



Home



John Hancock
indexed
universal life



Where does IUL fit?



Target market and
applications



Key IUL features



Indexed
account options



Interest credit
scenarios



Downside
protection



Future flexibility



Enhance the sale



Contact us



Indexed UL Portfolio

Seller's guide



This material is for agent use only.
Not for distribution or use with the public.

LIFE-4805 7/23



Home



John Hancock indexed universal life



Where does IUL fit?



Target market and applications



Key IUL features



Indexed account options



Interest credit scenarios



Downside protection



Future flexibility



Enhance the sale



Contact us

John Hancock's Indexed UL Portfolio

Indexed UL (IUL) is one of the most popular product segments in the insurance market today. John Hancock's IUL portfolio¹ offers a combination of simplicity and opportunity that includes:



A competitive suite of IUL product offerings — that can help meet clients' varying needs for cost, coverage and tax-free growth potential



Strong cash value growth potential — linked to the performance of a financial index², while cushioning exposure to market losses with a 0% guaranteed floor



Innovative living benefit riders — that enhance value with added protection such as long-term care coverage³ and rewards and savings for living healthier with John Hancock Vitality



John Hancock's strength and stability — with among the highest financial ratings in the industry and built on 160 years' experience, providing life insurance solutions to more than 2.6 million policyholders* and paying over \$5.7 billion in life insurance benefits in 2021**

* Represents inforce John Hancock life insurance policyholders as of December 2021.

** Payments made in 2021 for life insurance death claims.

*** Not available for sale in New York.



John Hancock has three competitive IUL products to help meet their needs

Accumulation IUL

Life insurance protection with strong cash value accumulation potential

Protection IUL***

Cost-efficient permanent protection with cash value accumulation potential

Protection Survivorship IUL***

Cost-efficient permanent protection with cash value accumulation potential for two lives



Home



John Hancock
indexed
universal life



Where does IUL fit?



Target market and
applications



Key IUL features



Indexed
account options



Interest credit
scenarios



Downside
protection



Future flexibility



Enhance the sale



Contact us

Where does IUL fit?

As you know, recommending life insurance does not work with a “one product fits all” approach. Different clients certainly have different needs and fall on different areas of the risk-reward spectrum. In fact, a key to making the best product recommendation is to know your clients’ investment risk tolerance.

As the chart indicates, most policyholders expect IUL to accumulate more cash value than current assumption UL, but with more potential volatility. They can also expect IUL to accumulate less cash value over the long term than a VUL policy (but with less volatility).

Product risk spectrum

Product type	Guaranteed interest	Potential upside investment return	Potential downside investment risk	Client’s risk tolerance
Term insurance	N/A	N/A	N/A	Low
Current assumption universal life	Typically 2% or less	Tied to current rates, typically 3.5%–5%	Minimum crediting rate (typically 1-2%)	Low
Indexed universal life (IUL)	Typically 0% annually with a cumulative guarantee of 1%–3%	Typically capped at 7%–12%	0% guaranteed floor	Moderate
Variable universal life (VUL)	Fixed account only, typically 2% or lower	Unlimited	Unlimited	High



Home



John Hancock
indexed
universal life



Where does IUL fit?



Target market and
applications



Key IUL features



Indexed
account options



Interest credit
scenarios



Downside
protection



Future flexibility



Enhance the sale



Contact us

Target market and applications

Our IUL products provide a valuable combination of death benefit protection and strong cash value accumulation potential — along with the flexibility to access the policy value either through loans⁴ or withdrawals to help meet other long-term goals, such as:



Supplemental income



Retirement backstop



Estate planning



College funding



Business planning



Premium financing

Target market — protection and growth:

- Ages 35–65
- Looking for life insurance protection along with higher crediting rate potential than a typical universal life product
- Optimistic about the market, but want their life insurance policy to be cushioned from negative returns



Home



John Hancock
indexed
universal life



Where does IUL fit?



Target market and
applications



Key IUL features



Indexed
account options



Interest credit
scenarios



Downside
protection



Future flexibility



Enhance the sale



Contact us

Key IUL features

Indexed universal life insurance is a flexible premium product that gives policyholders an opportunity to capture upside market potential while cushioning them from negative market performance. With a John Hancock IUL policy, customers have the flexibility of choosing their allocation based on the risk exposure they are most comfortable with.

