



Permanent Life Insurance with the LifeCare Benefit An Accelerated Death Benefit Rider



LifeCare Benefit

- *Convenience:* One process, one affordable premium, one life insurance policy.
- *Flexibility:* All, some, or none of the life insurance benefit can be used for long term care needs.
- *Value:* Less expensive than purchasing separate permanent life and long term care insurance.

The LifeCare Benefit (LCB)¹ rider is designed to help clients concerned about protecting themselves and their families from the high costs of long term care.

When combined with a permanent life insurance policy, the optional LifeCare Benefit rider allows policy owners to accelerate their death benefit to help pay for long term care expenses, should the need arise. The portion of the death benefit not used to cover those expenses remains in the policy and is paid as a life insurance benefit¹.

A permanent life insurance policy with the LifeCare Benefit rider provides a single solution to meet critical needs clients often face:

- *Immediate funds in case of death*
- *Acceleration of the policy's death benefit to help pay long term care expenses², if needed*
- *Any part of the initial death benefit not used for those expenses will be paid to beneficiaries*
- *Unique advisory services*

1. LifeCare Benefit rider is an accelerated death benefit and may not be available in all states. Maximum face amount: \$5 million with LifeCare Benefit. The LifeCare Benefit rider is not considered long term care insurance in some states. When the policy's death benefit is accelerated for long term care expenses, the death benefit is reduced dollar for dollar, and the cash value or account value is reduced proportionately. There are additional costs or premiums associated with this rider.
2. Loans, withdrawals or partial surrenders 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. If there is a withdrawal on a policy that is not classified as a modified endowment contract the withdrawal may be taxable if it is taken in the first 15 years, or if it exceeds the investment in the contract. 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.

Meeting Client Needs

Many clients recognize the importance of purchasing both life insurance and long term care protection. If you're looking to address both needs in a single policy, a permanent life insurance policy with the LifeCare Benefit rider could be a solution. Adding LifeCare Benefit to a permanent life insurance policy makes the policy's face amount available to help pay long term care expenses.

NEED

Affordable guaranteed life insurance and long term care protection

SOLUTION

Guaranteed Life Insurance with the LifeCare Benefit rider³: Protection UL-G and Protection Whole Life offer affordable, guaranteed death benefit protection. With the addition of the LifeCare Benefit rider, the insurance benefit becomes available to help pay long term care expenses. Any death benefit not used to pay those expenses is paid as a life insurance benefit. *The premium for the life insurance policy with the LifeCare Benefit rider is fixed at issue and will not increase.*

NEED

Life insurance and long term care protection with the potential to accumulate cash value to supplement retirement income²

SOLUTION

When the LifeCare Benefit rider is added to a life insurance policy that is designed to build value, both the policy value and the LifeCare Benefit amount have the potential to grow. All, some, or none of the death benefit can be used to help pay for long term care expenses. Any portion not used will be paid to the beneficiaries and will be income tax-favored under current law. In addition, by overfunding the policy, the policy value could be used as a source of significant supplemental retirement income. If the policy value is accessed for retirement income, the death benefit and cash value will decrease as will the LifeCare Benefit amount.

3. The policy's death benefit is guaranteed provided minimum premium requirements are met. Guarantees are based on the claims-paying ability of the issuer.

NEED

Maximize wealth transfer to beneficiaries and prevent asset depletion as a result of long term care expenses

NEED

Personally owned life insurance and long term care protection paid for with business dollars

