John Hancock
LIFE INSURANCE

PRODUCER GUIDE

PROTECTION

PROTECTION IUL

Pulling ahead of the competition

AN INDUSTRY LEADER IN LOW-COST PREMIUMS

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NOT FOR USE WITH THE PUBLIC.

PROTECTION

Protection IUL

Performance and Features[1]

- Often the most competitive Indexed UL premiums in the industry
- Permanent death benefit protection with cash value growth potential
- Substantial guarantees[2] that can provide coverage beyond life expectancy at older ages[3]
- Simple annual point-to-point interest crediting based on the S&P 500®[4]
- More stable High Par Indexed Account with 160% participation rate
- Strong cash value growth potential with the Capped Indexed Account
- Unlimited growth potential with the Uncapped Indexed Account
- Competitive Fixed Account provides safe and steady growth
- Standard and Index Loan options[5]
- Long-Term Care (LTC) rider[6]
- Return of Premium (ROP) rider

John Hancock's Protection IUL is often the most affordable Indexed UL product in the industry. Protection IUL provides clients the safety of a universal life policy, with downside protection of a guaranteed 0% floor — **meaning the policy will never realize negative returns.**

Protection IUL offers several optional features including the LTC rider that provides early access to the death benefit to help pay long-term care expenses. The ROP rider also provides the policy owner with an additional insurance amount equal to a percentage (up to 100%) of the premium paid.

The Advantages of Protection IUL

Opportunity

Offers interest crediting linked to the S&P 500 — providing the potential for low premiums and cash value growth potential.

Simplicity

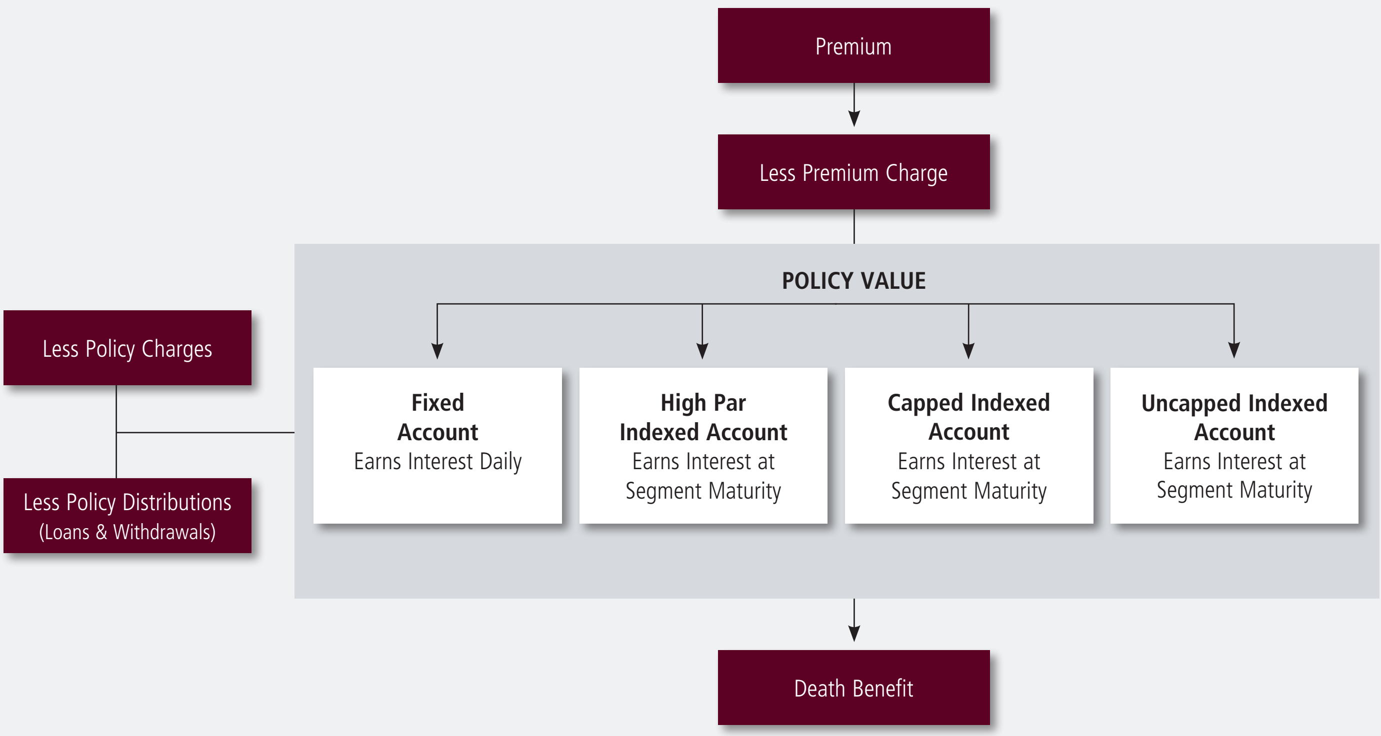
Utilizes one broad-based U.S. market index — the S&P 500 — and an annual point-to-point crediting method that gives clients quicker access to their interest credits.

