SELLER'S GUIDE

John Hancock INSURANCE

Tips for Successful Selling

Performance LTC™

Performance LTC

For over 25 years, John Hancock has earned a reputation as a long-term care insurance innovator, in addition to having a strong claims paying track record. Performance LTC is John Hancock's newest LTC insurance product. It reflects our commitment to this important coverage and introduces new features to help face the future with confidence.

Performance LTC offers:

- Traditional LTC benefits at a great price
- A more transparent policy design
- The unique ability to adjust premiums and benefits over time

The need for LTC

One of the most important elements of financial planning is the consideration of future health care costs. Among these costs is the potential need for long-term care, which can pose a significant challenge to your clients' financial portfolio.

Consider the facts:

The need is real

It is estimated that 70% of people over the age of 65 will require some period of ongoing assistance at some point in their lives. (U.S. Department of Health and Human Services, National Clearinghouse for Long-Term Care Information, www.longtermcare.gov, April 2014).

The costs are high

According to John Hancock's 2013 Cost of Care Survey conducted by LifePlans, Inc.:

TYPE OF CARE	2013 NATIONAL AVERAGE COSTS	2013 UNIT COSTS
Nursing Home (private room)	**$94,200**	**$258 per day**
Assisted Living Facility	**$41,000**	**$3,427 per month**
Home Care*	**$29,600***	**$19 per hour**

*Assumes six hours of care a day, five days a week. Please note that if home care is needed around the clock, costs can surpass those of nursing home care.

The solution is available

Long-term care insurance can be a cost-effective way to address the financial risks that may be created by the need for care. It may also be more practical than relying on government programs like Medicare or Medicaid, that have stringent requirements for qualification or on family members who may not be available to provide day-to-day support.

The LTC solution your clients have been waiting for

John Hancock has long recognized the importance of choice when facing a long-term care event. Owning a long-term care insurance policy can give your clients more control over where or how often they receive care.

It may even help them receive care in a site or at a frequency they could not otherwise afford without the coverage. And a stand-alone policy offers the kind of flexibility not available with an LTC rider.

Performance LTC covers care received in a variety of settings, including nursing homes, assisted care facilities, and the familiar surroundings of home. It also includes:[1]

- Benefits for younger buyers such as a Return of Premium Benefit as well as an Additional Accident Benefit for clients who need care before the age of 65
- Built-in features for added value including the Bed Hold Benefit and International Coverage
- Optional features for added flexibility including SharedCare, Waiver of Home Health Care Elimination Period (Zero Day Home Care Elimination Period), and Nonforfeiture
- Lapse Prevention Safeguard – a benefit that prevents the policy from unintentional lapse while on claim

1. Please refer to the policy for a complete description of policy benefits

LTC coverage that fits your clients' financial goals

Performance LTC offers built-in 3% Compound Inflation protection at a price the competition cannot match. In addition, benefits will continue to increase over time, even if your client is on claim.

Take a look at how Performance LTC™ compares to the competition!

Married Couple, Combined Premium, 55 Years Old, Select or Standard, $4,500 Monthly Benefit, 3 Year Benefit Period, 90-day Elimination Period

COMPANY	INITIAL NET PREMIUM	% DIFFERENCE
Performance LTC	**$2,706**	—
Company A	**$3,301**	**22%**
Company B	**$3,325**	**23%**
Company C	**$4,295**	**59%**
Company D	**$4,411**	**63%**

Competitor information is current and accurate to the best of our knowledge as of February 28, 2015. The data shown is taken from various company proposals. (Company A is Mutual of Omaha; Company B is Genworth; Company C is New York Life; and Company D is Northwestern Mutual.) The Performance LTC Net Premium equals the Policy Premium minus applicable Flex Credits. Policy premiums for Performance LTC will increase annually based on attained age, through age 90, with the possibility of being partially or fully reduced by future Flex Credits. Performance LTC Policy Premiums and Flex Credits are not guaranteed.