SOLUTION

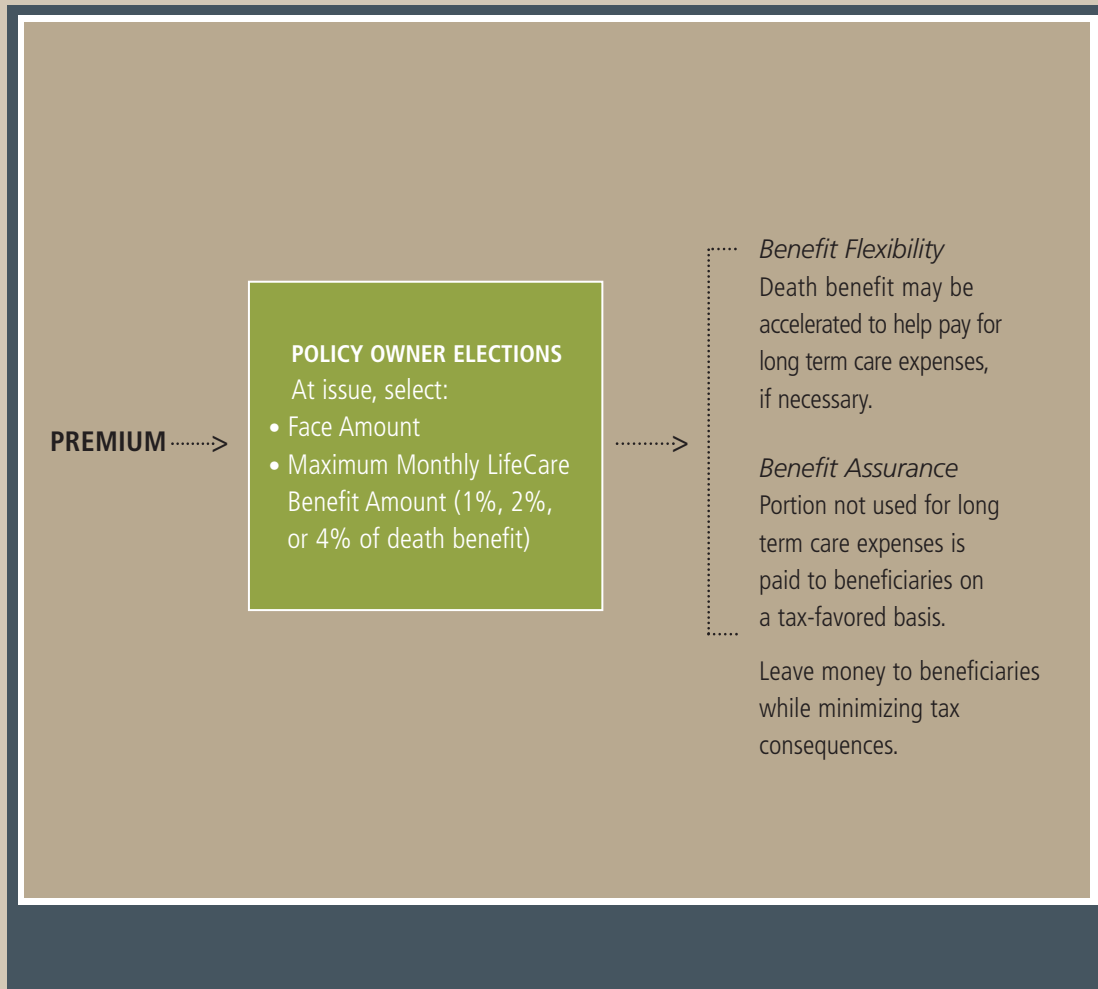
Retirees with sufficient income and excess assets can use a portion of their assets to purchase a life insurance policy with the LifeCare Benefit rider. The policy's death benefit can be used for long term care expenses, if necessary. Any portion not used for those expenses is paid to the beneficiaries as a death benefit.

SOLUTION

Protection UL-G with the LifeCare Benefit rider: The company pays the executive a bonus equal to the policy's premium plus any taxes due. The company takes a tax deduction equal to the bonus. The executive has a guaranteed lifetime death benefit and guaranteed funds to pay for long term care expenses. Additional security could be provided by adding the Disability Payment of Specified Premium rider⁴ to guarantee the death benefit/LifeCare Benefit amount in the event of disability.

4. Some riders may have additional fees and expenses associated with them.

HOW LIFECARE BENEFIT RIDER WORKS



1. *Policy Owner Elections*

At issue, select the life insurance face amount needed and the long term care Maximum Monthly Benefit Amount (MMBA) — 1%, 2%, or 4%. This amount is available to pay covered long term care expenses on a reimbursement basis. To determine the appropriate benefit percentage, consider both the benefit amount desired and the length of time needed. The MMBA percentage cannot be changed after issue.