Like any flexible premium product, IUL can be funded at any time throughout the lifetime of the policy. Many policyholders pre-select the premium-payment frequency to monthly, quarterly, bi-annually or annually to simplify the ownership experience and achieve the desired financial objective. John Hancock IUL policyholders allocate their premiums across their choice of indexed accounts and our Fixed Account — and earn credits based on the performance of those accounts.

Indexed accounts

Our indexed accounts give your clients an opportunity to capture upside market potential while cushioning the cash value from negative market performance. John Hancock offers a series of indexed accounts for each of our IUL product offerings. The indexed account is linked to a financial index and has a comprehensive set of indexed account parameters (i.e., cap rate, floor rate, participation rate and multiplier). The interest credits earned are based on the amount allocated among the indexed accounts available, as well as the performance of the referenced financial index, subject to the indexed account parameters outlined.

Fixed account

Our Fixed Account option — available on all our IUL product offerings — gives your clients an opportunity to seek more stable performance while earning a competitive interest rate. The interest credits earned are based on the amount allocated to the Fixed Account as well as the prevailing Fixed Account rate.

Access to cash value in the policy

Your clients can access the cash value within their policy via withdrawals or loans.³ They can elect one or a combination of these methods, consistent with their financial objectives.

Key IUL terms

Cap rate: The maximum annual segment growth rate for an indexed account

Floor: The minimum annual segment growth rate for an indexed account

Participation rate: The percentage of the change in the index value that will be recognized when calculating the segment growth rate

Multiplier: Interest credits provided in addition to the segment growth rate

S&P 500® Index: Widely regarded as the best single benchmark of the US market, the S&P 500 Index includes 500 large cap common stocks actively traded in the United States⁵

Barclays Global MA Index: Designed to track a diversified portfolio of global financial assets, the Barclays Global MA Index follows a systematic asset allocation process that aims to optimize the Index's return potential for a given level of risk, as well as to accommodate short-term market trends. The Index has the ability to change its portfolio as often as daily to adapt to shifting market conditions⁵



Home



John Hancock indexed universal life



Where does IUL fit?



Target market and applications



Key IUL features



Indexed account options



Interest credit scenarios



Downside protection



Future flexibility



Enhance the sale



Contact us

Indexed account options

With a John Hancock IUL policy, you can offer a diverse range of indexed account options with access to the S&P 500 Index or the Barclays Global MA Index.⁵

Your John Hancock IUL clients can benefit from:

- **A guaranteed 0% floor** — ensuring the policy will never experience negative returns
- **A guaranteed indexed account multiplier** — applied to interest earned in the indexed accounts on certain options
- **A competitive Fixed Account** that provides secure and steady growth and is guaranteed never to be below 1% on PSIUL, PIUL and AIUL
- **Complete flexibility** to allocate among all indexed accounts and the Fixed Account

Indexed account*	Point-to-point measurement	0% guaranteed floor	Guaranteed indexed account multiplier
Base/Select indexed account options			
Base Capped Indexed Account (AIUL NY only). The opportunity for upside potential	✓	✓	N/A
Base Capped Two Year Indexed Account The opportunity for upside potential over a longer investment horizon	✓	✓	N/A
Select Capped Indexed Account The opportunity for upside potential with a guaranteed indexed account multiplier	✓	✓	✓
Barclays indexed account options			
Barclays Global MA Bonus Indexed Account Opportunity for consistent, stable returns (includes a guaranteed fixed bonus of 0.65% with a current participation rate of 105% for AIUL and 110% for PIUL/PSIUL)	✓	✓	N/A**
Barclays Global MA Classic Indexed Account Opportunity for more consistent, stable returns (includes a current participation rate of 130% for AIUL and 140% for PIUL/PSIUL)	✓	✓	N/A**
Barclays Global MA Plus Indexed Account Opportunity for more consistent, stable returns (includes a current participation rate of 150% for AIUL and 160% for PIUL/PSIUL)	✓	✓	N/A**
Core indexed account options			
Capped Indexed Account The opportunity for increased upside potential	✓	✓	✓
High Capped Indexed Account Higher growth potential in exchange for taking on greater risk	✓	✓	✓
High Par Capped Indexed Account More stable performance linked to the S&P 500 Index (includes a current 160% participation rate)	✓	✓	✓
Enhanced indexed account options			
Enhanced Capped Indexed Account (AIUL only). Greater opportunity for upside potential	✓	✓	✓
Enhanced High Capped Indexed Account (AIUL only). The most growth potential in exchange for taking on greater risk	✓	✓	✓