Protection

Provides three layers of guaranteed protection: a no-lapse guarantee that often extends to about life expectancy, a 0% minimum annual interest rate floor, and a Cumulative Guarantee that ensures a minimum average annualized rate of return of 2% over the life of the policy, upon surrender.

How It Works

When clients make a premium payment, a premium charge is deducted. Premiums can be allocated among four options: a Fixed Account and three Indexed Account options. The High Par Indexed Account, Capped Indexed Account and Uncapped Indexed Account options form the Index Appreciation Account. Designated policy values are formed into new Segments on the 15th of each month. At Segment Maturity (one year), an Index Segment Interest Credit is applied to the Segment and clients can then allocate their segment proceeds among any of the account options. Clients are also able to access the policy value via withdrawals or policy loans. Upon death, the policy's death benefit, less outstanding loans and interest, will be paid to the beneficiaries.



Note: The Index Segment Interest Credit proceeds are calculated and earned at Segment Maturity only. If the policy terminates prior to a Segment Maturity date, any unmatured Segments will not earn interest credit.

Interest Crediting Strategies

John Hancock offers the flexibility of four interest crediting strategies, giving clients the option to allocate premiums to one or all of these strategies.

Fixed Account

Policy Value in the Fixed Account is deposited in the company's General Account at a declared rate that will never be lower than the guaranteed annual rate of 2.00%.

High Par, Capped and Uncapped Indexed Accounts

Policy Value allocated to any of the three Index Appreciation Account options earn an interest rate linked to the S&P 500 performance measured on an annual point-to-point basis. Designated policy values are formed into new Indexed Segments on the 15th of each month and each has a 1-Year Segment Term.

Each time clients allocate premiums to an Indexed Account, it starts a new 1-Year Indexed Segment. These 1-Year Indexed Segments earn interest based on positive changes in the S&P 500. The Segment Floor Rate is guaranteed to be no less than 0%. The Segment Cap Rate and Threshold Rate will be reviewed by John Hancock periodically, however, it will never change for an existing 1-Year Segment Term.

High Par Indexed Account

The 1-Year High Par Indexed Segments realize any positive growth in the S&P 500 between the guaranteed Segment Floor of 0% and up to the current Segment Cap Rate with a participation rate of 160%*.

