



Important Information about the Guaranteed Income Feature

Guaranteed Income for Life Select Funds

The Guaranteed Income for Life Select Funds utilize a Managed Volatility Strategy (MVS) which seeks to reduce the volatility in a portfolio's performance and limit the magnitude of portfolio losses through the use of a derivatives overlay which adjusts the asset allocation mix based on current market conditions. During certain extreme market conditions, the fund's exposure to cash/cash equivalent could be 100%. If achieved, this goal can smooth out the performance of the fund, which may produce "lower highs and higher lows".

The use of the MVS in Guaranteed Income for Life Select may limit the growth of your account's market value in certain market conditions. For example, during rising markets – especially strong, rising markets with high volatility – your account may rise less than would have been the case if you had been invested in a Portfolio without the MVS. Lower investment performance could result in a lower Benefit Base, and could reduce your future guaranteed minimum withdrawal payments.

The Benefit Base provided by the guarantee feature of Guaranteed Income for Life Select is paid for by the participant and already provides protection against potential market losses. The similarities between the guarantee feature and MVS (e.g., protection against market losses) may offer little to no benefit to participants in certain market scenarios.

The selection of any Fund that utilizes these MVS strategies in addition to income protection provided by Guaranteed Income for Life Select should be consistent with your individual investment objectives and may not be appropriate for everyone. The Fund Sheets and the prospectus of the underlying fund contains more complete information, such as investment objectives, risks, charges, expenses, limitations and restrictions. For further details regarding this Fund and Guaranteed Income for Life Select, speak to your financial representative.

Read the following carefully before submitting a withdrawal, loan or inter-account transfer request from the Guaranteed Income for Life Select Funds. If you have not yet set your Lifetime Income Amount (LIA), refer to section I. If you have set your Lifetime Income Amount, refer to Section 2.

1. Withdrawals before the Lifetime Income Amount (LIA) has been set

A withdrawal, loan or inter-account transfer from the Guaranteed Income for Life Select Funds will reduce the Benefit Base. The amount of reduction will be calculated using one of the following 2 methods, whichever results in a greater reduction to the Benefit Base:

- on a pro-rata basis (i.e., in the same proportion that the withdrawal, loan or inter-account transfer reduces the market value of your investment in the Guaranteed Income for Life Select Funds), or
- by the dollar amount of the withdrawal, loan or inter-account transfer.

Example 1

Withdrawal amount = \$6,000
Benefit Base = \$100,000
Market Value = \$80,000
Pro-rata reduction method = $\$6,000 \times (\$100,000 \div \$80,000) = \$7,500$.

In this example, the pro-rata reduction method (\$7,500) will be applied as it results in a greater reduction to the Benefit Base than the dollar amount (\$6,000).

After reduction the new Benefit Base will be \$92,500 (i.e. \$100,000-\$7,500).

Example 2

Withdrawal amount = \$6,000
Benefit Base = \$100,000
Market Value = \$120,000
Pro-rata reduction method = $\$6,000 \times (\$100,000 \div \$120,000) = \$5,000$

In this example, the dollar amount reduction method (\$6,000) will be applied as it results in a greater reduction to the Benefit Base.

After reduction the new Benefit Base will be \$94,000 (i.e. \$100,000-\$6,000).

The above examples describe the impact on the Benefit Base where a withdrawal, loan or inter-account transfer from the Guaranteed Income for Life Select Funds is requested before the establishment of the Lifetime Income Amount. For details regarding the impact after the establishment of the Lifetime Income Amount, refer to the Guaranteed Income for Life Select Brochure.

Following your withdrawal, loan or inter-account transfer request, if you remain a participant in the Plan and wish to terminate your election of this feature, complete the *Guaranteed Income for Life Select - Participant Election and Change* form.

Inter-Account Transfers

If, following an inter-account transfer out of the Guaranteed Income for Life Select Funds, the Benefit Base is reduced to zero; subsequent transfers into these Funds are prohibited for five years.

Transfers between or among the Guaranteed Income for Life Select Funds will not result in a reduction of the Benefit Base.

If in any year you allocate an amount that is more than 20% of the value of the Benefit Base to the Guaranteed Income for Life Select Funds, your minimum holding period will be reset for another 5 years. This 20% applies to any rolling 365 day period. To facilitate roll-in transfers, this reset is waived for non-recurring contributions and investment transfers received during the first 120 days after you activate the Guaranteed Income for Life feature.