*Indexed account options may not be available on all products or in all jurisdictions. The base indexed account options (Base Capped Indexed Account and Base Capped Two Year Indexed Account) are the only indexed account options available on AIUL in New York. Please consult each product's producer guide for indexed account option availability.

** While there is no contractual segment cap rate for these accounts, there is a volatility control mechanism built into the Index rules that will impact the returns on these accounts. The change in the Barclays Global MA Index in up market conditions will not be as high as it would be had there not been the volatility control.



Home



John Hancock indexed universal life



Where does IUL fit?



Target market and applications



Key IUL features



Indexed account options



Interest credit scenarios



Downside protection



Future flexibility



Enhance the sale



Contact us

Interest credit scenarios

Using our popular Accumulation IUL in various scenarios, here are a few hypothetical examples showcasing how interest credits are determined and how they would change under different market conditions.

Crediting rate

Segment growth rate X (1 + multiplier)

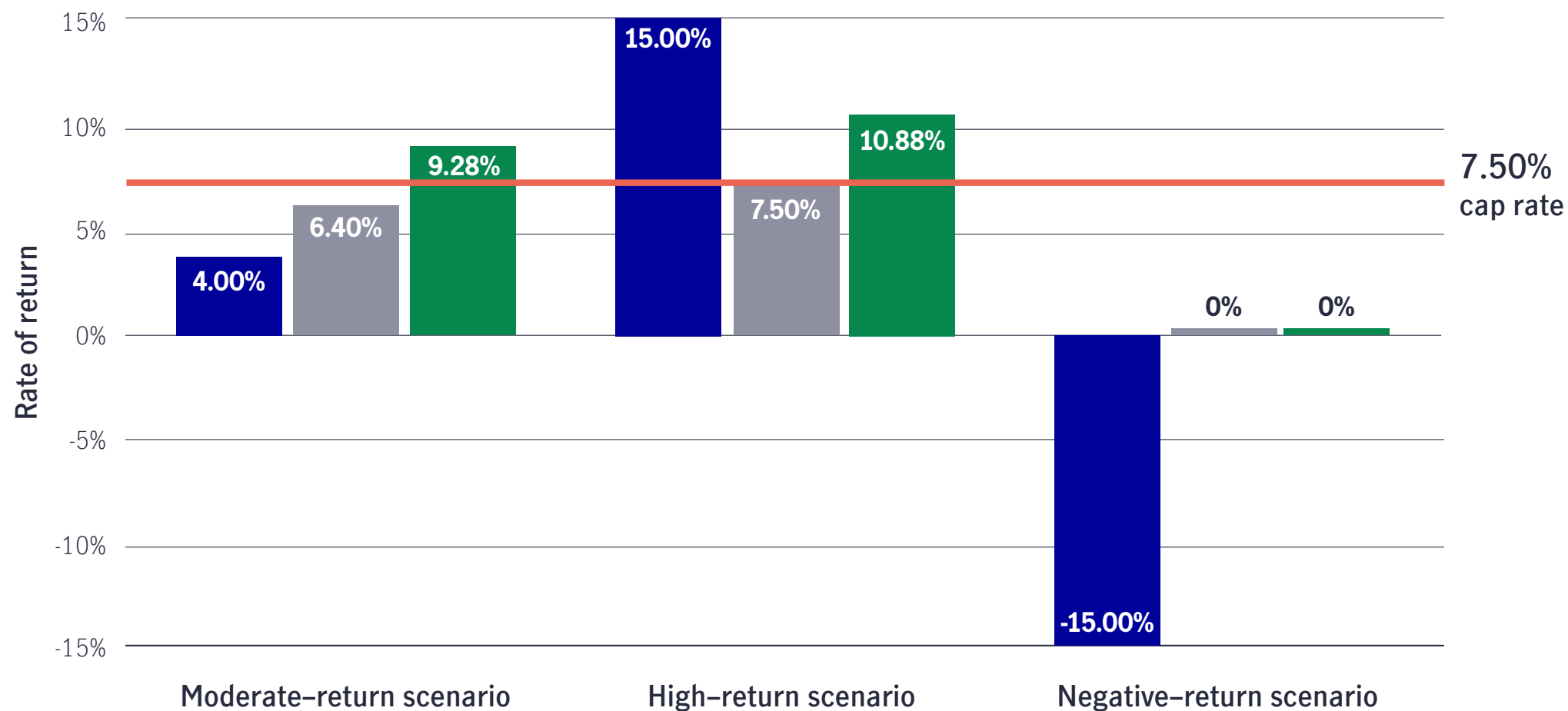
Segment growth rate

Positive index change X participation rate, subject to predetermined cap

Accumulation IUL referencing High Par Indexed Account

Cap rate: 7.5% Participation rate: 160% Floor rate: 0% Multiplier: 45%

■ S&P 500 ■ Segment growth rate ■ Crediting rate





Home



John Hancock indexed universal life



Where does IUL fit?