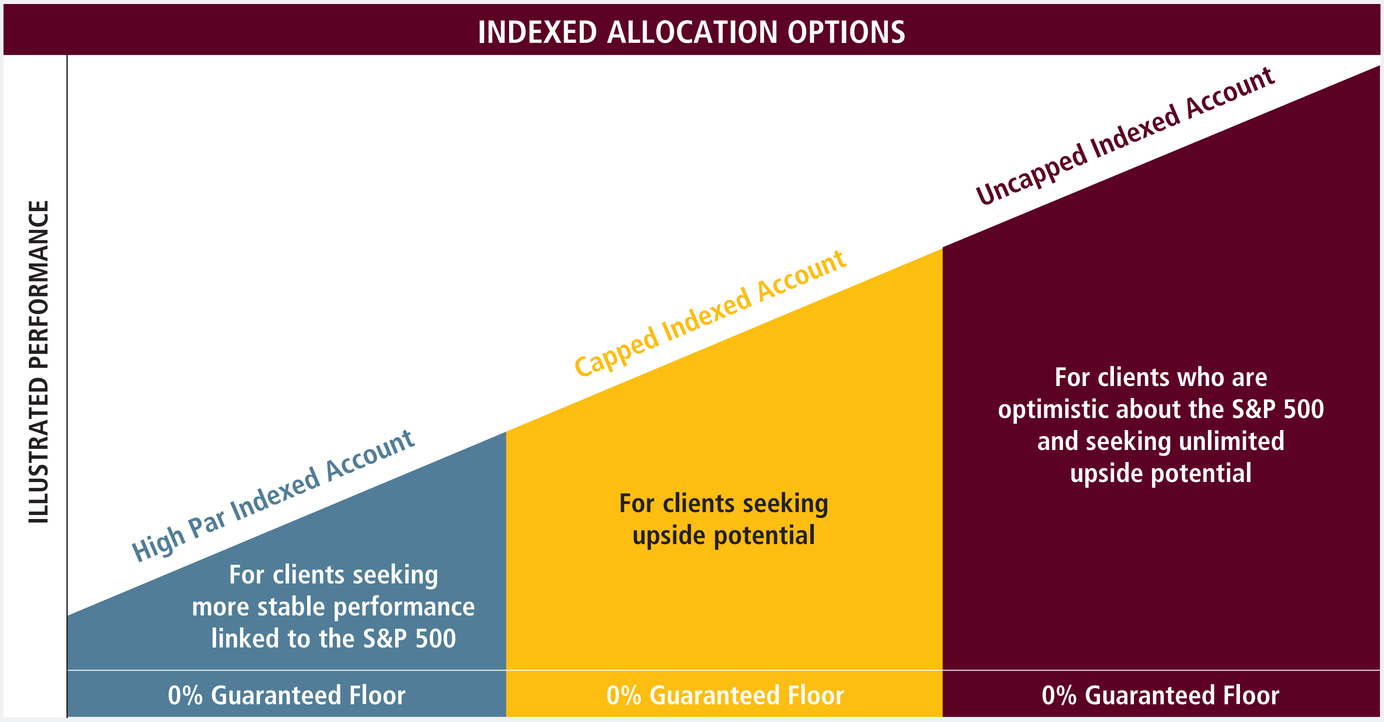
Capped Indexed Account

The 1-Year Capped Indexed Account segments realize any positive growth in the S&P 500 between the guaranteed Segment Floor of 0% and the current Segment Cap Rate with a participation rate of 100%.

Uncapped Indexed Account

The 1-Year Uncapped Indexed Segments credit the full S&P 500 performance, less the current Segment Threshold Rate with a guaranteed Segment Floor of 0% with a participation rate of 100%.

* Guaranteed participation rate of 140%.



Accessing Policy Values

Policy values can be accessed via loans or withdrawals.

Policy Loans[5]

Policy owners have the option of borrowing a portion of their policy value in one of two forms: a Standard Loan or an Index Loan. The difference between these two options is how the loans are secured. Standard Loans are generally secured by a loan account that guarantees the net cost of the loan will not exceed 1.25% annually. Index Loans are generally secured against the Index Appreciation Account; therefore, the cost of an Index Loan can vary substantially from a Standard Loan. The variable loan rate may also be different for these two loans. The Index Loan option carries significantly more risk to the policy's performance due to the higher potential net cost of the loan.

Standard Loan[7]

When policy owners borrow a portion of their Policy Value in the form of a Standard Loan, John Hancock transfers the same amount from the Fixed Account into a Loan Account.