2. *LifeCare Benefit Amount*

The full amount of the life insurance death benefit is the “LifeCare Benefit amount.” It is available for either life or long term care protection.

3. *Benefit Flexibility*

The policy owner can accelerate all, some, or none of the LifeCare Benefit amount to pay for qualified long term care costs.

4. *Benefit Assurance*

The portion of the LifeCare Benefit amount not used for long term care expenses will be paid to beneficiaries as a death benefit (income tax-favored under current tax law)⁵, unless the Extension of Benefits provision is in effect. In that case, any remaining death benefit will not be paid. (See Extension of Benefits Provision section on page 6.)

5. Life insurance death benefit proceeds are generally excludable from the beneficiary's gross income for income tax purposes. There are a few exceptions, such as when a life insurance policy has been transferred for valuable consideration. No legal, tax, or accounting advice can be given by John Hancock, its agents, employees, or registered representatives. Prospective purchasers should consult their professional tax adviser for details.

FEATURES ¹	LifeCare Benefit Rider								
Issue Ages	20–80								
Face Amounts Available ¹	<p>Minimum: \$100,000⁶ which is the minimum face amount of underlying base policy.</p> <p>Maximum: The face amount that would result in \$50,000 of Maximum Monthly Benefit at issue.</p> <table data-bbox="518 352 1528 522"> <tr> <th>\$50,000 MAXIMUM MONTHLY BENEFIT</th><th>MAXIMUM FACE AT ISSUE</th></tr> <tr> <td>1%</td><td>\$5,000,000</td></tr> <tr> <td>2%</td><td>\$2,500,000</td></tr> <tr> <td>4%</td><td>\$1,250,000</td></tr> </table> <ul style="list-style-type: none"> LifeCare Benefit is not available with Death Benefit Option 2 or the Return of Premium (ROP) rider or scheduled SFA increases. An increase in the policy's face amount will terminate the LCB rider (except when the policy enters corridor) Available only at issue 	\$50,000 MAXIMUM MONTHLY BENEFIT	MAXIMUM FACE AT ISSUE	1%	\$5,000,000	2%	\$2,500,000	4%	\$1,250,000
\$50,000 MAXIMUM MONTHLY BENEFIT	MAXIMUM FACE AT ISSUE								
1%	\$5,000,000								
2%	\$2,500,000								
4%	\$1,250,000								
Benefit Triggers	<p>Benefit eligible triggers must be met before the benefit will be payable for an eligible claim. Benefits are paid after the client is unable to perform only two of six activities of daily living (ADLs), which include:</p> <ul style="list-style-type: none"> Bathing Contenance Dressing Eating Toileting Transferring <p>Benefits are also triggered with demonstration of cognitive impairment. Disability must last at least 90 days (as certified by a licensed practitioner), as this is considered a qualified long term care rider under federal law.</p>								
Elimination Period	<p>Benefits begin after satisfaction of the benefit triggers and an elimination period (waiting period). The elimination period may vary by state but is generally 100 days. It begins on the first day that long term care services are received and needs to be satisfied only once during the life of the policy.</p>								
Choice of Setting	<p>Clients may elect to receive long term care assistance in their choice of setting⁷:</p> <ul style="list-style-type: none"> Home health care Assisted living facility Adult day care facility Skilled nursing facility Hospice center 								
Monthly Benefits	<p>The LifeCare Benefit rider pays benefits on a monthly basis. This is a significant advantage over daily benefit plans, particularly with home health care. The Monthly Benefit Plan pays all approved charges each month, up to the selected benefit maximum, regardless of the daily or weekly charges.</p>								
Extension of Benefits Provision	<p>This provision applies when care is received in a qualified nursing home⁸. If the policy owner/insured is receiving care and benefit payments have begun, the payments will continue regardless of policy or rider status until:</p> <ul style="list-style-type: none"> there is no remaining death benefit the insured dies, or a "Period of Care" is completed <p>However, if this provision is exercised and there is any remaining death benefit, it will not be paid upon death.</p> <p><i>Note: Clients who are on claim and who are concerned about forfeiting their policy's death benefit under this provision should be advised to make premium payments that are sufficient to maintain the policy's death benefit guarantee (for guaranteed death benefit policies); or to keep a positive surrender value (non-guaranteed policies) to prevent policy lapse. Premium payments must continue during the claim period for the guarantee to remain in effect and for any remaining death benefit to be paid.</i></p> <p><i>Consult the "LifeCare Benefit Rider Technical Guide" for more detailed information on this provision.</i></p>								

6. \$50,000 minimum face amount with Protection Whole Life.