Withdrawals

If you are eligible to rollover your withdrawal from the Guaranteed Income for Life Select Funds and would like to maintain your guarantees in this feature, call our Rollover Education Specialists at 1-888-695-4472 to find out if an eligible John Hancock rollover vehicle is available. If a rollover vehicle is available, read the prospectus carefully before investing.*

If you roll over to an IRA or to another Qualified Plan that does not offer the Guaranteed Income for Life feature or you select to have the entire market value of your investment in Guaranteed Income for Life paid to you, your Benefit Base, Lifetime Income Amount and any other benefits under this feature will be reduced to zero. Note: Once a rollover or distribution occurs, your Benefit Base will be reduced to zero and the option to set your Lifetime Income Amount will no longer be available.

If you are a beneficiary and your withdrawal request is made for reason of the participant's death, refer to the Guaranteed Income for Life Brochure for details regarding the option(s) available to you before submitting your withdrawal request. Call our Rollover Education Specialists at 1-888-695-4472 to find out if an eligible John Hancock rollover vehicle is available. Read the prospectus carefully before investing, if you are eligible to rollover the benefit in this feature.*

Note: Once a rollover or distribution of the entire investment in the Guaranteed Income for Life Feature occurs, the participant's Benefit Base will be reduced to zero and the option to set the Lifetime Income Amount will no longer be available.

* The fees, charges and expenses, as well as certain terms, conditions and funding options of Guaranteed Income for Life available to qualified retirement plans through the group annuity contract will be different from those applicable to a recipient rollover vehicle. The \$2,500 minimum balance requirement does not apply to recipient rollover vehicles.

2. Withdrawals after the Lifetime Income Amount (LIA) has been set

After you have set your LIA, you may request a withdrawal of your LIA at any time by submitting a withdrawal request. An individual LIA withdrawal may be an eligible rollover distribution subject to mandatory federal income tax withholding of 20% if not rolled over to an eligible retirement plan.

If any withdrawal, loan, or transfer from the Guaranteed Income feature (that by itself or cumulatively with other withdrawals, loans, or transfers from the Guaranteed Income feature taken during the year) exceeds your LIA for such year, your Benefit Base will be reduced. It is your responsibility to monitor your cumulative withdrawals, loans, or transfers to ensure that they do not exceed the amount of your LIA, if your intention is to not exceed the amount of your LIA for such year.

Your Benefit Base will be reduced by one of two methods (the dollar for dollar method or the pro rata reduction method, whichever results in a greater reduction), and your LIA will be re-calculated based upon the reduced Benefit Base. See examples in Section 1 above. In general, such Benefit Base reduction and recalculation will occur as of your next Lifetime Income Date.

However, if the remaining market value of your investment in the Guaranteed Income feature is equal to or less than your LIA for the year as a result of such withdrawal, loan or transfer, your Benefit Base will be reduced and your LIA will be recalculated based on the reduced Benefit Base on the business day next following the withdrawal, loan, or transfer. Any subsequent withdrawals, loans or transfers from the Guaranteed feature during the year before Lifetime Income Date may not exceed the greater of the remaining market value of your investment in the Guaranteed Income feature or your recalculated LIA.

If the withdrawal, loan, or transfer reduce the market value of your investment in the Guaranteed Income feature to zero, your Benefit Base and your LIA will be reduced to zero, and your benefit under the Guaranteed Income feature will terminate following such withdrawal, loan, or transfer.

The reductions described above do not apply in the limited circumstances where withdrawals are taken to satisfy the Plan's required minimum distribution requirements and all the applicable conditions (including that you must enroll in the Automatic Withdrawal Program) for such exception are satisfied. Refer to the *Guaranteed Income Feature* brochure for details.

The examples below illustrate the application of the rules described above.

Example 1

Mary sets her LIA, on January 2, which becomes her Lifetime Income Date. Mary's LIA is equal to \$5,000, based on the following:

- Vested Benefit Base = \$100,000;
- Market Value of investment in the Guaranteed Income feature = \$80,000.

On February 15, Mary requests a withdrawal of \$2,000 from the Guaranteed Income feature.

On May 1, assuming the market value of her investment in the Guaranteed Income feature is \$78,000, Mary requests another withdrawal of \$5,000.

Total withdrawals made by Mary for the year = \$7,000.

Mary's withdrawals exceed her LIA by \$2,000 (\$7,000 - \$5,000).