- The Loan Account balance serves as collateral for the outstanding loan
- Interest is credited to the Loan Account and interest is also charged on the Policy Debt at a variable loan rate
- The net cost of the loan is the difference between the loan interest rate charged and the interest the Loan Account is credited
- The net cost of the loan is guaranteed to be no greater than 1.25% in Policy Years 1–10. In subsequent years the differential is currently 0% and guaranteed not to exceed 0.25%

Index Loan[8]

Index loans are available after the third policy year. Unlike a Standard Loan, when policy owners borrow a portion of their policy value in the form of an Index Loan, there is no transfer of policy value to a Loan Account from either the Fixed Account or the Index Appreciation Account.

- The policy value remains in the Index Appreciation Account and serves as collateral for the loan
- No specific rate of interest is credited to the collateral amount in the Index Appreciation Account; rather the entire balance in the Index Appreciation Account still earns interest credited at each Segment Maturity
- Like the Standard Loan, interest is charged on the Policy Debt at a variable loan rate
- The net cost of the loan is the difference between the interest charged on the policy loan and the interest credited to the portion of the policy value that collateralizes the loan
- Index Loans carry significantly more risk to the policy owner than Standard Loans

Example: Assuming no part of the loan is collateralized by the Fixed Account, an Index Loan scenario with a loan rate of 6% and an Index Segment Interest Credit(s) of 0% would result in a net loan cost of 6% — much higher than the cost of a Standard Loan. Conversely, a loan rate of 6% and Index Segment Interest Credit(s) of 10% would result in a net gain of 4% to the policy.

Withdrawals[5]

Withdrawals are available after the first policy year and are first deducted from the Fixed Account and then proportionately from the Index Appreciation Account.

- If an unscheduled withdrawal is taken from the Index Appreciation Account, policy owners will not be able to create new Segments in any Indexed Account for one year. This is called a Lock Out Period
- To avoid a Lock Out period, clients can schedule Systematic Withdrawals
- Systematic Withdrawals are withdrawals that are pre-scheduled at least 30 days in advance with a schedule of at least two withdrawals
- If a Systematic Withdrawal schedule is cancelled prior to its end date, policy owners will not be able to request a new Systematic Withdrawal schedule for one year

Meeting Client Needs

Protection IUL is designed for individual and business clients seeking low cost death benefit protection with the added potential for maximum returns and minimal risk. It has a wide variety of applications: it can provide income protection for families or retirees or provide for estate planning needs. Protection IUL performs well in a variety of funding scenarios, including limited-pay, full-pay, 10-pay and single-pay designs. It is positioned optimally for clients ages 35–70.

NEED	SOLUTION
Family income protection	*Protect future earnings:* A Protection IUL policy's death benefit proceeds can replace lost family income in the event of a wage earner's death; it can also help to fund future family expenses, such as children's college educations.

NEED	SOLUTION
Estate Planning	*Estate Protection:* Protection IUL can provide liquidity to pay estate taxes or fund a Spousal Access Trust in the estate conservation plan.

NEED	SOLUTION
Succession Planning	*Funding Buy-Sell Arrangements:* The affordability of Protection IUL makes it particularly appealing to use when funding a business buyout or protecting a business from the loss of a key employee.

NEED	SOLUTION
Living benefits	*Accumulation potential:* The cash values offered by Protection IUL can be used to help pay college expenses, or provide for other income needs.[5]

NEED	SOLUTION
Split dollar applications	*Return of Premium rider:* Provides the policy owner with an additional insurance amount equal to a percentage (up to 100%) of the premium paid. Particularly useful in split dollar cases, this rider can help ensure that there is sufficient death benefit to repay the split dollar balance as well as provide for the insured's beneficiaries.

NEED	SOLUTION
Adding greater protection against the unexpected	*John Hancock's Long-Term Care (LTC) rider[6]:* Available for clients who want to access their policy values to help pay for their long-term care expenses.