Target market and applications



Key IUL features



Indexed account options



Interest credit scenarios



Downside protection



Future flexibility



Enhance the sale



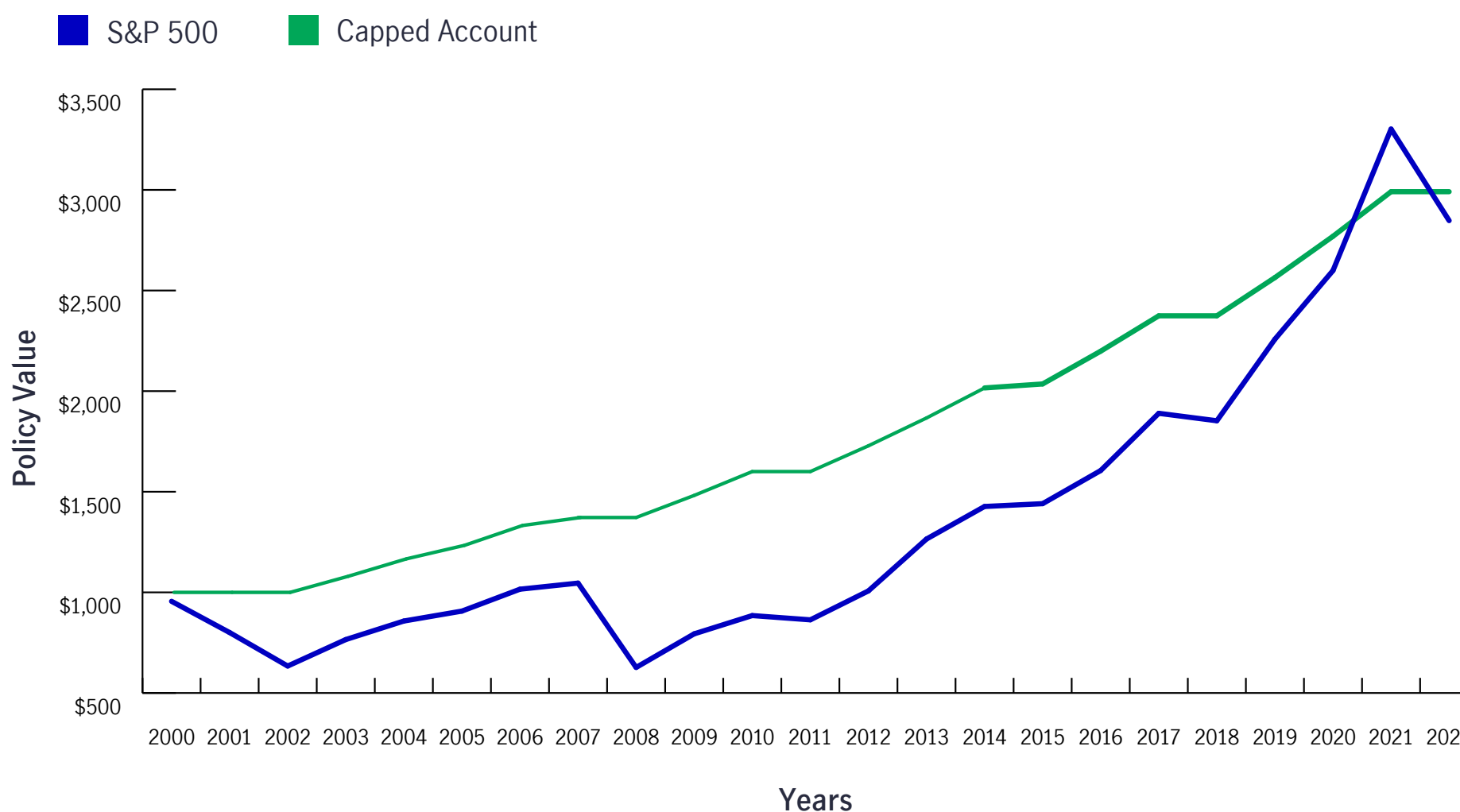
Contact us

Downside protection

IUL allows the potential for significant cash value accumulation because clients can allocate their premiums to indexed accounts that follow a financial index.

When zero is hero

The 0% floor offered on our indexed IUL portfolio can be your clients' hero by protecting the policy cash value during volatile equity markets. Take a look below to see how \$1,000 — subject to the parameters of the applicable John Hancock indexed account — would have grown over 20 years, all while protecting policyholders from the effects of major market downturns.



Source: S&P 500 from 1999-2022. Annual S&P 500 returns (with dividends) and the returns of the Capped Indexed Account on AIUL. Based upon Capped Indexed Account rate of 8.75%; cap and 0% floor. All returns do not reflect any multipliers associated with any of the indexed accounts. The above information is hypothetical and provided for illustrative purposes only. The first Index Appreciation Account segments were available beginning October 2011. The example shown reflects an indexed account option that is not available in New York. The comparison and values shown in this communication are not applicable in New York.



Home



John Hancock indexed universal life



Where does IUL fit?