Performance LTC Net Premiums are expected to vary slightly from year to year, based on the amount of Flex Credits applied. This year-to-year variability is intended to result in less volatility over the long term and greater long-term stability, making the policy a more effective planning tool.

Net Premiums that offer a fair price in any market condition

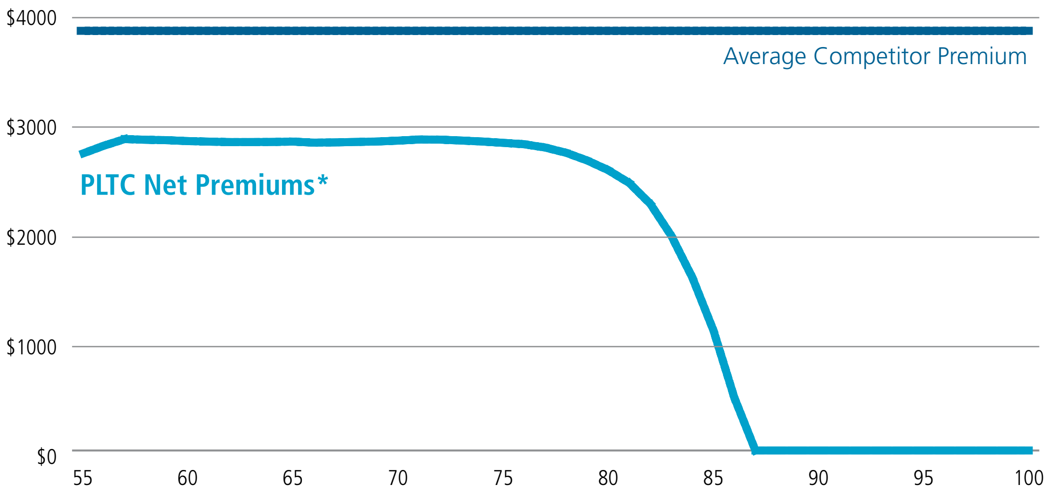
The Net Premium is the amount your clients will pay out-of-pocket based on the amount of Flex Credit earned and how much of the Flex Credits are applied to reduce the Policy Premium. This will give your clients unprecedented control over the Net Premiums they pay from year to year.

Policy Premiums – Flex Credits = **Net Premium**

PERFORMANCE LTC NET PREMIUMS VS. AVERAGE OF LEADING COMPETITORS

(Performance LTC Net Premiums are based on a 6% Declared Rate and total claims paid that are 10% above expected)

Married Standard Rates with Combined Premium, Age 55, $4,500 Monthly Benefit, 3 Year BP, 90-Day Elimination Period



* While this example shows a Net Premium equal to zero, this may not occur as actual Flex Credits may be higher or lower and will not occur exactly as illustrated.

HERE'S HOW IT WORKS[2]

Christine and Michael

Christine and Michael are doing some retirement planning and are anticipating a time when they will be on a fixed budget. They chose to apply 100% of their Flex Credits to their Policy Premiums. Their combined Net Premium will peak at $2,838 when they reach age 58 and will start decreasing until they reach age 87, when their Flex Credits will cover their Policy Premiums. They can feel confident that their financial plan includes long-term care insurance to help them protect their income and assets, in the event that they ever need long-term care.

2. This example assumes Flex Credits are earned in all years based on a 6% Declared Rate and total claims paid that are 10% above expected.

Flex Account to give your client more control

John Hancock continues our tradition of innovation with the development of “Flex Credits” to give clients more control over how to manage their policy.

Flex Credits are calculated according to a formula that takes into account the company’s insurance and investment experience. Flex Credits may be earned each year the policy is inforce, but they are not guaranteed. They are accrued in a Flex Account which earns interest at the Declared Rate and can be applied in the following ways:

- Reduce Policy Premiums
- Pay for services that can help them remain at home, like home modifications or emergency medical response systems
- Offset expenses during the Elimination Period, to avoid out-of-pocket expenses
- Reimburse long-term care expenses in excess of policy benefit amounts
- Provide a return of premium upon death or lapse

HERE’S HOW IT WORKS[3]

Gwen and Craig

Gwen and Craig would like to enhance their benefit levels in the event that they need long-term care, but they would also like to be able to build up a death benefit in case they are fortunate enough never to need care. They decided to apply 25% of their Flex Credits to their Policy Premiums and accumulate the remainder in their Flex Accounts. Their Flex Credits will cover their combined Policy Premium when they reach age 92 and their combined Flex Account balances will equal $91,863. This would allow them to pay for care that exceeds their current benefit levels or enable them to leave something for their heirs.

