

John Hancock's Protection UL is a competitively priced permanent life insurance policy aimed at providing affordable death benefit protection for individuals and businesses. It offers various premium payment options, including level-pay, short-pay, and single-pay, with guarantees that often extend to life expectancy and beyond. The policy is designed for strong cash value accumulation compared to Guaranteed UL products and includes several riders such as Long-Term Care (LTC), Critical Illness Benefit, Disability Payment of Specified Premium, Return of Premium, and Accelerated Benefit riders. The LifeTrack policy management solution allows clients to monitor their policies annually to ensure they meet their coverage objectives.

Protection UL is suitable for diverse needs, including family income protection, estate planning, and business buy-sell arrangements, with the death benefit serving to replace lost income, fund future expenses, and provide liquidity for estate taxes. The policy has a minimum face amount of \$50,000, with no increases allowed but decreases permitted after the first year under certain conditions. It includes a no-lapse guarantee, ensuring the policy will not default during the guarantee period if specific requirements are met, and coverage continues beyond age 121 with no maturity, while premiums cease and interest on the policy value continues to accumulate.

Eligible smokers can benefit from a Quit Smoking Incentive, receiving non-smoker rates if they quit smoking for a specified period. The Disability Payment of Specified Premium rider protects against premium payments in case of total disability, while the LTC rider allows for the acceleration of the death benefit to cover long-term care expenses. The Critical Illness Benefit rider provides a lump-sum payment upon diagnosis of certain critical illnesses. Policy loans are available after the policy is in force, with a minimum loan amount of \$500, and withdrawals can be made after the first policy year, subject to charges.

The policy includes a Persistency Credit starting in the sixth policy year, which is added to the policy value based on the owner's actions. Premium and administrative charges are specified, with a

guaranteed premium charge of 18% of all premiums and a monthly administrative charge of \$20. The cost of insurance and surrender charges vary based on factors such as issue age and risk class. The insurance policy has a term of 10 years with a 0% rate applicable from year 11 onwards. An Advance Contribution Charge is applied monthly when cumulative premiums exceed the Advance Contribution Limit, determined by the greater of 5 or the Policy Year, with specific rates and limits detailed in the policy contract.

John Hancock, the issuer, is recognized for its financial strength and stability, which is essential for its ability to pay future claims. The policy includes a no-lapse guarantee called Death Benefit Protection, ensuring the policy remains active even if the cash surrender value drops to zero, provided certain conditions are met; this feature cannot be reinstated once terminated. The LTC rider, classified as an accelerated death benefit, has a maximum monthly benefit of \$50,000 but may not be recognized as long-term care insurance in some states and comes with additional costs and limitations. The Critical Illness Benefit Rider offers a one-time lump sum for covered critical illnesses, subject to eligibility and waiting periods, and is not available in all states. Loans and withdrawals from the policy will reduce both the death benefit and cash surrender value, potentially leading to tax implications, especially if taken before age 59½. Withdrawals can only occur after the first policy year and may be subject to recapture tax if taken within the first 15 years. John Hancock anticipates that benefits from the Critical Illness Rider will generally be excludable from income under certain conditions, though this may vary with third-party ownership arrangements. For further details, clients are encouraged to visit the provided website.