Target market and applications



Key IUL features



Indexed account options



Interest credit scenarios



Downside protection



Future flexibility



Enhance the sale



Contact us

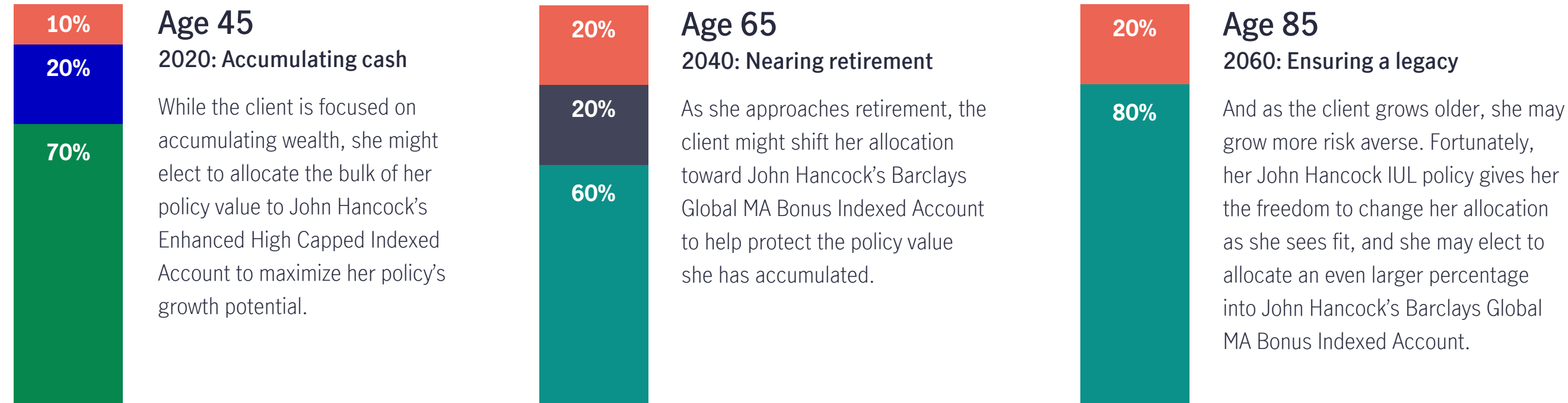
Future flexibility

By offering a full suite of competitive indexed account options, our IUL products give clients the flexibility to adjust their allocations as needed, ensuring they can continue to meet their goals as they change over time. The following example shows how a John Hancock IUL policyholder might change their indexed account allocations over a 40-year period.

IUL life cycle

Female, age 45, purchases an IUL policy in 2021

- Enhanced High Capped Indexed Account
- Barclays Global MA Plus Indexed Account
- Fixed Account
- Capped Indexed Account
- Barclays Global MA Bonus Indexed Account





Home



John Hancock indexed universal life



Where does IUL fit?



Target market and applications



Key IUL features



Indexed account options



Interest credit scenarios



Downside protection



Future flexibility



Enhance the sale



Contact us

Enhance the sale

John Hancock’s IUL portfolio offers a full suite of living benefits that can create the ideal product solution for your clients’ future needs, including our:

- **Accelerated Death Benefit for Chronic Illness⁶**
- **Critical Illness Benefit (CIB) rider⁷**
- **Long-Term Care (LTC) rider³**
- **John Hancock Vitality Program**

Top 10 selling points for our IUL products

1. Industry-leading **low cost — and cash value accumulation** potential
2. **Premium savings and rewards** with the John Hancock Vitality PLUS Program plus option of **customized living benefit protection** with Accelerated Death Benefit for Chronic Illness rider,⁶ Long-Term Care rider³ and Critical Illness Benefit riders⁷
3. **Rolling targets** for an extra boost to compensation
4. **High Capped & Enhanced High Capped Indexed Accounts** available on Accumulation IUL for greater **competitive upside potential**
5. **Barclays Global MA Indexed Accounts** can provide **more stable performance** across different market environments