Mary's Benefit Base is reduced on January 2 of the following year (the next anniversary of her Lifetime Income Date) by the greater of \$2,000 (dollar for dollar method) or \$2,564 ($\$2,000 \times (\$100,000/\$78,000)$) (pro rata method).

After reduction, Mary's new Benefit Base = \$97,436 ($\$100,000 - \$2,564$)

New LIA = \$4,871.80 (5% of \$97,436).

Example 2

Same facts as in Example 1 above, except Mary participates in the Automatic Withdrawal Program and also requests the following withdrawals:

On February 15; Mary requests a withdrawal of \$2,000.

On March 15, assuming the market value of her investment in the Guaranteed Income feature is now \$78,000, Mary requests a withdrawal of \$4,000.

On May 1, assuming the market value of her investment in the Guaranteed Income feature is now \$74,000, Mary's automatic LIA withdrawal under the Automatic Withdrawal Program is processed for \$5,000.

Total withdrawals made by Mary for the year = \$11,000.

Mary's withdrawal of \$4,000 on March 1 exceeded her LIA by \$1,000. Her automatic withdrawal on May 1 exceeded her LIA by an additional \$5,000.

Mary's Benefit Base is reduced on January 2 of the following year (the next anniversary of her Lifetime Income Date) and calculated as follows: $(\$1,000 \times (\$100,000/\$78,000) = \$1,282.05) + (\$5,000 \times (\$100,000/\$74,000) = \$6,756.76) = \$8,038.81$.

After reduction, Mary's new Benefit Base on January 2 = \$91,961.19 ($\$100,000 - \$8,038.81$).

New LIA = \$4,598.06 (5% of \$91,961.19)

Example 3

Same facts as in Example 1 above, except Mary requests the following withdrawal:

On February 15, assuming the market value of her investment in the Guaranteed Income feature is still \$80,000, Mary requests a withdrawal of \$78,000 from the Guaranteed Income feature.

On February 16, Mary's Benefit Base and LIA are recalculated because Mary's February 15 withdrawal caused the market value of Mary's investment in the Guaranteed Income feature (\$2,000) to be less than the LIA previously determined (\$5,000).

Mary's Benefit Base is reduced on February 16 and calculated as follows: $(\$78,000 (\$100,000/\$80,000)) = \$97,500$ (pro rata method) which is greater than the withdrawal amount of \$78,000 (dollar for dollar method).

Mary's new Benefit Base = \$2,500 ($\$100,000 - \$97,500$).

New LIA = \$125 (5% of \$2,500)

Example 4

Same facts as in Example 1 except that Mary requests the following withdrawal:

On February 15 Mary withdraws the entire market value of her investment in the Guaranteed Income feature.

On February 16 Mary's Benefit Base and LIA are reduced to zero because the market value of her investment in the Guaranteed Income feature has been reduced to zero after her February 15 withdrawal.

If you have questions about your distribution options, you may call our Rollover Education Specialist at 1-888-695-4472.

Withdrawals

If you are eligible to rollover your withdrawal from the Guaranteed Income for Life Select Funds and would like to maintain your guarantees in this feature, call our Rollover Education Specialists at 1-888-695-4472 to find out if an eligible John Hancock rollover vehicle is available. If a rollover vehicle is available, read the prospectus carefully before investing.*

If you rollover to an IRA or to another Qualified Plan that does not offer the Guaranteed Income for Life feature or you select to have the entire market value of your investment in Guaranteed Income for Life paid to you, your Benefit Base, Lifetime Income Amount and any other benefits under this feature will be reduced to zero. Once a rollover or distribution occurs, your Benefit Base and Lifetime Income Amount will be reduced to zero.

If you are a beneficiary and your withdrawal request is made for reason of the participant's death, refer to the *Guaranteed Income for Life* brochure for details regarding the option(s) available to you before submitting your withdrawal request. Call our Rollover Education Specialists at 1-888-695-4472 to find out if an eligible John Hancock rollover vehicle is available. Read the prospectus carefully before investing, if you are eligible to rollover the benefit in this feature.* Once a rollover or distribution of the entire investment in the Guaranteed Income for Life Feature occurs, your Benefit Base and Lifetime Income Amount will be reduced to zero.

* The fees, charges and expenses, as well as certain terms, conditions and funding options of Guaranteed Income for Life available to qualified retirement plans through the group annuity contract will be different from those applicable to a recipient rollover vehicle. The \$2,500 minimum balance requirement does not apply to recipient rollover vehicles.