



Frequently asked questions

Important details about the transition for AG49-A: Indexed UL (IUL) illustrations

Effective November 25, 2020, the National Association of Insurance Commissioners (NAIC) will enact enhancements to Actuarial Guideline XLIX (AG49) known as AG49-A. By this date, all IUL illustrations sold by John Hancock and all US life insurers must comply with these new regulations. For additional information, refer to the details below.

What is AG49-A?	AG49 was a regulation introduced by the NAIC in 2015 to standardize how maximum rates could be shown on an IUL illustration. AG49-A is a revision to these existing rules to bring further consistency across IUL illustrations.
What is changing with the regulation?	The following changes will occur due to AG49-A: <ul style="list-style-type: none">• Illustrations of products with additional charges that support multipliers, cap buy-ups and other enhancements will not illustrate significantly better than products without these features and associated charges. In light of these changes, maximum AG49 rates on some of our accounts will change.• On indexed loans, the maximum illustrated difference between loan interest rate charged and loan interest rate credited (including any multipliers or bonuses) may not exceed 0.5%.
Is anything changing to policy contracts?	No, these changes will not impact the policy's actual performance or product features. These features will continue to be administered as outlined in the contract, and John Hancock will continue its support of policy features that adapt to changing market conditions and provide real world value in both up and down market cycles.
Are inforce policies affected?	Inforce illustrations for policies issued on or before November 24 may be illustrated in the same way they were issued. The new illustration regulation impacts new business and inforce illustrations for policies issued on or after November 25, 2020.
What John Hancock products does this affect?	This affects all of our currently sold IUL products (Accumulation IUL '19, Protection IUL '20 and Protection Survivorship IUL '19) in all states, including New York. <i>Note:</i> Accumulation IUL '20 will launch on 09/21/20 with these new guidelines.

<p>What will be the effect to max rates under the new regulation?</p>		Old max rate	New max rate	
	<p>PIUL '20/ PSIUL '19</p>	Base Capped Indexed Account	7.25%	7.16%
		Base High Par Capped Indexed Account	5.87%	5.87%
		Capped Indexed Account	5.67%	5.54%
		High Par Capped Indexed Account	5.09%	5.07%
		High Capped Indexed Account	7.15%	6.62%
		Hang Seng Indexed Account	5.67%	5.54%
	<p>AIUL '19</p>	Base Capped Indexed Account	6.39%	6.39%
		Base High Par Capped Indexed Account	5.41%	5.41%
		Capped Indexed Account	5.67%	5.63%
		High Par Capped Indexed Account	5.09%	5.07%
		High Capped Indexed Account	7.15%	6.75%
		Hang Seng Indexed Account	5.67%	5.63%
		Enhanced Capped Indexed Account	5.79%	5.30%
Enhanced High Capped Indexed Account		7.34%	6.33%	
<p>NY rates will remain unchanged</p>				
<p>What are the key transition dates to have John Hancock's IUL products issued under the old illustration regulations?</p>	<p>As you sell our IUL products during the coming weeks, please note the following key transition dates to the AG49-A guidelines:</p> <ul style="list-style-type: none"> • November 9: JH Illustrator and Winflex web will be updated so illustrations of these products will comply with the new regulation. • November 24: By this date, John Hancock must have provided a final underwriting offer, received all administrative requirements to issue the policy, and received at least the minimum initial premium to place the policy in force. • Any policy placed November 25th or after will require an illustration run under the new AG49-A guidelines. 			
<p>What are some recommended tips and tools to help run an IUL illustration in today's environment?</p>	<p>Possibly more than ever before, today's clients are looking for reassurance in uncertain times. Therefore, as you illustrate John Hancock's IUL products, follow these recommendations to help them understand the performance potential of their policy and keep it on track to meet their goals.</p> <ol style="list-style-type: none"> 1. Run multiple rates to better show how policy performance could vary 2. Explain how the various allocation options could perform under different return scenarios 3. Encourage your clients to use LifeTrack™ — John Hancock's policy management tool — to help keep the policy on track as illustrated 			

Who can I contact with questions?

To ensure minimal disruption to your business, please reach out to Sales Support at the number below for any cases that may be impacted by these deadlines. Due to state regulations, there can be no exceptions to the November 24, 2020 transition deadline mentioned above.

Contact us at 800-505-9427

Inforce Service: option 1

Sales Support: option 3

New Business: option 4

As a leading educator in this space, we offer a wide array of tools and resources to help educate producers — making IUL easier to understand and sell.

Visit John Hancock's IUL Academy at JHSalesHub.com/IUL today!

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