6. **Base Capped Two Year Indexed Account** for clients seeking upside potential with a longer investment horizon
7. Competitive Fixed Account that provides **safe and steady growth**
8. **Guaranteed multipliers offered** for all John Hancock IUL products
9. **LifeTrack Billing — an innovative policy management tool** that helps clients achieve their coverage goals
10. **Guaranteed protection** with a no-lapse guarantee and 0% floor

John Hancock Vitality

At John Hancock, we believe life insurance should help people live longer, healthier lives. That’s why we introduced **John Hancock Vitality**, life insurance that rewards people for living healthy.

There are two versions of the John Hancock Vitality Program to support your clients along the way, **Vitality GO** and **Vitality PLUS**.





Home



John Hancock indexed universal life



Where does IUL fit?



Target market and applications



Key IUL features



Indexed account options



Interest credit scenarios



Downside protection



Future flexibility



Enhance the sale



Contact us

Strength. Stability. John Hancock.

John Hancock is among the highest-rated companies for financial strength and stability as demonstrated by its A+ rating from A.M. Best.⁸ Financial strength ratings are a comprehensive measure of a company’s financial strength and stability and are important as they reflect a life insurance company’s ability to pay claims in the future. With 160 years of experience, John Hancock offers clients a diverse range of insurance products and services through its extensive network of employees, agents and distribution partners.

About Vitality

To help in your clients’ pursuit of a longer, healthier life, John Hancock is working with Vitality, the global leader in integrating wellness benefits with life insurance products. Vitality has an established track record of creating interactive, personalized programs. Millions of Vitality members worldwide use their online tools to identify and work towards health and lifestyle goals.