3. This example assumes Flex Credits are earned in all years based on a 6% Declared Rate and total claims paid that are 10% above expected. Flex Account payable upon death is capped at total Net Premiums paid.

Policy management options to keep coverage relevant

Your clients have a range of policy management options they can exercise on an annual basis.

Flex Credit Deferrals

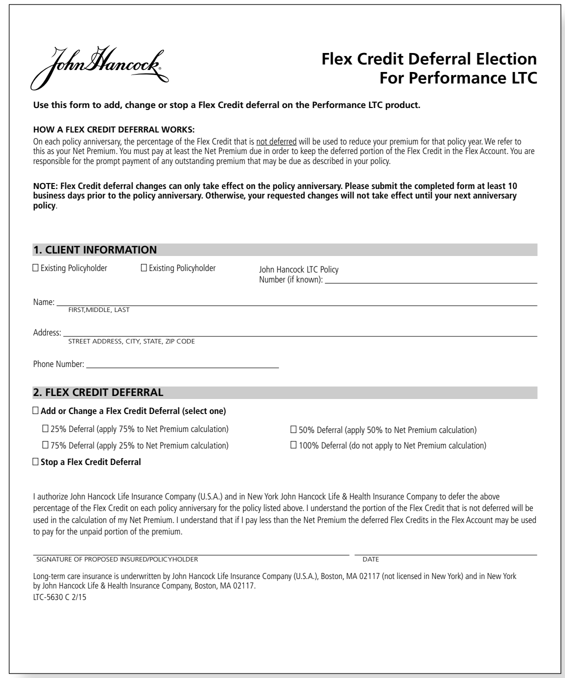
- Automatically defer 25%, 50%, 75%, 100% of Flex Credits to accumulate in the Flex Account for future use
- Percentage deferred can be adjusted at any time

Levelize Benefits

- Stop accepting 3% compound increases
- If they choose this option, the corresponding Policy Premium increases will cease and future Net Premiums will be lower
- Your clients will not receive further benefit increases until age 91 when increases will automatically begin again without an increase in Policy Premium

Benefit Reduction

- Option to reduce benefits, thereby lowering Policy Premiums



John Hancock

Flex Credit Deferral Election
For Performance LTC

Use this form to add, change or stop a Flex Credit deferral on the Performance LTC product.

HOW A FLEX CREDIT DEFERRAL WORKS:
On each policy anniversary, the percentage of the Flex Credit that is not deferred will be used to reduce your premium for that policy year. We refer to this as your Net Premium. You must pay at least the Net Premium due in order to keep the deferred portion of the Flex Credit in the Flex Account. You are responsible for the prompt payment of any outstanding premium that may be due as described in your policy.

NOTE: Flex Credit deferral changes can only take effect on the policy anniversary. Please submit the completed form at least 10 business days prior to the policy anniversary. Otherwise, your requested changes will not take effect until your next anniversary policy.

1. CLIENT INFORMATION

☐ Existing Policyholder ☐ Existing Policyholder John Hancock LTC Policy Number (if known): ____

Name: ____
FIRST,MIDDLE, LAST

Address: ____
STREET ADDRESS, CITY, STATE, ZIP CODE

Phone Number: ____

2. FLEX CREDIT DEFERRAL

☐ **Add or Change a Flex Credit Deferral (select one)**

☐ 25% Deferral (apply 75% to Net Premium calculation) ☐ 50% Deferral (apply 50% to Net Premium calculation)
☐ 75% Deferral (apply 25% to Net Premium calculation) ☐ 100% Deferral (do not apply to Net Premium calculation)

☐ **Stop a Flex Credit Deferral**

I authorize John Hancock Life Insurance Company (U.S.A.) and in New York John Hancock Life & Health Insurance Company to defer the above percentage of the Flex Credit on each policy anniversary for the policy listed above. I understand the portion of the Flex Credit that is not deferred will be used in the calculation of my Net Premium. I understand that if I pay less than the Net Premium the deferred Flex Credits in the Flex Account may be used to pay for the unpaid portion of the premium.

