



LIFE INSURANCE

# Request to Use Policy Values to Pay Premiums Alternate/Offset Premium Payment Plan

Mail your request to:

**For Individual Life Products,**  
Customer Service Center R-02  
John Hancock  
1 John Hancock Way Suite 1350  
Boston MA 02217-1099

**For Majestic Series Products,**  
Specialty Products & Distribution C-6  
John Hancock  
PO Box 192  
Boston MA 02117-0192

## Section A - Owner/Life Insured Information

1. a) Name of Owner(s) \_\_\_\_\_ b) Policy/Group Number \_\_\_\_\_

c) Insured(s) \_\_\_\_\_

d) Address \_\_\_\_\_  Please check for address change

**If the address of record has been changed within the last 30 days, a notarized signature is required.**

e) Home Phone No. \_\_\_\_\_ f) Fax Number \_\_\_\_\_ g) Social Security No./ Tax Identification No. \_\_\_\_\_

## Section B - Alternate/Offset Premium Payment Plan

I elect to have my policy premiums (or a portion thereof) paid by non-guaranteed policy values beginning, if such values are sufficient, in the first year selected below. This payment option is possible only if future dividends and cash values are large enough to pay the applicable premium amount that is due each year. Lower dividends, policy loans, or withdrawals taken from the policy could cause additional premium payments in cash by me to be required to keep the policy in force. I understand that my obligation to pay premiums on this policy never ceases and that this Alternate/Offset Premium Payment Plan does not alter that obligation.

**This option is not available for Flex V policies, EconoProtector policies and Manulife Protector policies.**

If the policy includes an Additional Insurance Protector benefit rider, both insureds must be alive and current evidence of insurability satisfactory to John Hancock must be presented.

**John Hancock recommends the review of illustrations using various dividend projections to understand how different dividend assumptions may affect policy values and the payment schedule.**

In agreeing to make this change to the policy, I (the undersigned owner(s)) have received a policy illustration that reflects the effect of electing the Alternate/Offset Premium Payment Plan. A copy of the illustration must be submitted for this election to take effect. I also understand that the policy values presented in the illustration are estimates based on the current performance and that actual results may be significantly different.

### Available Options:

- A. Regular Alternate/Offset Premium Payment Plan, where full premiums are funded beginning in policy year \_\_\_\_\_, by dividends and surrenders of paid-up additions, and paid-up insurance.
- B. Level Alternate/Offset Premium Payment Plan, where the difference between the initial premium and the ultimate premium under a modified premium plan is funded and full premiums are funded beginning in policy year \_\_\_\_\_.
- C. Step Alternate/Offset Premium Payment Plan, where the difference between the annual premium and the "reduced payment" of \$ \_\_\_\_\_ is funded beginning in the policy year \_\_\_\_\_ and full premiums are funded beginning in policy year \_\_\_\_\_.
- D. Premium Offset Using Policy Values and Policy Loans - Electing this option means that premiums will be paid by using the dividends, paid-up additions and policy loans. Premium Offset Using Policy Values and Policy Loans is available only for Participating Survivorship and Premier Plus policies with the Insured Loan Option rider.

Alternate/Offset Premium Payment Plan options are funded by: 1. Current dividends  
2. Withdrawing unrestricted dividends on deposit  
3. Surrendering paid-up additions and paid-up insurance, when permitted by the policy.

**Section B - Alternate/Offset Premium Payment Plan - continued**

I have been informed by my John Hancock representative that it is now possible to elect the Premium Offset Using Policy Values and Policy Loans for the numbered policy on page 1. In electing this Premium Offset Option, I understand that

1. dividends will be used to reduce premiums
2. paid up additions will be surrendered and
3. if the premium due is greater than the sum of the dividend and the cash value of paid up additions, a policy loan will be taken for the excess and for the insured loan term cost, as described in the Insured Loan Option rider.

I also understand that even though I have elected this option, I may be required to pay premiums, term charges and/or loan interest in the future if, as a result of a reduction in the dividend scale, there is insufficient value in the policy to cover the payments that are due. The total of these payments could be significantly higher than the policy premium.