FEATURES[1]	PROTECTION IUL
Product Design	Flexible Premium Indexed Universal Life Insurance Policy
Issue Ages	3 months–90
Risk Classes/Issue Ages Non Smoker Smoker	**Fully Underwritten** 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, except Super Preferred. Non-medical flat extras for aviation, avocations and foreign risks are allowed on all fully underwritten risk classes except Super Preferred. Medical Flat Extras are not allowed on risk classes better than Standard.
Minimum Face Amount	$50,000 ($300,000 in New York)
Definition of Life Insurance Test	Cash Value Accumulation Test (CVAT)
Maximum First-Year Premium	• First-year premiums on MEC policies are limited to a maximum of $5 million. • First-year premiums on all policies are limited to a maximum of 20 times the Basic Target Premium.
Minimum Initial Premium (MIP)	• Premium amount required to issue the policy and keep it in force for the first policy month Note: a greater amount is required if the policy is backdated.
Face Amount Increases	Face Amount increases are not permitted
Face Amount Decreases	• Allowed after first policy year • Minimum Face Amount decrease permitted is $50,000 • Face Amount may not be decreased below Minimum Face Amount • Pro-rata Surrender Charge will apply during the Surrender Charge period • A 10% Face Amount decrease is permitted without a Surrender Charge at the time of decrease
Death Benefit Options Option 1 Option 2 Option Change (2 to 1 only)	 • 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
No-Lapse Guarantee (NLG)	The No-Lapse Guarantee (NLG), called "Death Benefit Protection," guarantees that the policy will not default during the NLG period, provided certain requirements are met. • The NLG duration will vary based upon issue age, gender and risk class as well as chosen funding level. The no-lapse guarantee duration is stated on the illustration and in the policy contract • Maximum no-lapse guarantee duration is to age 121

FEATURES[1] (continued)	PROTECTION IUL
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: • 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 policy debt ever equals or exceeds the policy value) • New loans and withdrawals are allowed
Quit Smoking Incentive	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 microurinalysis must be free of nicotine or metabolites. Please note the following: • 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 *For more details on the underwriting evidence required, please refer to our smoking class change guidelines.
INTEREST CREDITING	**PROTECTION IUL**
Fixed Account Current Guaranteed	Policy value in the Fixed Account is deposited in the company's General Account at a declared rate. • As declared • 2.0%
Guaranteed Indexed Account Multiplier	There is a Guaranteed Indexed Account Multiplier that will be applied to interest earned in the Index Appreciation Account at the beginning of policy year 6. • The Guaranteed Indexed Account Multiplier is applied to the un-loaned portion of policy value allocated to the Index Appreciation Account • Beginning in policy year 6, the multiplier increases the interest earned in each maturing Indexed Segment by 10.00%.
Persistency Bonus[9]	There is a non-guaranteed Persistency Bonus that may be applied to the Fixed Account interest rate beginning in policy year 11. • The persistency bonus is only applied to the un-loaned portion of Policy Value allocated to the Fixed Account and any Indexed Account Holding Segments • Currently an additional 0.65% in years 11+

