



# Protection IUL

## Talking points

There continues to be a lot of buzz about indexed UL in today's life insurance marketplace, with Protection IUL leading the way in many sales scenarios. Offering strong death benefit protection and tax advantages, Protection IUL gives clients the upside potential of equity-linked performance\* with the downside protection of a guaranteed 0% floor.

What's more, it includes John Hancock Vitality, giving clients a chance to earn savings and rewards for the actions they take to live a longer, healthier life.

In fact, there's never been a better time to sell Protection IUL, as it meets the demands of today's consumers to protect their wealth and health.

\*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 keep the policy in force.

## What are the key changes in our enhanced Protection IUL?

- **We now have two new indexed accounts**, offering Barclays Global Multi Asset (MA) Indexed Accounts, providing diversification across asset classes and geographic regions and allocating among the components with managed volatility and daily risk control
- **Improved premium solves** Improvements can be seen across the board when using the new Barclays Global MA Bonus Account
- **New Preliminary Funded Account** for added flexibility

## Can you offer more details about the new proprietary indexed account options?

For clients who are seeking more consistent, stable returns during times of market volatility, they may want to consider our proprietary Barclays Global MA Indexed Accounts.

These indexed accounts are allocated to a combination of equity, commodity and fixed-income assets. The index's allocation among these components may change daily with the goal of reflecting more stable returns in different market environments.

## What's the benefit of a multi-asset strategy?

Our Barclays Global MA Indexed Accounts employ a “managed volatility” style offering a mix of equity, commodity and fixed-income components with both US and international exposure that may translate to more stable performance over time.

Barclays Global MA Indexed Accounts seek to:

- **Help reduce the impact of market downturns:** Allocations have a fixed-income component that may help reduce the impact of market downturns.
- **Prepare for market upswings:** The systematic approach to asset allocation aims to optimize the index's return for the 7% volatility threshold.
- **Provide more consistent returns over time:** The overall aim is to reduce extreme market volatility, which may result in more consistent, predictable returns over time.

## What market niche does Protection IUL fit?

Protection IUL may be a great fit for insurance clients ages 35—65, seeking strong death benefit protection with cash value growth opportunities through access to a diverse range of indexed account options that offer upside potential with limited exposure to market losses through a 0% floor.

## What are Protection IUL's key features?

- Often #1 in short-pay scenarios compared to key competitors at top three risk classes
- Flexible-premium schedule
- Strong cash value growth potential through a broad range of indexed account options
- Comprehensive living-benefit coverage for added financial protection against the unexpected with Long-Term Care and Critical Illness Benefit riders
- Additional savings and rewards for living healthy with the John Hancock Vitality Program
- Access to John Hancock Aspire®, a personalized solution for customers living with diabetes

## What competitive strengths do the Barclays MA Accounts bring to Protection IUL?

Barclays MA Accounts have several strengths that can give Protection IUL clients more security and flexibility compared to competitors' offerings as they target the growth they want. These strengths center on the Barclays Index, which provides:

- The highest volatility threshold in the IUL space. Typically, most competitors are in the 4%-6% range, with most at about 5%. This means that the Index should have a higher proportion of equity to fixed income, and in turn, higher return potential over the long term.
- A 25% minimum equity exposure, which in turn means we will have at least some equity exposure even in periods of high volatility, which other competitors do not have.
- A broad range of underlying assets, which helps create a more efficient asset base compared to competitors linked solely to US equity and fixed income.
- Back-tested performance that is the highest in the industry, and well above what is shown as Protection IUL's maximum illustrated rate.

## Why John Hancock?

At John Hancock, we are committed to providing innovative solutions that empower people to feel confident about the future by helping them protect their loved ones, grow their savings and preserve their wealth. With 160 years of experience, and backed by strong financial ratings that are some of the highest in the industry, we have a proud history of providing life insurance solutions to more than 2.6 million policyholders\* and delivering on our promises with \$5.7 billion in life insurance benefits paid in 2020.\*\*

## Meeting consumers' needs

What's more, no matter how simple or complex your clients' financial goals are, John Hancock has a life insurance solution that is right for them. We deliver competitive and innovative products, comprehensive support, cutting-edge technology and experience that few carriers can match, with:

- Diverse product solutions that can be tailored to meet clients' unique needs
- Progressive, competitive and flexible underwriting
- Industry-leading Advanced Markets support
- John Hancock Vitality Program and John Hancock Aspire® — life insurance integrated with wellness programs
- An ongoing focus on leveraging technology for a faster, easier sales process

## For more information

**Call your regional John Hancock Sales Representative or National Sales Support at 888-266-7498, option 2.**

\*Represents inforce John Hancock life insurance policyholders as of December 2020.

\*\*Payments made in 2020 for life insurance death claims.

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.

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.

Loans and withdrawals 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. A federal tax penalty of 10% may also apply if the loan or withdrawal is taken prior to age 59½.

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. See the product producer guide for additional details.

Aspire is not available in New York, Idaho and Puerto Rico.

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.

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

Insurance products are issued by: John Hancock Life Insurance Company (U.S.A.), Boston, MA 02116.

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