Base Face Amount Charge			
Current and Guaranteed		<ul style="list-style-type: none"> • Monthly charge per \$1,000 of current BFA • Applies in the first ten policy years • Rate varies by issue age, gender, risk class and death benefit option 	
Cost of Insurance Charge			
Current		A charge per \$1,000 of net amount at risk that is deducted monthly	
Guaranteed		<ul style="list-style-type: none"> • Mortality charge varies by issue age, gender, policy duration and risk class • Based on the 2001 CSO Mortality Table 	
Surrender Charge			
Current and Guaranteed		<ul style="list-style-type: none"> • A charge per \$1,000 of Base Face Amount at issue, deducted in the event of full surrender • The surrender charge rate varies by issue age, gender, risk class and death benefit option • The charge grades down monthly over 10 years and is 0% in years 11 and after 	

Strength. Stability. John Hancock.

John Hancock's strong ratings, as judged by the major rating agencies, are a comprehensive measure of the company's financial strength and stability. This is important because these financial ratings reflect the life insurance company's ability to pay claims in the future. With over 150 years of experience, 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.

1. Insurance policies and/or associated riders and features may not be available in all states. Some riders may have additional fees and expenses associated with them.
2. The Long-Term Care (LTC) rider is an accelerated death benefit rider and may not be considered long-term care insurance in some states. There are additional costs associated with this rider. The Maximum Monthly Benefit Amount is \$50,000. When the death benefit is accelerated for long-term care expenses it is reduced dollar for dollar, and the cash value is reduced proportionately. Please go to www.jhsalesnet.com to verify state availability.
3. Loans and withdrawals will reduce the death benefit, cash surrender value, and may cause the policy to lapse. Lapse or surrender of a policy with a loan may cause the recognition of taxable income. Policies classified as modified endowment contracts may be subject to tax when a loan or withdrawal is made. A federal tax penalty of 10% may also apply if the loan or withdrawal is taken prior to age 59½. Cash value available for loans and withdrawals may be more or less than originally invested.
4. Subject to availability and limitations described in the policy. There may be additional requirements when exercising the OPR rider. Please refer to the technical guide and policy contract for details.
5. 1.50% in New York

The No-Lapse Guarantee (NLG) is automatically included with Accumulation UL. It guarantees that the policy will not default, even if the cash surrender value falls to zero or below, provided the NLG cumulative premium test (performed at the point of lapse) is satisfied. Once lapsed, the guarantee cannot be reinstated. The NLG duration varies by issue age but is never longer than 5 years. See the product technical guide for additional details.

Guaranteed product features are dependent upon minimum premium requirements and the claims-paying ability of the issuer.

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