INTEREST CREDITING (continued)	PROTECTION IUL
Asset Bonus	Beginning in policy year 11, the Asset Bonus will be applied to the balances in the High Par Indexed Account, Capped Indexed Account, Uncapped Indexed Account and Fixed Account. • The Asset Bonus is a **guaranteed feature** • The Asset Bonus rate varies by gender, risk class, and policy duration • The Asset Bonus is reduced any time the Policy Value exceeds the Face Amount
Cumulative Guarantee	A Cumulative Guarantee ensures a minimum average annualized rate of return of 2% (less policy charges) over the life of the policy, upon surrender.
Index Appreciation Account	Policy value allocated to the Index Appreciation Account earns an interest rate linked to the S&P 500 using a yearly point-to-point method. There are three Index Appreciation Account options, the High Par Indexed Account, the Capped Indexed Account and the Uncapped Indexed Account. • Up to 12 Index Segments can exist in each Indexed Account — one for each month • Each Segment matures twelve months from the initiation date • At Segment Maturity (after 1 year), the Segment proceeds are allocated to a new 1-Year Segment along with any policy value allocated to the same Indexed Account • Allocation instructions and payments must be received by 4:00 p.m. EST, on the third business day prior to the Segment initiation (the Lock in Date) in order to be included in the next Segment • Indexed Segments are created on the 15th of each month, interest is credited separately to each Segment • Transfers from the Fixed Account and new premiums allocated to the Indexed Account(s) will earn interest at the Fixed Account rate until they create a new Segment
High Par Indexed Account	1-Year High Par Indexed Segments earn interest based on positive changes in the S&P 500, subject to the current Segment Cap Rate and provides a guaranteed Segment Floor of 0%. • The Segment Cap Rate and the Participation Rate is established at the beginning of a Segment Term and will not be changed for an existing Segment • The Segment Cap is guaranteed to be no less than 2.5%
Capped Indexed Account	1-Year Capped Indexed Segments earn interest based on positive changes in the S&P 500, subject to the current Segment Cap Rate and provides a guaranteed Segment Floor of 0%. • The Segment Cap Rate is established at the beginning of a Segment Term and will not be changed for an existing Segment • The Segment Cap is guaranteed to be no less than 3%
Uncapped Indexed Account	1-Year Uncapped Indexed Segments earn interest based on positive changes in the S&P 500, less the current Segment Threshold Rate and provides a guaranteed Segment Floor of 0%. • The Segment Threshold Rate is established at the beginning of a Segment Term and will not be changed for an existing Segment • The Segment Threshold Rate is guaranteed to be no greater than 20%

INTEREST CREDITING (continued)	**PROTECTION IUL**
Transfers to the Indexed Account(s)	• Policy owners may choose to have a percentage of the Fixed Account policy value transferred to the Index Appreciation Account • Amounts transferred to the Indexed Account(s) prior to the Lock in Date will be included in the initial Segment balance on the next Segment initiation date
Automated Transfers	• A strategy that helps reduce exposure to market volatility by transferring a set dollar amount from the Fixed Account to the Indexed Account(s) every month

RIDERS (separate charges may apply)	**PROTECTION IUL**
Long-Term Care (LTC)[6]	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 accelerated benefit amount elected at issue. The rider is available on level (Option 1) and increasing (Option 2) death benefit options.* • 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 Note: If the LTC rider is selected, the maximum monthly benefit is $50,000 per insured. *Not available in all states.
Return of Premium (ROP)	Provides an additional insurance amount equal to a percentage of premiums paid, up to 100%. • 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 DPSP or LTC rider
Disability Payment of Specified Premium (DPSP)	• Pays a premium amount chosen by the applicant (not to exceed the lesser of 1⁄12 of the Target Commissionable Premium, 1⁄12 the Annual Premium, or $3,500 per month), if insured satisfies the elimination period for total and permanent disability • Issue ages 20–60 • $5,000,000 Maximum Face Amount on all policies • Not available with ROP • A separate monthly charge is deducted up to age 65 if this optional rider is selected
Accelerated Benefit	Provides a "living benefit" if the insured is certified to be terminally ill with a life expectancy of 1 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 1 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	PROTECTION IUL
Standard Loan Spread Current Guaranteed[10]	 Years 1–10 1.25% Years 11+ 0.00% Years 1–10 1.25% Years 11+ 0.25% Note: There is no predefined loan spread for Index Loans.
Policy Loans[5]	• Policy loans are available at any time after the policy is in force • Index Loans are available after policy year three • Minimum loan is $500 • Loan interest charge is based on a variable interest rate • Loan interest may be higher for Index Loans • Loan option changes are permitted once a year (on the Policy Anniversary)
Withdrawals[5]	• Available after the first policy year • Minimum withdrawal is $500 • A partial Surrender Charge may apply • Available once per month after first year if there is a positive Net Cash Value • Withdrawals are first deducted from the Fixed Account, then from amounts in any Indexed Account Holding Segments and then proportionately from the Indexed Account Segments • An unscheduled withdrawal taken from either Indexed Account will trigger a 1-year Lock Out Period, during which no new Indexed Segments can be created
Withdrawal Fee	None
POLICY FEES AND CHARGES	**PROTECTION IUL**
Premium Charge	Year 1–10 35% Years 11+ 32%
Administrative Charge Current and Guaranteed	 All policy years: $15 per month
Per $1,000 Face Amount Charge	• Monthly charge per $1,000 of current Face Amount • The duration of the charge varies by issue age • Rate varies by issue age, gender, and risk class
Cost of Insurance Charge Current Guaranteed	A charge per $1,000 of net amount at risk that is deducted monthly. • Mortality charge varies by issue age, gender, policy duration and risk class • Reflect the 2001 CSO Unismoke Gender Distinct Ultimate Mortality Table
Surrender Charge	A charge per $1,000 of 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
Advance Contribution Charge	• An Advance Contribution Charge is assessed on each monthly processing date when the cumulative premiums paid exceed the Advance Contribution Limit times the Policy Year. • The Advance Contribution Charge rates and Advance Contribution Limit are both shown in the policy contract.