For more information about any of our life insurance products:



Contact your **John Hancock sales representative**



Call **National Sales Support at 888-266-7498, option 2**



Visit us online

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. There is risk as the performance of the underlying index may result in low segment interest credits that would require increase in premium payments in order to the keep the policy in force.
3. 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 JHSalesHub.com to verify state availability.
4. 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.
5. Standard & Poor’s®, S&P®, S&P 500®, Standard & Poor’s 500 and 500 are trademarks of Standard and Poor’s Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc. John Hancock has been licensed to use the trademarks of S&P Index. The Product is not sponsored, endorsed, sold or promoted by the licensors of the index and they make no representation regarding the advisability of purchasing the Product. You cannot invest directly in the Index. Neither Barclays Bank PLC (“BB PLC”) nor any of its affiliates (collectively “Barclays”) is the issuer or producer of the John Hancock Life Insurance Company (U.S.A.)’s (the “Company” or the “Issuer”) life insurance products (the “Products”) and Barclays has no responsibilities, obligations or duties to purchasers of the Products. The Barclays Global MA Index (the “Index”) together with any Barclays indices that are components of the Index, is a trademark owned by Barclays and, together with any component indices and index data, is licensed for use by the Company as the issuer or producer of the Products. Barclays’ only relationship with the Issuer in respect of the Index is the licensing of the Index, which is administered, compiled and published by BB PLC in its role as the index sponsor (the “Index Sponsor”) without regard to the Issuer or the Products or purchasers of the Products. Additionally, the Company as issuer or producer of the Products may for itself execute transaction(s) with Barclays in or relating to the Index in connection with the Products. Purchasers acquire the Products from the Company and purchasers neither acquire any interest in the Index nor enter into any relationship of any kind whatsoever with Barclays upon purchase of the Products. The Products are not sponsored, endorsed, sold or promoted by Barclays and Barclays makes no representation regarding the advisability of the Products or use of the Index or any data included therein. Barclays shall not be liable in any way to the Issuer, Product purchaser or to other third parties in respect of the use or accuracy of the Index or any data included therein.
6. The Accelerated Death Benefit for Chronic Illness Rider allows for a partial acceleration of the death benefit when the insured is certified as chronically ill. The amount is capped at 75% of the death benefit to a lifetime maximum of \$1 million. The annual maximum benefit amount is limited to the IRS per diem limit. Accelerated benefit payments under this rider reduce the death benefit dollar for dollar by the accelerated amount and reduce the policy value proportionately. The payments will also be reduced by interest charges. The benefits provided by this rider are designed to be excludable from gross income under federal tax law; however, there might be situations in which the benefits or charges for this rider are taxable.
7. The Critical Illness Benefit Rider provides a one-time, lump-sum benefit for covered critical illnesses subject to eligibility requirements. The benefit will not be paid for critical illnesses initially diagnosed before the rider effective date or during the waiting period. The rider is not available in all states and state variations may apply.
8. Second highest of 13 ratings (superior ability to meet ongoing insurance obligations). Financial strength rating is current as of March 31, 2023, is subject to change, and applies to John Hancock Life Insurance Company (U.S.A.) and John Hancock Life Insurance Company of New York as a measure of each company’s financial ability to pay claims and to honor any guarantees provided by the contract and any applicable optional riders. These companies have also received additional financial strength ratings from other rating agencies. Financial strength ratings are not an assessment, recommendation or guarantee of specific products and their investment returns or value, do not apply to individual securities held in any portfolio or the practices of an insurance company, and do not apply to the safety and performance of separate accounts.

Protection IUL and Protection SIUL 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. Please see the product guide for additional details.

The No-Lapse Guarantee (NLG) is automatically included with Accumulation IUL. 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 policy owner can catch-up to the NLG premium requirement - interest free - at any time during the NLG period. The NLG duration varies by issue age. See the product guide for additional details.

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

This material does not constitute tax or legal advice and neither John Hancock nor any of its agents, employees or registered representatives are in the business of offering such advice. Your clients should consult with their own tax advisor.

John Hancock’s death benefit guarantees are product specific and are intended to prevent policy default. The durations of the guarantees may vary, and are subject to meeting policy-funding requirements. Please see the producer guide for additional details.

Vitality is the provider of the John Hancock Vitality Program in connection with policies issued by John Hancock.

Vitality GO is not available with policies issued in New York & Puerto Rico.

For agent use only. Not for use with the public.

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.

MLINY060923723-1