SIGNATURE OF PROPOSED INSURED/POLICYHOLDER DATE

Long-term care insurance is underwritten by John Hancock Life Insurance Company (U.S.A.), Boston, MA 02117 (not licensed in New York) and in New York by John Hancock Life & Health Insurance Company, Boston, MA 02117.
LTC-5630 C 2/15

ILLUSTRATIONS TO SUPPORT DECISION MAKING

New Business Illustration

Includes Net Premium projections at select ages, based on a number of scenarios to show clients a range of outcomes

Inforce Illustration

Provided automatically with the annual statement, the inforce illustration projects future expected Net Premiums so your clients can make informed decisions and exercise their policy management options if desired

A cost effective replacement for waiver of premium

John Hancock believes in delivering value with every product that we offer.

A great example is the Lapse Prevention Safeguard Benefit. It addresses any client concerns that the policy could inadvertently lapse during claim, with unpaid premiums covered first by any available Flex Account balance before being deducted from benefit reimbursement.

Since Lapse Prevention Safeguard does not add to premium cost, your clients won't be paying for a benefit they may never need. And, if they do find themselves in a claim situation, any Net Premium due will very likely be more than offset by the policy's premium savings, as compared with other products on the market. It's another great example of John Hancock leading the industry.

WAIVER OF PREMIUM	LAPSE PREVENTION SAFEGUARD
Protects a policy from lapse while on claim	**Protects a policy from lapse while on claim**
Premiums waived while insured is on claim	**Any unpaid premium is covered first by Flex Account balance, then withheld from benefit reimbursement**
If insured comes off claim, premiums resume	**Flex Credit and Net Premium calculation reset each policy anniversary**
Pay for it even when not needed	**Only pay for protection when needed**

HERE'S HOW IT WORKS

Liz and Peter

Liz had a mild stroke and is receiving care at home. Peter is focused on her and forgets to pay the LTC premium.

- Liz and Peter had opted to defer a percentage of their Flex Credits every year, leaving them with a comfortable combined Flex Account balance by the time they reach age 80, so that they didn't have to worry about paying a premium at an age when they would most likely need care.
- Liz and Peter's full Policy Premiums are automatically paid from their individual Flex Accounts. As long as there are enough Flex Credits in the Flex Account, the full Policy Premium can be paid automatically.

The company behind the coverage

Consider the facts:

When your clients purchase long-term care insurance, it's often with the expectation that they may not need the coverage for many years. That's why the company you recommend is important. Your clients deserve a company that will be there for them at claim time, should they have a need for care in the future. John Hancock is that company.

- John Hancock has been a leading long-term care insurance provider for more than 25 years[4]
- Today, we pay approximately $3 million in long-term care claims per day[4]
- John Hancock has paid more than $7.1 billion in total long-term care claims[4]
- Over 1.3 million individuals have chosen us to meet their potential long-term care needs[4]
- Our financial ratings are among the highest in the industry[5]

John Hancock is the company you and your clients can count on.

4. Based on John Hancock internal data from 1987 to December 31, 2014. Information is available upon request.
5. Based on analysis by major rating agencies, such as A.M. Best, Fitch Ratings, Standard & Poor's, and Moody's. Financial strength ratings are not an assessment or recommendation of specific policy provisions, premium rates or practices of the insurance company. Financial strength ratings measure the Company's ability to honor its financial commitments and are subject to change. To view our most current financial ratings, please go to www.johnhancockinsurance.com