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.

The policy does not directly participate in any stock or equity investments.

The Participation Rate is the percentage of the Index Change (change in the value of the Index over the Segment Term) that will be recognized in the calculation of the Index Segment Interest Credit.

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 tax). Failure to do so could result in adverse tax treatment of trust proceeds.

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. Protection IUL policies automatically include a no-lapse guarantee called Death Benefit Protection. This feature guarantees that the policy will not default, even if the cash surrender value falls to zero or below, provided that the Death Benefit Protection Value remains greater than zero and policy debt never exceeds the Policy Value. Once terminated, the Death Benefit Protection feature cannot be reinstated. See the product technical guide for additional details.
3. Life expectancy calculations are based on 2008 VBT mortality table.
4. Excluding Dividends. Standard & Poor's®, S&P®, S&P 500®, Standard & Poor's 500 and 500 are trademarks of The McGraw-Hill Companies, Inc. and have been licensed for use by John Hancock Life Insurance Company. The Product is not sponsored, endorsed, sold or promoted by Standard & Poor's, and Standard & Poor's makes no representation regarding the advisability of purchasing the Product. The S&P 500 Index® is an index of 500 stocks that are generally representative of the performance of leading companies in leading industries within the U.S. You cannot invest directly in the S&P 500 Index®.
5. Loans and withdrawals will reduce the death benefit and the 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. Withdrawals in excess of the cost basis (premiums paid) will be subject to tax and certain withdrawals within the first 15 years may be subject to recapture tax. Additionally, 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. Withdrawals are available after the first policy year.
6. 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.

   This rider has exclusions and limitations, reductions of benefits, and terms under which it may be continued in force or discontinued. Consult the state specific Outline of Coverage for additional details.
7. Standard loan requests in excess of the Fixed Account balance can be taken from the Indexed Accounts, but these loans will be treated similarly to an Index Loan until the Segment Maturity, allowing the Index Loan portion of the loan to be converted into a Standard Loan. See the Protection IUL Technical Guide for more information.
8. Index loan requests in excess of the Index Appreciation Account will be secured by balances transferred from the Fixed Account to a Loan Account. Only one type of policy loan may be utilized at a given time. If there is an outstanding Standard Loan, and the policy owner wishes to take an Index Loan, the existing loan must be repaid first. The opposite is also true; any existing Index Loan must be repaid before it is possible to take out a new Standard Loan. Index Loan requests in excess of the Index Appreciation Account policy value can be taken as Standard Loans from the Fixed Account.
9. In New York, the persistency bonus is guaranteed and will be applied beginning in policy year 11 to the then currently credited Fixed Account interest rate if the rate at that time is equal to or greater than 3.00%.
10. The guaranteed loan spread for New York is 1.50% in years 1–10 and 0.25% in years 11+. The current rate is the same as non-New York policies. There is no pre-defined loan spread for Index Loans.

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

Insurance products are issued by John Hancock Life Insurance Company (U.S.A.), Boston, MA 02116 (not licensed in New York) and John Hancock Life Insurance Company of New York, Valhalla, NY 10595.

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