The Premium Offset Using Policy Values and Policy Loans will take effect \_\_\_\_\_ (policy anniversary date only; must be within one year of current date) and the billing frequency for this policy will be changed to annual if it is on a frequency other than annual. If premium payments are required in the future they will be billed annually.

I, (the undersigned owner(s)) have received a policy illustration that reflects the effect of electing the Premium Offset Using Policy Values and Policy Loans. A copy of the policy illustration must be submitted with this form for the election to take effect. I also understand that the policy values presented in the illustration are estimates based on current performance and that actual results may be significantly different. I have also received the recommendation that I request an illustration on a reduced dividend scale since a reduction in dividends could result in the need to pay premiums higher than originally illustrated to keep the policy in force.

The following policy changes may be required in order to accept the Alternative/Offset Premium Payment Plan:

1. Dividend Option - With the Premium Offset Using Policy Values, the only dividend options available are Accumulation, Paid-up Additions or Term Life Insurance Dividend Option. If your current dividend option is not one of these options, then a change must be made as follows:

The dividend option on the above numbered policy should be changed from \_\_\_\_\_ to \_\_\_\_\_.

2. The billing frequency for this policy will be changed to annual if it is currently on a frequency other than annual. If premium payments are required in the future they will be billed annually.

When the Alternate/Offset Premium Payment Plan takes effect, my dividend option will be changed with one exception as follows. If my policy has an AIP rider, dividends will continue to be applied under the AIP rider and no change of dividend option will occur. Further, any additional scheduled premium payments under a Paid-up Insurance rider and related future benefit purchases will be discontinued.

If the dividend in any year exceeds the amount required to be paid that year under the Alternate/Offset Premium Payment Plan elected, the excess will be applied under the dividend option in effect immediately prior to the date that took effect.

**Election for Continuing Testing**

If my policy provides, I elect that:

At the beginning of the policy year indicated above, John Hancock will test my policy using the dividend scale in effect at that time. If the test shows that projected policy values are adequate to pay all future premiums based upon that then current dividend scale, my premiums, which are due each year, will be eligible to be paid from policy values: If the test shows that projected policy values are not adequate to pay all future premiums; the test will continue to be repeated each year, Policy premiums will be eligible to be paid under the Alternate/Offset Premium Payment Plan in the earliest year when values are shown to be sufficient to pay all future premiums. John Hancock will notify me in writing when my policy becomes eligible for this payment option.

If the test shows that non-guaranteed projected policy values are not adequate to pay all future applicable premiums, cash premium payments must be continued for the full-required premium and the test will be repeated the following year(s). Policy premiums will be eligible to be paid from non-guaranteed policy values in the earliest year when values are shown to be sufficient in accordance with the rules as outlined above.

**Section C - Signature of Owner(s)**

If at any time policy values are not sufficient to cover the premium payable under the Alternate/Offset Premium Payment Plan, no policy values will be applied to pay premiums, and billing for the total required premium due will resume. I will be notified if that occurs.

I should consult my personal tax advisor regarding the possible impact of the Alternate/Offset Premium Payment Plan election under current tax law.

I understand that I have the opportunity to use non-guaranteed policy values to pay required premiums. I understand that the year indicated above represents the year to begin testing for the Alternate/Offset Premium Payment Plan, and this year is not guaranteed and is dependent on policy values actually available at the time of the test and the dividend scale then applicable to my policy. I further understand that once the Alternate/Offset Premium Payment Plan has commenced, there is no guarantee that future values will be sufficient to pay required premiums.

**I hereby acknowledge that my election of the option as indicated above is subject to the information printed on both the front as well as the back of this form.**

Signed at State

Date

\_\_\_\_\_  
Name of Owner(s) (Please print)

\_\_\_\_\_  
Signature of Owner(s)

**X**

\_\_\_\_\_  
Name of Owner(s) (Please print)

\_\_\_\_\_  
Signature of Owner(s)

**X**

\_\_\_\_\_  
Title of Owner (required For Corporate Owned or Trust Owned)

\_\_\_\_\_  
Signature of Assignee

**X**

\_\_\_\_\_  
Title of Owner (required For Corporate Owned or Trust Owned)

\_\_\_\_\_  
Signature of Assignee

**X**