7. In some states, the LifeCare Benefit rider also provides coverage for care received in nursing or residential care facilities. Consult the "LifeCare Benefit Rider Technical Guide" for state-specific information.

8. In some states, this provision applies to care received in other settings. Consult the "LifeCare Benefit Rider Technical Guide" for state-specific information.

FEATURES ¹	LifeCare Benefit Rider
Bed Hold Benefit	If hospital care is needed while the insured is staying in a nursing home or assisted living facility, the policy can pay to reserve a bed in a facility for up to 10 days per policy year, up to the selected monthly benefit.
CARE ADVISORY SERVICES	LifeCare Benefit Rider
	Life insurance policies with the LifeCare Benefit rider include long term care advisory services.
Seniorlink ⁹	The insured (and his/her immediate family) have instant access to <i>Seniorlink</i> , which offers complete resources and advice to help clients make smart decisions about long term care issues. <i>Please refer to the "Seniorlink" flyer for more information regarding this benefit.</i>
Advantage List ¹⁰	<p>The <i>Advantage List</i> program provides competitive rates at over 10,000 participating care providers nationwide. The cost savings can help stretch benefit dollars at selected:</p> <ul style="list-style-type: none"> • Home health care providers • Assisted living facilities • Adult day care facilities • Hospice centers • Providers of durable medical equipment • Skilled nursing facilities <p><i>Please refer to the "Advantage List" flyer for more information regarding this benefit.</i></p>
UNDERWRITING	LifeCare Benefit Rider
	<p>In general, the same guidelines are used to underwrite life insurance policies with the LifeCare Benefit rider as are used in underwriting individual life and long term care insurance policies.</p> <p><i>Consult the "LifeCare Benefit Rider Technical Guide" for more detailed information on the underwriting guidelines for the LCB rider.</i></p>
CLAIMS	LifeCare Benefit Rider
LifeCare Benefit Claims	<p>The Maximum Monthly Benefit Amount (MMBA) is calculated based on the death benefit in effect at time of claim. Benefit payments will be made on a reimbursement basis each calendar month for eligible services received.</p> <p>Accelerated payments continue until:</p> <ul style="list-style-type: none"> • the policy is terminated because of death, surrender, or lapse • the insured recovers • the full Total Face Amount is paid out under the LCB rider
ACCESSING ACCOUNT VALUES ²	LifeCare Benefit Rider
Withdrawals ²	<p>Policy loans, partial surrenders and withdrawals:</p> <ul style="list-style-type: none"> • reduce the LifeCare Benefit amount dollar for dollar, and thereby reduce the calculated MMBA payment • are available while on claim, but will result in a recalculation of the MMBA Payment
LifeCare Benefit rider Charges	<p>For universal life or variable universal life policies, the LCB charge is based on an amount per \$1,000 of the Net Amount at Risk and will be deducted immediately after the COI deduction. Note: This charge is considered a distribution from the policy for tax purposes. Similar to other distributions, it may be taxable under certain circumstances.</p> <p>For Protection Whole Life, an additional premium is required to purchase the LCB rider. The premium for this rider is equal to an amount per 1,000 of coverage. In order to keep the rider in force, premiums must be paid as scheduled. Note: In some circumstances the premium paid for this rider could be treated as distributions from the policy. Please consult a tax advisor for guidelines specific to your situation.</p>
<p>9. <i>Seniorlink</i> is not affiliated with the John Hancock Life Insurance Company and its subsidiaries. <i>Seniorlink</i> is the current referral service provider for John Hancock Life Insurance Company and can be changed at any time.</p> <p>10. The <i>Advantage List</i> program is not affiliated with John Hancock Life Insurance Company and its subsidiaries.</p>	

ACCESSING ACCOUNT VALUES

LifeCare Benefit Rider

Policy Loans²

- Policy loans reduce the LifeCare Benefit amount available, but do not result in a recalculation of the MMBA Payment
- A proportional amount of each monthly benefit payment serves to repay the loan. This amount is calculated to repay the total policy loan by the time the death benefit is fully accelerated.

