



*John Hancock*

LIFE INSURANCE

TECHNICAL GUIDE

PROTECTION

## JOHN HANCOCK SURVIVORSHIP TERM

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NOT FOR USE WITH THE PUBLIC.

## Survivorship Term

Survivorship Term is a level premium non-participating second-to-die term product primarily designed to meet estate planning needs of the affluent market. Individuals in this market segment may be “asset rich” but “cash poor.” Survivorship Term is designed to meet the cash flow needs of these individuals by providing low-cost term or non-permanent second-to-die coverage, with the option to convert to permanent coverage when policy owners’ cash-flow permits.

### Survivorship Term – Quick Guide

<b>Minimum Issue Age</b>	Both lives must be at least 20 years old.	
<b>Maximum Issue Age</b>	<u>Younger Life</u>	<u>Older Life</u>
Both Lives Standard	90	90
Both Lives Substandard	85	90
One Life Substandard	85	90
Preferred	90	90
<b>Minimum Face Amount</b>	\$250,000	
<b>Rate Classes</b> <i>True unisex rates will not be available. In Montana, it will be assumed that both lives are male.</i>	<ul style="list-style-type: none"> <li>• Preferred Non Smoker</li> <li>• Standard Non Smoker</li> <li>• Preferred Smoker</li> <li>• Standard Smoker</li> </ul>	
<b>Modal Premium Factors</b>		
Semi Annual	Annual Premium * 0.515	
Quarterly	Annual Premium * 0.265	
Monthly (Checking Account Draft Only)	Annual Premium * 0.092	
<b>Modal Policy Fees</b>		
Annual	\$300	
Semi Annual	\$150	
Quarterly	\$81	
Monthly	\$36	

<b>Policy Duration Oldest Issue Age</b>	<b>Level Term <u>Years</u></b>	<b>YRT <u>Years</u></b>	<b>Policy <u>Duration</u></b>
20-79	5	5	10
80-83	4	5	9
84-87	3	5	8
88-90	2	5	7

**Premiums**  
Premium is level for the first 5 years of the policy (grading down as per term duration table above) with 5 years annually increasing premium thereafter. The policy expires at the lesser of 10 years or the level term duration plus 5 years. Premium rates will differ by age, sex, underwriting class and smoking status, and ratings where applicable.

**Riders**  
No riders are available with Survivorship Term.

**Conversion Options**  
The conversion period is the life of the policy to a maximum age 90 of the older life (age 85 of younger life if one or both insureds are substandard).  
The conversion options are:

- If both insureds are alive, allow conversion to any permanent product in the survivorship portfolio for the full face amount based on attained ages and the original underwriting and smoking classes
- If one insured is deceased, allow conversion of the surviving life to a single-life permanent policy for the full face amount based on attained age and the original underwriting and smoking class.

## **Estate Preservation Rider (EPR) and Term Conversions**

John Hancock’s guidelines for converting term contracts to permanent survivorship policies are among the most liberal in the industry and provide a valuable benefit to our clients. However, the right to receive the **ESTATE PRESERVATION RIDER (EPR)** on a conversion to a permanent survivorship product is not part of the conversion provision in the survivorship Term contract or in any of our single life Term contracts. Since this is not a contractual right and since issuing the EPR could more than double the amount of risk assumed without the benefit of medical evidence, the Estate Preservation Rider is not available automatically under a term conversion to survivorship.

Since there are situations in which the Estate Preservation Rider may be desired by clients to cover the possibility of estate inclusion of policy proceeds as a result of the “Three-year Rule”, the Estate Preservation Rider can be added to the permanent survivorship policy, subject to certain requirements and underwriting approval.

**Availability – Attained Age**

- 20-65 – Up to 500%
- 66-75 – Up to 200%

EPR is subject to available retention.

**In order to add EPR, follow these rules:**

- Complete an Application for Life Insurance (form NB 5000) and a HIPAA Compliant Authorization for release of Health-related information (form NB5025)
- In the Special Requests section, indicate this is a conversion of survivorship term and provide the policy number of that policy. Do not complete a term conversion application. Both the plan and the EPR rider are selected on page 2 of the application.
- Regular Survivorship Underwriting Requirements based on the policy face amount must be submitted for each insured.
- **EPR will only be allowed if the insureds continue to qualify for the same assessment as the original policy.**

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

Insurance policies and/or associated riders and features may not be available in all states.

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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