Note: The net death benefit is reduced by the amount of the loan. If the policy lapses while a loan is outstanding, the loan will be treated as a distribution from the policy, and there may be resulting tax consequences.

TAX CONSIDERATIONS

LifeCare Benefit Rider

Tax-Qualified Long Term Care Benefit

The LCB rider is intended to be a qualified long term care insurance contract under Internal Revenue Code Section 7702 B(b):

- LCB benefit payments are intended to be excludable from Federal Gross Income
- Even if the policy is a Modified Endowment Contract (MEC), the intent is for the LCB benefit payments to continue to be excludable from income taxes
- If, in the future, it is determined that the rider does not meet these requirements, we will make reasonable efforts to amend the rider, if necessary

LifeCare Benefit Rider Reduces Cost Basis

- Monthly charges for the LCB rider are considered policy distributions for Federal Income Tax purposes and will usually reduce the policy's tax basis
- For MECs, these charges will be taxable when the policy is in a gain position

For universal life and variable universal life, illustrations will reflect a "tax paid" column when the LifeCare Benefit charges create a taxable event.

REQUIREMENTS

LifeCare Benefit Rider

Licensing Requirements

Because LifeCare Benefit combines life insurance and long term care protection in a single policy:

- Some states require a health license in addition to being properly licensed to sell John Hancock life insurance products
- In all states, you must be a Registered Representative to offer variable life insurance
- You must meet all state licensing requirements to sell life insurance

Note: Licensing requirements vary from state to state. Consult the "LifeCare Benefit Rider Technical Guide" for an up-to-date listing of the licensing requirements for selling the LifeCare Benefit rider in your state.

Required Materials at Time of Solicitation

- Illustration
- Outline of Coverage
- Replacement Form (required if replacement is involved)
- Application
 - Terminal illness Accelerated Death Benefit rider application which includes a disclosure statement that demonstrates the impact of accelerating the death benefit in the event of a terminal illness*
 - LifeCare Benefit supplemental application*

**In New York, if the LCB rider is elected, the terminal illness rider must also be elected.*

Strength. Stability. John Hancock.

With over 100 years of experience, John Hancock Life Insurance Company (U.S.A.) is among the highest-rated insurance companies in the United States, as judged by the major rating agencies. This is important because these financial ratings reflect the life insurance company's ability to pay claims well into the future. 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.

Financial Ratings¹¹

A.M. BEST	A++ (1st Category of 15) Superior ability to meet ongoing obligations.
FITCH RATINGS	AA+ (2nd Category of 9) Very strong capacity to meet policyholder and contract obligations.
STANDARD & POOR'S	AAA (1st Category of 8) Extremely strong financial security characteristics.
MOODY'S	Aa1 (2nd Category of 9) Excellent in financial strength.

11. Financial ratings, which are current as of April 2008 and subject to change, apply 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 ability to honor the death benefit and life annuitization guarantees, but not specifically to their products, the performance of these products, the value of any investment in these products upon withdrawals, or to individual securities held in any portfolio. Financial ratings do not apply to the safety and performance of separate accounts. Moody's rating does not apply to John Hancock Life Insurance Company of New York.

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

LifeCare is not considered long term care insurance in some states.

This rider has exclusions and limitations, reduction of benefits, and terms under which the rider may be continued in force or discontinued. Please contact the licensed agent or John Hancock for more information, cost, and complete details on coverage.

For prospective policy owners in New York, this product is a life insurance policy that accelerates the death benefit for qualified long term care services and is not a health insurance policy providing long term care insurance subject to the minimum requirements of New York Law; it does not qualify for the New York State Partnership for Long-Term Care program and is not a Medicare supplement policy.

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.

www.jhsalesnet.com



IM4096NYNA-PG 05/08 MLINY0417088935

